United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, SECOND SESSION

SENATE

THURSDAY, MAY 23, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

God of all mercies, who didst guide our fathers as they fashioned this Republic, who hast entrusted to our hands a sacred heritage crimsoned by sacrifice and the strength of chastening trials, in this high hour of decisions freighted with destiny, grant that those who here speak for the Nation may be so true to their high calling as servants of the common good that radiant joy may transfigure duty and that on this new day appointed tasks may be met with purity of purpose, without moral compromise or craven fear. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 22, 1946, was dispensed with, and the Journal was approved.

NOTICE OF HEARING ON NOMINATION OF HARRY E. KALODNER TO BE JUDGE, UNITED STATES CIRCUIT COURT OF APPEALS, THIRD CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Saturday, June 1, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit, vice Hon. Charles Alvin Jones, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore (Mr. GEORGE) laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE—THE JUDICIARY, UNITED STATES SUPREME COURT (S. Doc. No. 186)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the judiciary, Supreme Court of the United States, amounting to $7,390, fiscal year 1947, in the form of an amendment to the budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Servicemen's Readjustment Act of 1944 (with an accompanying paper); to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 661. A bill for the relief of Harold H. Rhodes; without amendment (Rept. No. 1372);

S. 1773. A bill for the relief of Frederick Uhrman; with amendments (Rept. No. 1373);

S. 1912. A bill for the relief of Brig. Gen. Carl H. Seals; with an amendment (Rept. No. 1374);

H. R. 238. A bill for the relief of Henrietta Silk; without amendment (Rept. No. 1375);

H. R. 3525. A bill for the relief of Owen Young; without amendment (Rept. No. 1376);

H. R. 3967. A bill for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor; with an amendment (Rept. No. 1377);

H. R. 4298. A bill for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson; without amendment (Rept. No. 1378);

H. R. 4301. A bill for the relief of Philip Naope Kaili and Susie Kaili; without amendment (Rept. No. 1379); and

H. R. 6245. A bill for the relief of Mary G. Paul; without amendment (Rept. No. 1380).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 1852. A bill for the relief of Arlis Earl Teekell, a minor, with amendments (Rept. No. 1381);

H. R. 2246. A bill for the relief of the estate of Michael O. Mello, and Christian O. Mello; without amendment (Rept. No. 1382);

H. R. 4142. A bill for the relief of Johnnie V. Nations; without amendment (Rept. No. 1383);

H. R. 6010. A bill for the relief of the Yakutat Cooperative Market; without amendment (Rept. No. 1384); and

H. R. 6334. A bill for the relief of the estate of Carmen Aurora de la Flor, deceased; without amendment (Rept. No. 1385).

By Mr. WHERRY, from the Committee on Claims:

H. R. 2544. A bill for the relief of Willie Hines; with an amendment (Rept. No. 1386); and

H. R. 4716. A bill for the relief of Charles B. Borell; without amendment (Rept. No. 1387).

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

S. 1942. A bill to incorporate the Federal City Charter Commission; with amendments (Rept. No. 1388).

RECONSTRUCTION OF SENATE AND HOUSE ROOFS AND SKYLIGHTS—REPORT OF SPECIAL COMMITTEE (REPT. NO. 1389)

Mr. ANDREWS. Mr. President, from the special committee appointed under Public Law 155, Seventy-ninth Congress, relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, I ask unanimous consent to submit a report thereon and request that it be printed in the RECORD.

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

The special Senate committee appointed under Public Law 155, Seventy-ninth Congress, at a meeting yesterday approved the plans for remodeling the Senate Chamber submitted by the Architect of the Capitol.

These plans, prepared by Francis P. Sullivan, associate architect, and Harbeson, Hough, Livingston & Larson, consultants, in collaboration, have the approval of the Commission of Fine Arts and the Architect of the Capitol and are acceptable to the several consultants on air conditioning, lighting, and acoustics, and to the structural engineers.

The committee also approved the report of the Architect of the Capitol on the project, describing the plans and recommending that the remodeling work be postponed until the summer of 1947.

The report of the Architect of the Capitol follows:

"MAY 22, 1946.

"ALTERATION AND IMPROVEMENT OF INTERIOR OF SENATE AND HOUSE CHAMBERS AND RECONSTRUCTION OF ROOFS AND SKYLIGHTS OVER SENATE AND HOUSE WINGS OF THE UNITED STATES CAPITOL BUILDING

"APPROVAL OF PLANS

"The Architect of the Capitol presents for the consideration and approval of the Senate committee appointed under the act of July 17, 1945, Public Law 155, Seventy-ninth Congress, the plans for the Senate Chamber improvements authorized by that act.

"In this connection, the act of July 17, 1945 provides in pertinent part, as follows:

" 'The appropriation of $585,000 provided in the Second Deficiency Appropriation Act, approved June 27, 1940, as amended * * * for the reconstruction of the roofs and skylights over the Senate and House wings of the United States Capitol * * * shall be

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available also for the substitution of reinforced concrete roof slab for the skylights over the Senate and House Chambers, reconstruction of ceilings, redecoration, acoustical treatment, improved lighting, and other alterations, changes, and improvements in such Chambers: *Provided further*, That there is hereby authorized to be appropriated * * * such additional amounts as may be necessary for the additional improvements herein authorized: *Provided further*, That the project, insofar as it affects the Senate wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Senators, to be appointed by the President pro tempore of the Senate, upon recommendation of the chairman of the Senate Committee on Public Buildings and Grounds * * *.

"'SEC. 2. The Architect of the Capitol is authorized to enter into a contract or contracts for carrying out the provisions of this joint resolution for a total amount not exceeding $861,000 in addition to the aforesaid appropriation of $585,000 heretofore provided in the Second Deficiency Appropriation Act of June 27, 1940.'

"The plans, as submitted, represent designs developed by Francis P. Sullivan, Associate Architect, and Harbeson, Hough, Livingston, and Larson, consultants, in collaboration. The designs have the approval of the Commission of Fine Arts and the Architect of the Capitol, and they are acceptable to the several consultants on air conditioning, lighting, and acoustics, and to the structural engineers. In their present form, they are the result of the combined efforts and ideas of all concerned with their preparation.

"The plans are described on pages 6, 7, 8 of this report.

"TIME OF PERFORMANCE OF WORK IN SENATE CHAMBER

"Delays that have occurred under the project to date, explained on pages 9, 10, 11 of this report, together with present unsettled industrial conditions, make it necessary for the Architect of the Capitol to recommend that the work of improving the Senate Chamber not be undertaken until the summer of 1947.

"The Commissioner of Public Buildings, several large construction companies, and other sources have been consulted with regard to industrial conditions, and it is their consensus of opinion that in order to even attempt the Senate Chamber improvements this summer, it would be necessary to perform the work under noncompetitive contracts on a cost-plus-fixed-fee basis. Moreover, there is still such a critical scarcity of essential building materials, and labor conditions are such that there is little likelihood that contractors could live up to fixed delivery schedules necessary to complete the job within a restricted period.

"These facts are borne out forcefully in two letters which I have received and will make a part of the minutes of the meeting—one from Commissioner Reynolds to Colonel Dryden of the Veterans' Administration, and the other from the Consolidated Engineering Co. to the Architect of the Capitol.

"NEED FOR APPROVAL OF PLANS AT PRESENT TIME

"Due to the proposed adjournment of Congress in July of this year and, at least, the possibility that Congress might not return until the following January, it is urgent that the plans for the Senate and House Chamber improvements be approved by the Senate and House committees prior to such adjournment. Because of the time required, after approval of the plans, for the preparation of the detailed working drawings and specifications, inviting bids, award of contracts, and fabrication and delivery of materials to the site, the project cannot be started promptly in July 1947 if the Senate and House committees wait until after the new Congress convenes in January 1947 to approved the plans.

"TIME REQUIRED AND PROPOSED PROCEDURE AFTER APPROVAL OF PLANS

"It is estimated that after the plans for the Senate and House Chamber improvements are approved by the Senate and House committees, from 3 to 4 months will be required for preparation and completion of the detailed working drawings and specifications, and for inviting bids, and awarding contracts.

"It is the plan of the Architect of the Capitol, once the plans have been approved by the Senate and House committees, to have the associate architect and consulting engineers proceed with the completion of the working drawings and specifications, and in either the latter part of November or early part of December 1946 to invite bids, but to withhold the placement of contracts until after Congress convenes in January, at which time the bids will be presented to the Senate and House committees for consideration, and legislation requested to provide such increase in the authorized limit of cost as may be necessary as a result of the bids received—before awards are made by the Architect of the Capitol.

"If the contracts are placed in January or February 1947, the materials necessary to start the work can be fabricated and delivered to the site by July 1947—it being estimated that from 4 to 5 months will be required for such deliveries.

"INCREASED COSTS

"Now that the plans have been developed and the various improvements desired by the Senate and House committees incorporated, and materials required for the job determined, it is estimated that in the light of present conditions, in order to accomplish the project as presently planned, it will be necessary to request that the authorized limit of cost of $1,446,000 fixed for the project by the acts of June 27, 1940, and July 17, 1945, be substantially increased.

"Due to present unsettled conditions, an accurate estimate of the amount required cannot be made at this time; but it is certain that a substantial increase will be necessary. The original estimate included a reserve for features which could not be determined in advance of a more or less detailed study by the architects and engineers engaged for the different branches of the work. It is now apparent that this reserve will be more than exhausted by such items as improvements in the air conditioning and lighting systems, improvements in architectural treatment recommended by the consultants and the Commission of Fine Arts, stainless steel ceilings, insulation of roofs, sound amplifying system for the House Chamber, and new seating on the floor of the House.

"Although there is no definite assurance that the improvements will cost less as a result of the deferment of the projct, there is at least the expectation that the Government will have the benefit of closer and more intelligent competition from bidders under more favorable conditions. There will also be the advantage that before an increase in the authorized limit of cost of the project is requested, an estimate more nearly approaching the ultimate cost can be prepared based on actual bid prices.

"DESCRIPTION OF PLANS FOR SENATE CHAMBER IMPROVEMENTS

"The design of the Senate Chamber has been studied with motives derived from classic architecture from the same sources as used by the architects of the earlier portions of the Capitol and of other buildings of the early Republic, this design being fitted to thoroughly modern means of lighting, air conditioning, and acoustic treatment.

"In the scheme as submitted, the walls of the lower portion of the Chamber will be of painted wood paneling separated by pilasters of colored marble with light marble caps and bases. Colored marble will be used for the columns flanking the Vice President's rostrum and for the base and sub-base around the Chamber; and the decorative panels in the four corners of the room and the door trim will be of light marble. The cornice will be of marble and the clock of bronze. The Vice President's desk and the desk of the clerks and reporters will be faced with marble.

"The walls of the gallery will be provided with a marble wainscot approximately 4 feet high. The wall above the wainscot will be faced with an acoustical product covered with fabric such as velour brocade. The door trims and niches will be of light marble and new wood doors will be provided. A decorative frieze will be introduced at the junction of the walls and ceiling.

"The existing gallery floor construction will be replaced with fireproof material arranged in steps, the face of which will be of marble and the platforms covered with a noiseless flooring such as cork tile.

"The existing gallery seats will be replaced with an improved type of noiseless seats with especially designed arms and ends corresponding with the remainder of the room. The existing desks in the press gallery will be replaced with new desks and this section of the gallery will be enlarged.

"The treatment of the ceiling contemplates a relatively flat portion extending outward from the walls in which will be incorporated a series of decorative coffers, and a higher central portion curved in section and provided with a cove. This central portion will be constructed of stainless steel, perforated with small holes for the introduction of air conditioning, and painted. The rest of the ceiling will be of plaster. Back of the perforated portion an acoustical treatment will be introduced as may be necessary.

"In the center of the ceiling will be introduced an ornamental rosette, the field of which will be of carved shatterproof glass illuminated from above so as to furnish a visible source of direct light. This light source will be provided mainly for the sake of appearance of the Chamber. The actual lighting of the floor will be accomplished by reflected light from the ceiling, the source of which will be light outlets arranged around the perimeter of the cove.

"Lighting for the gallery will be provided by light panels in the ceiling close to the walls. The final lighting arrangement, however, will be the result of a test demonstration at full scale now arranged for.

"Air conditioning for the galleries will be introduced through semicircular outlets around the wall at the back of the gallery. The air conditioning for the floor will be introduced through the perforations in the stainless steel ceiling already mentioned.

"While the plans and the descriptions together present a view of the Chambers substantially as they are intended to be when remodeled, it is anticipated that some changes may be found necessary or desirable in materials, methods, and design as the working drawings are developed and opportunity is afforded for more detailed study of the problems involved. The architectural character, however, will be preserved, and the necessities of air conditioning, illumination, acoustics, and other practical features will have the most serious consideration.

"RECONSTRUCTION OF ROOFS

"The present roof construction with its skylights and iron trusses will be removed and replaced by reinforced concrete slabs and structural steel beams supported on steel trusses. The skylights in the connections between the central portion of the building and the two wings will likewise be eliminated

and replaced by a concrete and steel roof. The new roof structure will be fireproof throughout. The existing cast iron ceiling with its glass panels will be removed and such disposition made of the glass panels as may be decided upon. The roof will be insulated and covered with sheet copper. New air-conditioning ducts will be run below the new roofs, eliminating the old ducts which are now on top of the roofs and thereby materially improving the air view of the building.

"DELAYS ENCOUNTERED

"When the Senate and House Chamber improvements were authorized by Congress in Public Law 155, approved July 17, 1945, the Architect of the Capitol advised the Senate and House Committees, appointed under that law, that in order to have the materials fabricated and delivered to the site in time to start construction work within and above the Chambers on July 1, 1946, it would be necessary for the plans to be approved by the committees and the working drawings completed, bids advertised for, and contracts awarded by March 1, 1946.

"This schedule has been upset due to delays over which the Architect of the Capitol has had no control.

"In the first instance, the Senate Committee decided on July 31, 1945, that in addition to procuring the services of Mr. Sullivan as Associate Architect, the Architect of the Capitol should also employ Mr. Paul P. Cret as consultant to act as censor and critic of the Senate Chamber plans prepared by Mr. Sullivan and the Architect of the Capitol in the course of the preparation of such plans and drawings, and to recommend to the Architect of the Capitol any changes or improvements in such plans considered desirable.

"While a contract was being negotiated with Mr. Cret in August 1945, Mr. Cret was taken seriously ill, and died on September 8, 1945. The committee was informed of his death and the Architect of the Capitol requested that he be advised as to the committee's wishes in the matter of the selection of another consultant.

"The Senate committee, together with three Members of the House committee, met on October 5, 1945, and at that meeting, which was also attended by members of the Commission of Fine Arts, both the Senate and House committees requested the Commission of Fine Arts to recommend an architect to serve in the capacity in which it had been intended to have Mr. Cret act.

"On October 8, 1945, the Commission of Fine Arts recommended to the Senate and House committees that Mr. Cret's successors in office—Messrs. Harbeson, Hough, Livingston, and Larson, architects of Philadelphia—be employed as consultants for the Senate and House Chamber improvements.

"The House committee approved the selection of these architects to serve as consultant for the House Chamber improvements on November 23, 1945; and the Senate committee approved the selection of these architects to serve as consultant for the Senate Chamber improvements on November 26, 1945.

"A contract was entered into with Harbeson, Hough, Livingston, and Larson on December 4, 1945.

"Prior to the employment of the consultants, Mr. Sullivan proceeded as far as he could with his sketches and preliminary plans, but only limited progress could be made until the consultants were employed.

"During the period December 4, 1945, to May 1946, Mr. Sullivan has collaborated and conferred closely with the consultants; also with the acoustical, air-conditioning, and lighting experts, and the structural engineers, and all matters of consequence have been taken up and discussed at length with the Architect of the Capitol. Meetings have been held in the Office of the Architect of the Capitol at which the various consultants have been represented and differences of opinion ironed out. Meetings have also been held with the Commission of Fine Arts and their recommendations have been incorporated in the plans. Numerous changes have been considered, and repeated revisions made in the plans in an effort to obtain the best architectural results without sacrificing acoustical, lighting, air-conditioning, and structural-engineering requirements.

"Had it not been for the circumstances herein enumerated, the plans developed and agreed upon during the period December 4, 1945, to April 1946, would normally have been developed and agreed up on during the period September 1, 1945, to January 1946.

"Additional time has also been required to check the availability of materials proposed to be used, and to make a study of the effects that present unsettled industrial conditions would have, particularly with regard to costs, on attempting to carry forward the Senate and House Chamber improvements this year."

BILLS INTRODUCED

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

By Mr. REED:

S. 2240. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn sold by producers between January 1, 1946, and April 18, 1946; to the Committee on Agriculture and Forestry.

By Mr. WHERRY:

S. 2241. A bill to amend section 421 of the Internal Revenue Code so as to provide for the refund of income taxes paid for taxable years beginning after December 31, 1941, by persons who die while serving in the armed forces; to the Committee on Finance.

By Mr. BARKLEY (for Mr. GLASS):

S. 2242. A bill to authorize the coinage of 50-cent pieces to commemorate the life and perpetuate the ideals and teachings of Booker T. Washington; to the Committee on Banking and Currency.

By Mr. JOHNSTON of South Carolina (by request):

S. 2243. A bill to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital; to the Committee on the District of Columbia.

By Mr. SALTONSTALL:

S. 2244. A bill for the relief of Mrs. Maja V. Capek; to the Committee on Immigration.

ABOLISHMENT OF OFFICE OF PRICE ADMINISTRATION—ADDITION OF NAME ON INTRODUCTION OF BILL

Mr. STEWART. On Friday, May 17, I introduced a bill (S. 2215) to abolish the Office of Price Administration and to transfer certain of its functions to the Secretary of Agriculture and the National Housing Administrator. Inadvertently I left off the bill the name of the Senator from Nebraska [Mr. WHERRY], who, as I am, is a member of the Complaints Subcommittee of the Special Committee To Study and Survey Problems of Small Business Enterprises. Mr. President, I ask unanimous consent that the name of the Senator from Nebraska may appear on the bill in the usual manner so it may be shown that the bill was introduced by me on behalf of the Senator from Nebraska and myself.

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

MEDIATION OF LABOR DISPUTES—AMENDMENTS

Mr. MURRAY submitted amendments intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which were ordered to lie on the table and to be printed.

MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. ELLENDER (for himself, Mr. BYRD, Mr. HATCH, Mr. LUCAS, Mr. BALL, Mr. TAFT, Mr. HAWKES, and Mr. FERGUSON), submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

EDUCATIONAL FACILITIES FOR VETERANS—AMENDMENTS

Mr. MEAD submitted amendments intended to be proposed by him to the bill (S. 2085) to amend title V of the act entitled "An act to expedite the provision of housing in connection with the national defense, and for other purposes," approved October 14, 1940, as amended, to authorize the Federal Works Administrator to provide needed educational facilities, other than housing, to educational institutions furnishing courses of training or education to persons under title II of the Servicemen's Readjustment Act of 1944, as amended, which were referred to the Committee on Education and Labor and ordered to be printed.

ROOSEVELT MEMORIAL DINNER ADDRESS BY JUSTICE BLACK

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Justice Hugo L. Black at the National Citizens Political Action Committee Roosevelt Memorial Dinner, which appears in the Appendix.]

DON'T YIELD ON PRINCIPLES—EDITORIAL FROM WASHINGTON NEWS

[Mr. MOORE asked and obtained leave to have printed in the RECORD an editorial entitled "Don't Yield on Principles," dealing with the coal and railroad strikes, published in the Washington News of May 22, 1946, which appears in the Appendix.]

GI MORALS IN GERMANY—ARTICLE BY WALTER J. SLATOFF

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article entitled "GI Morals in Germany," by Walter J. Slatoff, printed in the New Republic, which appears in the Appendix.]

POSTWAR LABOR PROBLEM AND GLOBAL WAR RECONSTRUCTION—BRIEF BY ROSCOE LEWIS ASHLEY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a letter from Roscoe Lewis Ashley to Senator MURRAY enclosing a brief entitled "Significance of the Postwar Labor Problem in Relation To Global War Reconstruction," which appears in the Appendix.]

REQUEST TO CHANGE VOTE

Mr REED obtained the floor.

Mr. LANGER. Mr. President——

Mr. HILL. Mr. President, I understand the Senator from North Dakota desires to put something in the RECORD.

Mr. REED. I yield for unanimous-consent requests.

Mr. LANGER. Mr. President, last evening before the Senate voted on the amendment of the Senator from Florida [Mr. PEPPER] I had been engaged all day in various Government departments and so was not as familiar as I should have been with the subject matter. I had been working in behalf of some of my constituents in the various departments. I, therefore, ask unanimous consent that I be permitted to change my vote on the so-called Pepper amendment from "nay" to "yea."

Mr. HILL. Mr. President, such a request is not in order under the rules, as I understand.

The ACTING PRESIDENT pro tempore. The Chair thinks that by unanimous consent it may be done.

Mr. HILL. Mr. President, I do not think a Senator can——

The ACTING PRESIDENT pro tempore. The Chair thinks that by unanimous consent a Senator may be permitted to change his vote. Is there objection?

Mr. HILL. For the time being at least I shall have to object. I shall be glad to talk to the Senator from North Dakota about it, but for the time being at least I shall have to object.

The ACTING PRESIDENT pro tempore. Objection is made.

Mr. LANGER. Mr. President, I should like to say for the RECORD that I was busy in behalf of some of my constituents from North Dakota, particularly the American Legion, who are going to hold a convention at Bismarck, N. Dak., on June 16, 17, and 18, when they expect 2,000 delegates. There is insufficient housing there, but at Fort Lincoln, N. Dak., there are 2,000 cots, mattresses, and blankets. The supposition had been that they were under the jurisdiction of the War Department. So I spent my time at the War Department, and then discovered that the matter was under the jurisdiction of the Department of Justice. The result was that it took me all day to have the matter straightened out, and I was unfamiliar with the subject matter of the amendment, but if I had been familiar with it I should have voted the other way.

Mr. PEPPER. Mr. President, will the Senator from Kansas yield to me on the same point?

Mr. REED. I desire to accommodate the Senator from Florida, and any other Senator so far as possible. I am willing to yield for unanimous consent requests.

Mr. PEPPER. I ask unanimous consent to make the statement that I am sure the able Senator from Pennsylvania [Mr. GUFFEY], the able Senator from New York [Mr. WAGNER], and the able Senator from Rhode Island [Mr. GREEN] share the same sentiments as have just been expressed by the able Senator from North Dakota, and if present they—and no doubt other Senators—would have voted for the amendment yesterday; but for one reason or another, they were not able to reach the floor, although they were around the Capitol when the vote was taken.

Mr. WHITE. Mr. President, will the Senator from Kansas yield?

Mr. REED. I yield.

Mr. WHITE. Mr. President, I think it is an unprecedented thing to ask that the record of a vote be changed after the declaration of the result has been made by the Chair. I think it would be entirely proper for the Senator from North Dakota or any other Senator to make an explanation either that he voted through a misunderstanding or through an error which he now wishes to correct. Any statement of that sort I think is appropriate for a Senator to make, but I feel certain that neither in the rules nor in the precedents can there be found authority for changing a vote after the result has been declared.

Mr. LANGER. Mr. President, I am not going to press the point, but 10 days ago the Senator from Maryland [Mr. TYDINGS] changed his vote, and that is all the precedent I thought I needed.

The ACTING PRESIDENT pro tempore. Let the Chair make this announcement. Rule XII of the Senate in regard to voting is in part as follows—the chair reads only the pertinent portions:

> And no Senator shall be permitted to vote after decision shall have been announced by the presiding officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote.

So that it is in the rules of the Senate. Objection has been made, but the Senator from North Dakota has made his statement, and it goes in the RECORD.

Mr. TYDINGS. Mr. President, I think the Senator from North Dakota was under a misapprehension when he said that I asked that my vote be changed some 10 days ago. I am sure he got me confused with some other Senator. I have no recollection of asking that my vote be changed. I know the Senator from North Dakota made the statement in good faith, but I did not ask that my vote be changed 10 days ago.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. HILL. Mr. President, will the Senator from Kansas yield to me to suggest the absence of a quorum?

Mr. REED. I yield.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

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

Aiken	Ellender	Johnston, S. C.
Andrews	Ferguson	Kilgore
Austin	Fulbright	Knowland
Ball	George	La Follette
Bankhead	Gerry	Langer
Barkley	Green	Lucas
Brewster	Guffey	McCarran
Buck	Gurney	McClellan
Bushfield	Hart	McFarland
Byrd	Hatch	McMahon
Capehart	Hawkes	Magnuson
Capper	Hayden	Mead
Connally	Hickenlooper	Millikin
Cordon	Hill	Mitchell
Donnell	Hoey	Moore
Downey	Huffman	Morse
Eastland	Johnson, Colo.	Murdock
Murray	Saltonstall	Tydings
Myers	Shipstead	Vandenberg
O'Daniel	Smith	Wagner
O'Mahoney	Stanfill	Walsh
Overton	Stewart	Wheeler
Pepper	Taft	Wherry
Radcliffe	Taylor	White
Reed	Thomas, Okla.	Wiley
Revercomb	Thomas, Utah	Wilson
Robertson	Tobey	Young
Russell	Tunnell	

The ACTING PRESIDENT pro tempore. As chairman of the Committee on Finance, the present occupant of the chair would like to state that at his request the senior Senator from Massachusetts [Mr. WALSH] is presiding at a meeting of the Committee on Finance, and also that the junior Senator from Massachusetts [Mr. SALTONSTALL] is attending the meeting.

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

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Missouri [Mr. BRIGGS] and the Senator from New Mexico [Mr. CHAVEZ] are detained on public business.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] and the Senator from Nebraska [Mr. BUTLER] are absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] and the Senator from New Hampshire [Mr. BRIDGES] are necessarily absent.

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, will the Senator from Kansas yield to me so I may make a short statement?

Mr. REED. I yield.

Mr. BARKLEY. For the benefit of Senators who were not here last night when I made the announcement, I wish to reiterate that it is the purpose to proceed with a night session tonight, and a night session tomorrow night, and, if necessary, a session on Saturday, in order that we may make progress on the pending legislation.

Mr. TYDINGS. Mr. President, will the Senator from Kansas yield to me so I may ask the Senator from Kentucky a question?

Mr. REED. I yield.

Mr. TYDINGS. Is it the intention of the Senator from Kentucky that the Senate meet on each of those days at 11 a. m.?

Mr. BARKLEY. I rather think so.

Mr. TYDINGS. As one Member of the Senate, I would prefer that the Senate meet at 10 o'clock or 10:30 or 11 in the morning, and conduct its business during the remainder of the day, rather than to start at 12 o'clock and stay in session until 7 or 8 o'clock at night.

Mr. BARKLEY. I will say to the Senator from Maryland that even meeting at

11 does not necessarily obviate the necessity for a night session.

Mr. TYDINGS. No; but it will help, in my opinion.

Mr. BARKLEY. It will help.

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

Mr. REED. I yield.

Mr. TOBEY. Is it the understanding of the Senator from Kentucky that if we finish this bill there will be no Saturday session?

Mr. BARKLEY. No; that is not necessarily the understanding. It might help lean a little in that direction.

Mr. TOBEY. If we all push.

Mr. BARKLEY. But there is important legislation that might be considered and disposed of even on Saturday if we are in session, so I do not want to foreclose the Senate from a session on Saturday even if we finish this bill tomorrow.

Mr. OVERTON. Mr. President, will the Senator from Kansas yield to me?

Mr. REED. I am very happy to yield for a unanimous consent request only.

Mr. OVERTON. I thank the Senator. Last night there was a yea-and-nay vote on the Pepper amendment. I was not present. I remained on the floor of the Senate until about 6:30 p. m., and, understanding there would be no vote taken last night, I left. I wish to state that had I been present I would have voted against the Pepper amendment.

Mr. BANKHEAD. Mr. President, will the Senator from Kansas yield to me so that I may make a statement?

Mr. REED. I yield.

Mr. BANKHEAD. I wish to say that I am in the same situation as the Senator from Louisiana who just spoke. I was absent from the Senate last night when the yea-and-nay vote was taken. I had made inquiry and was advised that it was likely there would be no vote taken last night. Had I been present I would have voted against the Pepper amendment.

Mr. O'DANIEL. Mr. President, will the Senator from Kansas yield to me so I may make a statement respecting the vote taken last night?

Mr. REED. I yield for that purpose.

Mr. O'DANIEL. I wish to make a statement similar to the ones just made by the Senator from Louisiana [Mr. OVERTON] and the Senator from Alabama [Mr. BANKHEAD]. I am greatly interested in the legislation under consideration and have been vitally interested in promoting constructive labor legislation ever since I became a Member of the Senate. I regret that I was unavoidably detained at the moment the vote on the Pepper amendment was taken late yesterday evening. It was necessary for me to be in Texas Tuesday of this week and I flew back to Washington Tuesday night especially to be here while the voting was taking place on H. R. 4908 and all amendments thereto, and was in the Senate Chamber yesterday. Late in the day I was told that no vote was likely to be taken yesterday so I left the Chamber to look after other important governmental matters and while absent the vote was taken. Had I been present I would have noted "nay." I am glad the Pepper amendment was defeated so overwhelmingly.

Mr. MOORE. Mr. President, will the Senator from Kansas yield to me so I may make a short statement?

Mr. REED. I yield.

Mr. MOORE. Mr. President, an important statement made by Mr. Philip Murray, president of the CIO, to the Automobile Workers Convention at Atlantic City on March 25 has come to my attention. It is important because of the deep implication which it carries. It is important to this Senate because of the matters now before us for consideration. The statement is as follows:

> There isn't anyone or any group big enough to do a single solitary damn thing to the CIO. We are more influential and powerful than at any time in our history.

Mr. President, this statement is so significant in its implications that no comment is required. I am sure that every Member of this Senate understands exactly what the president of the CIO means by it.

Mr. GREEN. Mr. President, will the Senator from Kansas yield to me so I may offer two amendments to the so-called Byrd amendment?

Mr. REED. I yield for that purpose.

Mr. GREEN. On behalf of the Senator from Florida [Mr. PEPPER] and myself, I offer two amendments, each as a substitute for the Byrd amendment, as modified.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table.

Mr. GREEN. I ask also that they be printed in the RECORD.

There being no objection, the amendments offered by Mr. GREEN, for himself and Mr. PEPPER, were ordered to be printed in the RECORD as follows:

AMENDMENT NO. 1

At the proper place insert the following:

"SEC. —. It shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees engaged in an industry affecting commerce, separately or jointly to establish and maintain a fund for the provision of hospital, medical, and home-nursing care and services, vocational rehabilitation, and other benefits to promote the welfare of such employees: *Provided*, That, wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be prescribed by the Federal Security Administrator to assure the equitable administration of the fund for the purposes for which it was established and to provide for a public audit of such fund. Whoever violates such regulations shall be punishable by a fine of $10,000 or imprisonment for 6 months or both."

AMENDMENT NO. 2

As a substitute for the Byrd amendment insert the following:

"SECTION 1. In any industry affecting commerce where funds are raised for the general or special benefit of the industry, which funds by authority of law may be added to the cost of the commodity or service furnished, then the administration of such funds shall be subject to rules and regulations which may be prescribed by the Secretary of Commerce.

"SEC. 2. Whoever violates such regulations shall be punishable by a fine of $10,000 or imprisonment for 6 months or both."

Mr. REED. Mr. President, a commentator of the time, discussing results flowing from the French Revolution, in the beginning of the Napoleonic era said:

> France has waded through a revolution to a republic, only to find herself in the hands of a master more despotic than any who ever sat upon the throne.

Paraphrasing that statement it is accurate today to state that after a long period of effort to curb manufacturing and trade monopolies, in the interests of the public welfare, the people of the United States find themselves in the power of monopolistic labor unions which are "more despotic than any financial monopolist that ever sat upon a throne."

Today, organized labor, despite internal divisions, has a composite political power greater than any other economic class in the United States. It has been endowed with special privileges and immunities and powers of aggressive action which permit and actually encourage national unions to override the police powers of local and State governments, and even to overawe the Federal Government with demonstrations of private force.

It is no exaggeration to say that our "house" of industry and government is being divided by a class warfare which originated in an effort to control industry through organized force, and has inevitably grown into an effort to control government in the interest of one organized class. The ancient warning that rang across this country in 1858 may well be sounded again today: "A house divided against itself cannot stand."

In the latter months of 1919, some 26 or 27 years ago, the United States faced a condition regarding the production of coal not unlike the condition facing the country at this time. A Nation-wide coal strike had been ordered by the labor organization known as the United Mine Workers. That is the situation now.

The people of the entire country were threatened with exhaustion of the supply of fuel necessary for their health and safety, as well as carrying on of commerce generally. The State of Kansas believed that the time had come to invoke powers of government to insure the health and welfare of the people, as well as to prevent stoppage of commerce. The State of Kansas took over and operated part of the coal mines in the State during the period of the strike. In that action, the sovereignty of the State and its duty to protect the health and welfare of the people was asserted.

The Governor of Kansas called the legislature of that State into session in January of 1920. A statute known as the Kansas Industrial Court Law creating the Court of Industrial Relations was enacted. The declaration of policy of the Kansas Industrial Court Law reads as follows:

> The operation of the following-named and indicated employments, industries, public utilities, and common carriers, is hereby determined and declared to be affected with a public interest and, therefore, subject to supervision by the State as herein provided for the purpose of preserving the public peace, protecting the public health, preventing industrial strife, disorder, and waste, and securing regular and orderly conduct of the

businesses directly affecting the living conditions of the people of this State, and in the promotion of the general welfare.

It is hereby declared and determined to be necessary for the public peace, health, and general welfare of the people of this State that the industries, employments, public utilities, and common carriers herein specified shall be operated with reasonable continuity and efficiency in order that the people of this State may live in peace and security, and be supplied with the necessaries of life. * * *

It is hereby declared necessary for the promotion of the general welfare that workers engaged in any of said industries, employments, utilities, or common carriers shall receive at all times a fair wage and have healthful and moral surroundings while engaged in such labor; and that capital invested therein shall receive at all times a fair rate of return to the owners thereof. The right of every person to make his own choice of employment and to make and carry out fair, just, and reasonable contracts and agreements of employment is hereby recognized.

Mr. President, I have had prepared a table showing the declarations of policy of the Kansas Court of Industrial Relations law, which was passed in 1920, and to which I have just referred; the declaration of policy in the National Labor Relations Act; the declaration of policy in the Railway Labor Act; and the declaration of policy in the bill presently before the Senate. I ask unanimous consent that this table be printed in the RECORD at this point as part of my remarks; and I make the request of the Public Printer that, if it is typographically possible, the table be printed across the page, in parallel columns.

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

KANSAS COURT OF INDUSTRIAL RELATIONS	NATIONAL LABOR RELATIONS ACT	CASE BILL AS PASSED BY HOUSE, H. R. 4908	RAILWAY LABOR ACT
The operation of the following-named and indicated employments, industries, public utilities, and common carriers is hereby determined and declared to be affected with a public interest, and therefore subject to supervision by the State as herein provided for the purpose of preserving the public peace; protecting the public health; preventing industrial strife, disorder, and waste; and securing regular and orderly conduct of the businesses directly affecting the living conditions of the people of this State and in the promotion of the general welfare. * * * * * It is hereby declared and determined to be necessary for the public peace, health, and general welfare of the people of this State that the industries, employments, public utilities, and common carriers herein specified shall be operated with reasonable continuity and efficiency in order that the people of this State may live in peace and security, and be supplied with the necessaries of life. * * * * * It is hereby declared necessary for the promotion of the general welfare that workers engaged in any of said industries, employments, utilities, or common carriers shall receive at all times a fair wage and have healthful and moral surroundings while engaged in such labor, and that capital invested therein shall receive at all times a fair rate of return to the owners thereof. The right of every person to make his own choice of employment and to make and carry out fair, just, and reasonable contracts and agreements of employment is hereby recognized.	The denial by employers of the right of employees to organize and the refusal by employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce by (a) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (b) occurring in the current of commerce; (c) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods from or into the channels of commerce, or the prices of such materials or goods in commerce; or (d) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing from or into the channels of commerce. It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining, and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.	It is declared to be the policy of the United States that labor disputes affecting the public interest should be settled fairly and, so far as possible, without interruption or delay in the production and distribution necessary to the public interest, and to that end it is the duty of both employers and employees to bargain in good faith. The right of labor to organize and bargain collectively with employers is one of the cornerstones of competitive enterprise. The processes of such bargaining must be protected and strengthened. Government is no less the guardian of the general welfare than of individual freedom. In a complex society, warfare in one section of industry affects many others. Legislation has heretofore been enacted to guarantee the right of collective bargaining. It is equally important that legislation be enacted to protect the rights of labor, industry, and the general public in the processes of collective bargaining.	The purposes of the act are: (1) To avoid any interruption to commerce or to the operation of any carrier engaged therein; (2) to forbid any limitation upon freedom of association among employees, or any denial, as a condition of employment or otherwise, of the right of employees to join a labor organization; (3) to provide for the complete independence of carriers and of employees in the matter of self-organization to carry out the purposes of this act; (4) to provide for the prompt and orderly settlement of all disputes concerning rates of pay, rules, or working conditions; (5) to provide for the prompt and orderly settlement of all disputes growing out of grievances or out of the interpretation or application of agreements covering rates of pay, rules, or working conditions.

Mr. REED. Mr. President, I wish to refer to the declarations of policy. The State of Kansas made the declaration which I have read. The substance of that declaration of policy has been repeated in all important legislation upon the subject since that time, including the so-called Wagner Act, the Railway Labor Act, and the so-called Case bill, which is now before the Senate. That declaration goes to the heart of this question. The declaration of policy which I have read can be compared with the following statement in the Wagner Act:

It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining, and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

In the Railway Labor Act the declaration of policy is in part as follows:

The purposes of the act are: (1) To avoid any interruption to commerce or to the operation of any carrier engaged therein.

In the Case bill presently before the Senate there is this declaration:

SEC. 2. It is declared to be the policy of the United States that labor disputes affecting the public interest should be settled fairly and, so far as possible, without interruption or delay in the production and distribution necessary to the public interest, and to that end it is the duty of both employers and employees to bargain in good faith. The right of labor to organize and bargain collectively with employers is one of the cornerstones of competitive enterprise.

Mr. President, it is interesting to note the similarity between the Kansas law of some 26 years ago and declarations of policy made in the National Labor Relations Act, H. R. 4908 (Case bill), now pending in the Senate, and the Railway Labor Act. For purposes of convenient comparison, these expressions are set down side by side. It will be observed

that the Kansas law declares that the public welfare shall include the health and safety of people as of paramount importance. That is the foundation of action taken by the President of the United States in various instances in the current period, in which cessation or a threatened cessation of an essential industry was met by seizure of the properties by the National Government. It is the central point around which virtually all remedial measures revolve. The Legislature of Kansas wrote into a statute the plain but vital fact that the public welfare transcends in importance the convenience or desires of any citizen or group of citizens.

The policy declared by Kansas and the action taken by that State attracted interest not only throughout the United States but throughout the entire civilized world. I happened to be so placed in 1919 that I had a part in the conception and enactment of the Kansas Industrial Court Act. I served as a member of that body during the first year of its existence. Writers, economists, students, newspaper reporters, and periodical correspondents throughout the United States and the world came to Kansas to have a look at, and make a first-hand study of, the evolutionary and revolutionary declaration of the State of Kansas, in the matter of general public welfare as affected by stoppages of production or transportation of essential commodities, through labor disputes. Kansas thought it time a more civilized procedure be adopted.

If there was need, as there was, for the action taken by Kansas 26 years ago, there is vastly more need for it now. Labor unions have grown from small struggling isolated groups into powerful monopolies. So far as a supply of goods essential to the health and welfare of the people is concerned, it makes small difference whether that supply is lessened by an industrial monopolist limiting production or asking unreasonably high prices, or by labor monopolies entirely stopping production or transportation because of a labor dispute.

The threat to the welfare of the people of the United States at this time from the powerful monopolies of labor is more immediate and dangerous than any action likely to be taken by financial monopolists through prices of goods.

The Kansas Legislature wrote into the law for the first time the power of the State, in the case of a labor dispute, to take over and operate the industry affected. The Kansas industrial court law contains the following provisions:

If it shall appear to the court that suspension, limitation, or cessation of the operation of any of the industries, employments, public utilities, or common carriers affected by this act will seriously affect the public welfare by endangering public peace or the public health, first, the court shall take proper proceedings in any court to take over control and direct operation of any industry, employment, public utility, or common carrier;

Second, a fair return and fair compensation shall be paid to the owner of the industry, public utility, employment, or common carrier;

Third, a fair wage will be paid workers during time of such operation.

It is interesting to note that the policy first declared by Kansas, as to the use of powers of government for the protection of the health and welfare of the people, set the pattern which is being followed now.

The War Labor Disputes Act, the so-called Smith-Connally Act, clothes the President with certain authority. That authority of the President runs parallel to the authority which the State of Kansas wrote into the law 25 or 26 years ago. This is what the President may do:

Whenever the President finds an interruption in the operation of any plant, mine, or facility, as a result of a strike or other labor disturbance, impedes the war effort, he shall have authority to—

First. Take over any plant, mine, or facility equipped for the manufacture, production, or mining of any article required for the war effort, or which may be useful in connection therewith.

Second. Whenever any plant or mine or facility has been so taken because of strike, lock-out, or other cause, it shall be returned to the owner as soon as practicable.

Third. Such plant shall be operated under the terms and conditions of employment in effect at the time it was taken over by the Government.

Fourth. It shall be unlawful for any person to coerce, instigate, induce, conspire with, or encourage any person to interfere by lock-out, strike, slow-down, or other interruption, with the operation of such plant, mine, or facility while operated by the Government. It imposes a fine of $5,000, 1 year imprisonment, or both, for failure to comply with this provision.

Fifth. The employees are given the right to apply to the National War Labor Board for a wage change in any plant, mine, or facility operated by the Government.

Sixth. The President's authority under this act shall end when the war is officially terminated.

An amendment offered by the Senator from Illinois [Mr. LUCAS] substantially follows the pattern of the War Labor Disputes Act as concerns the policy to be followed by the President in these emergencies.

The threat of disaster to the people of the United States through strikes being threatened or being carried on by monopolistic labor unions in coal production and transportation has so stirred the people of the United States that the attention of all classes of citizens is being centered on the problem. Dr. Sumner H. Slichter, Lamont professor at Harvard University, is one of the outstanding labor economists of the United States, and has served as an arbitrator in numerous labor-management disputes. In the Christian Science Monitor of May 20, Dr. Slichter writes at length about this situation and urges that a bill of rights be written for the public.

I now quote the suggestions of Dr. Slichter for the handling of disputes in transportation, public utilities, and various essential services. I invite especial attention to these points coming from a man who is an authority, if anyone can be called an authority on this subject:

The Government's policy should be based upon a declaration of rights of the community—a public bill of rights.

This declaration should assert the right of the community to an adequate supply of essential services and commodities. It should place upon the President (or in the case of State legislation, the governor) the duty to declare that a public emergency exists when a threatened or an actual interruption to production so seriously limits or threatens to limit the output of essential goods and services as to imperil the public health, the public safety, or the general welfare.

The declaration should provide that, after the Executive has found that a public emergency has been created by a strike or threat of strike or by a lockout, work shall continue under the terms of the previous contract until new conditions of employment have been determined. The union shall be required to rescind any strike orders which it has issued and to order back to work any of its members who fail to live up to their obligations under the extended contract. Union members who fail to obey the return-to-work order or union officials who refuse to rescind strike orders or to order men to resume work shall be disciplined by the union in accordance with its laws—in the same way that the union ordinarily disciplines members who violate its rules.

A union which fails to order its members back to work or which fails to discipline the members who violate its orders may be required by the National Labor Relations Board to show cause why it should not be deprived of its bargaining rights in the affected plants until such time as it shows that it has become a responsible organization. Similar obligations shall apply to employers in case the interruption to essential production is caused by lockout.

The finding that a strike or shutdown would imperil the public health, safety, or general welfare shall make any strike or lockout illegal. All picketing in support of strikes which imperil the public interest shall be forbidden and likewise all payment of strike benefits, the holding of strike meetings, and other activities designed to promote the continuation of the illegal shutdown. These prohibitions shall be supported with suitable penalties.

The parties shall be given three options for settling the dispute. In the first place, they may agree between themselves to continue negotiations in their own way. In the second place, they may agree to submit the unresolved issues to arbitrators selected by themselves. If they are unwilling or unable to use either of these two procedures, provisions should be made to submit the dispute to other arbitrators.

CONCLUSION

Seldom if ever has public indignation been aroused to its present pitch. The general public vigorously and vocally resents the effects of the coal strike and the threatened railroad strike upon the public welfare. The overwhelming majority of the people of the United States are demanding action by the Congress in no uncertain tones. It has been and will continue to be urged that the Congress should not undertake to write important legislation when public sentiment is running strongly, as at this time. I grant that argument has some force, but the difficulty is that most of the men

who urge that point of view upon us are unwilling to have these matters given fair consideration when the public pulse is normal.

This is really the first time in my service in the Senate when there seems to be a reasonable possibility of obtaining mildly effective labor legislation urgently needed. The reason this is now possible is precisely the fact that an outraged public is demanding action.

Even now, whatever we do is under the shadow of a possible Presidential veto. I am prepared for that. That is nothing new coming from the Chief Executive's office.

Fair and reasonable legislation protecting the public welfare in these labor disputes is long overdue. The duty of the Senate is to me clear. My feeling is best expressed by a motto on the walls of the State Capitol at Jefferson City, Mo. This motto reads: "Let the safety of the public be the supreme law."

The President of the United States is a citizen of Missouri. I earnestly and respectfully invite the attention of President Truman to the soundness of that declaration which ornaments the walls of the Capitol of his home State of Missouri.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

The message also announced that the House had passed a joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 203. An act for the relief of Margery Anderson Bridges;

S. 875. An act for the relief of Mercy Duke Boehl;

S. 1201. An act for the relief of Arthur F. Downs;

S. 1563. An act for the relief of Ferris Ruggles;

S. 1604. An act for the relief of Leo Stuhr;

S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; and

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.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor, was read twice by its title and referred to the Committee on Foreign Relations.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD] as modified.

Mr. MORSE. Mr. President, I rise to discuss the pending amendment. Before discussing it, however, I wish to make some general observations with regard to the labor situation which today confronts the country.

Certainly, no one can challenge my remarks on the ground that I am not friendly to the legitimate rights of labor; and I am perfectly willing to let the record speak for itself as to whether or not I have been fair to the legitimate rights of industry. I think we should recognize that this is an exceedingly dark hour in the history of our country. I believe, also, that we should recognize that today there sits in the White House a man who is burdened with tremendous responsibility and has a grave duty to perform. I have no question in my mind as to his ability to perform such duty. I have been critical of the President with reference to some of the positions which he has taken in regard to handling the labor situation. I shall probably be critical of him again if I find myself in disagreement with him. Nevertheless, I think we should all recognize that when our country faces the type of crisis which confronts it today, the President of the United States is entitled to complete unity on the part of the American people in sustaining his hand and seeing to it that the productive forces of the Nation are not brought to a stop because of major labor difficulties which seem to be speeding toward a complete blockage of our productive life.

I have confidence that, in an hour of crisis, the President of the United States will see to it that any group, be it labor or industry, will be made to understand. When a labor crisis such as the present one confronts us there comes a test as to whether or not we still have a Government of one law and one flag, which applies equal justice to all. I believe that test must be met in America today. I do not believe—and I say this as a friend of labor—that any combination of labor forces has any right to bring about the great injury which will be inflicted upon the people of this Nation if, in fact, the miners fail to work the mines under Government seizure, with the American flag flying over them. Likewise, I say to the American railroad workers, or to those who may be involved in a railroad strike, should one take place, that they will neither serve the interests of organized labor nor the interests of their country if they proceed with a stoppage of the transportation facilities of the Nation because of whatever differences may now exist between them and the carriers. Those differences are relatively small as compared with the differences which existed when the dispute first arose.

Mr. President, the test of Government by law will have to be made. The public has the right to serve notice on American labor that it must be reasonable in an hour of great national crisis. Labor must demonstrate that it is willing to support what I have so consistently argued for, namely, the application of the principles of voluntarism on the basis of which all our democratic rights in the last analysis really rest in the settlement of the social and economic problems which are involved in these disputes.

Mr. President, do I deny the right of free workers to strike? No, but I do deny the right of any group of Americans to abuse any precious right which they are allowed to exercise under our form of Government. I do deny their right to turn a great freedom into a license in an hour as dark as is the present hour, and especially when they know, I know, and all who study the situation know, that it is not difficult for reasonable men who want to be fair to sit down and settle the issues in dispute by applying the precious principles of voluntarism without resort to methods which would throttle the economic life of the country. They cannot justify the use of economic action as a weapon to force settlements in accordance with the dictates of the strikers and their leaders when the result of such action will endanger the public welfare.

The right to strike is like all rights, a relative right. The right to strike is not an absolute right in the sense that it can be exercised against the welfare of the people, as a people, or against the security of the Nation. At the present time, the exercise of the right to strike on the part of the railroad workers, and the exercise of the right to strike by the miners, is clearly not in the public or governmental interest. The Government has demonstrated in the days past its willingness to do everything which it can do to work out a solution on a cooperative basis with the parties and in accordance with principles of voluntarism so important to the future welfare of organized labor. The workers and their leaders involved on both sides of the dispute owe it to the people of the country to stop these strikes and compromise their differences quickly.

Mr. President, I have no hesitancy in saying that if, in the next few hours, the economic life of the Nation is brought to a halt, the issue of whether or not the Government of the United States is subservient to organized labor must be squarely met.

So far as I am concerned, as a member of the opposition party, and as a Member of the Senate, who has been heard to criticize the President of the United States in times past, in meeting this issue the President will have my wholehearted support and cooperation. I believe that if labor continues to follow a course of action which impels it to turn its back on the precious principles of voluntarism to the extent that it has

been turning its back on them in recent weeks, it will sell itself short. It will not be sold short solely by the hysteria and panic in the form of proposed antilabor legislation which is now sweeping the country, and which I shall vote against. Labor will have to assume its share of responsibility for its loss of public standing. Antilabor legislation will not solve the problem. The problem will be solved only if the leaders of labor, the rank and file of labor, the leaders of industry, and the rank and file of the businessmen recognize that our economic system, so precious and necessary to their standards of living, depends for its perpetuation upon their exercising some industrial statesmanship during this dark hour. It will not be solved until they recognize that in all disputes there must be some give as well as some take and that the one objective which should be uppermost in the minds of all is that of fulfilling their great obligation and responsibility to the general welfare. If they would resort, as it is their public duty to resort, to the peaceful procedures of voluntarism, for which I have consistently pleaded for many years, labor could save its great legitimate gains of the past few years and the employers could save much of what they otherwise, in my judgment, are going to lose. The alternative is perfectly clear: We cannot permit as a Government uncontrolled economic warfare to sweep this land to the detriment of the public interest. The President must act and we must back him up from the beginning to the end of this emergency.

As I have said before, I shall not hesitate in such a crisis to take the position that all the forces of democratic government necessary to meet such a challenge to government must be exercised. It may be that such a showdown, which ought to be avoided and I think could be avoided, may not be avoided; it may be that we have got to have this test behind us once and for all, and I trust that the President of the United States will never hesitate—and I believe he will not—to meet that test.

We speak about the need for a United Nations, the need for men to sit down around an international table and settle by rules of reason rather than the jungle law of war the great international issues that are threatening—and the storm clouds are already clearly rising on the international horizon—the future peace and security of mankind. American labor has indicated in endorsement after endorsement that it favors that approach to the settlement of international disputes. Great American industry has likewise indicated similar approval. I say, Mr. President, that American labor and American industry must now demonstrate that they will apply the same principle in the settlement of economic warfare now confronting the Nation.

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

Mr. MORSE. I am glad to yield.

Mr. VANDENBERG. Of course, I totally agree with the statement just made by the Senator, and it was the reason which inspired me to suggest the labor-management conference last year, which was built upon the exact analogy to which the Senator refers. I should like to ask the Senator's views as to why that conference failed and what is necessary in order to make a subsequent experiment of the same general nature succeed?

Mr. MORSE. Mr. President, the Senator does me honor to think that I could even suggest why it failed. I do not know all the reasons why it failed, and it is probably presumptuous of me even to suggest any reason; but I have made a suggestion in the past which I am pleased to repeat now. I think one of the reasons why the labor-management conference failed was that it met to work out the ways and means of handling the labor problem of a reconversion period, which period involved a war economy; that, so far as our economy is concerned we were very much at war at the time the conference met, we are still living in a war economy, and we are really going to continue to live in a war economy until our reconversion problems are solved. We are going to live in a war economy so long as the Government has to exercise the drastic controls, which I believe it must exercise for a period longer, over the economic life of this Nation; and that, therefore, while the labor-management conference met the Government too should have met with labor and management. The fact is the Government did not do so. It called the conference; appropriate speeches were made for convening it, but understandably, though I think mistakenly, the Government took the position about labor problems: "Now, management and labor, that is your problem, you work out the solution of it." They could not work it out, in my judgment, until they knew what the Government's economic policy was going to be. American industry could not determine the position it would take on labor issues until it knew what its price structure was going to be, until it knew what machinery was going to be made available to industry to adjust, so far as governmental controls were concerned, its ability to pay whatever additional benefits would have to be given to American labor as the result of any agreement that might be reached.

I talked to quite a number of management representatives at that conference and each one of them told me he felt that the conference could have gone much further in reaching some agreement if there could have been certainty as to what the governmental economic policy was going to be. So, I have said several times that I think it was unfortunate that in effect the Government walked out on that conference. I think the motives of the Government officials were of the best, namely labor and management had talked about free collective bargaining so much and about settling differences by peaceful procedures that it decided to give them an opportunity to do it. However, the Government overlooked the economic fact that free collective bargaining in its true sense cannot take place in a war economy where labor controls and ecomonic controls have to be exercised. There was no more chance of free collective bargaining in its true sense operating during the reconversion period than there was a chance of free collective bargaining working during the war period, and it did not. We had to set up a War Labor Board, and in instance after instance it became a substitute for free collective bargaining. That is one of the great dangers I have tried constantly to point out of having labor disputes settled by the Government rather than by the parties to the dispute. So long as the Government has to exercise great controls over our economy it still maintains, it cannot walk out on its obligations as one of the three parties to every great industrial-relations problem which has confronted us during the reconversion period.

I think there were other reasons, too, why the labor-management conference failed. I speak only of a minority of American industry, I am sure, but I think I know too much about the inside of American industrial relations not to recognize that there are still powerful industrial interests which have not reconciled themselves to the fact that organized labor is here to stay. They refuse to admit that organized labor has legitimate rights, and that the best interests of American labor as a whole will not be served if any employer group succeeds in weakening or breaking unions.

I do not think one can study the record of the labor-management conference without realizing that there was an indication on the part of some, because of the growing feeling of the public against certain labor abuses, for which I hold no brief, that the time was about ripe to make a cleaning on labor. I think that is one reason why the conference failed.

There was a third reason, I may say to my good friend the Senator from Michigan, and that was the quest for power within the house of labor, the lack of unity among labor leaders. Sincere and honest differences in labor objectives and great differences in union policy and methods are hampering the development of a sound labor program. We cannot analyze the present American labor situation without recognizing that today one of the basic causes of much unrest within the ranks of organized labor is the competing drives for power and labor control.

Labor knows it, and labor is the only force that can remedy the situation. It is beyond my comprehension that labor leaders do not recognize—and show their recognition by action—that they cannot continue their competitive drives for power, their great jurisdictional stuggles, yes, at times, the playing of one labor group against another, and at the same time maintain the public support which they so much need for their legitimate interests.

I think we have the right, in the interest of the rank-and-file workers whom they serve, as well as in the interest of the American public, to say to labor—and let me be frank about it: "Your friends recognize, as you do, that the solution of labor difficulties will never be found in strait-jacket legislation that results in the imposition of governmental compulsions over you. However, we cannot protect you from such legislation and from the great losses which we believe are bound to flow, not only to labor, but to industry and to the public, from the passage of such legislation, unless you

are willing to agree among yourselves that your competitive desires will be settled by you in peaceful ways rather than by resort to economic sanction."

Mr. President, that has to come, I think. If there ever was a time when a united union conference was needed by American labor it is now. I do not mean an amalgamation into one great union, but certainly American unions, I care not of what affiliation, owe it to the workers whose interests, I think, can be best served through unionism, to see to it that their interests are not injured by public animosity to labor as labor, and to unionism as unionism, because of a public opposition to the type of jurisdictional struggle that is costing the public and labor so much.

While I am on that point, I shall digress at this time to cover an item I intended to cover later in my remarks.

Mr. VANDENBERG. Mr. President, before the Senator leaves the question he was so frankly answering, which I submitted to him, let me submit a further question. I rose because I was challenged by the Senator's analogy between the efforts to settle international disputes by direct negotiation and direct contact around the council table, and the labor-management situation in the United States.

I quite agree with the Senator at least in the first reason which he submits as to the failure of the labor-management conference. I think that conference was the most important single adventure in the present decade in respect to domestic matters, and that the President of the United States should have sat at the head of the council table every hour of every day until he produced a result.

Mr. MORSE. I agree.

Mr. VANDENBERG. And I think he might have produced a result under those circumstances.

Mr. MORSE. At an earlier date, in a speech on the floor of the Senate, I pointed out that I thought it was a great mistake that Government representatives were not parties to a tripartite conference.

Mr. VANDENBERG. We reach the point now where I am asking the Senator whether in his judgment his analogy still has application. Is there still an opportunity, in his view, for a meeting of minds between labor and management under Government direction? Is there still an opportunity for that sort of a free and traditional American method of settling labor controversies? Or have we reached the point where nothing is left except dictation of the answer by the Government?

Mr. MORSE. I think that opportunity will never die so long as we retain our American economic system because, no matter what wars ensue on the economic front, I am convinced that in the last analysis those engaged in them will have to learn the lesson—and I speak of both industry and labor—that their only final solution, and their only way of avoiding great losses, is a return to the joint and mutual conference table, where they can work out the application by the laws of reason and peaceful procedures for the settlement of their disputes short of governmental compulsions. But apparently we are about to confront a great emergency in which, as I said earlier in my remarks, Government itself will be tested, and during that emergency, and for that emergency only—and I have said this before I came to the Senate, and I indicated it very clearly the other day in my remarks on the floor of the Senate—we must look upon all these so-called fundamental rights as being not absolute but relative only. They must give way in time of national crisis to the national welfare. So, during the emergency, until reason again is enthroned in the heads of American labor and industry, I think the Government will have to use emergency compulsions. But I do not want to see passed such legislation as is now pending before the Senate as long-term legislation, because I say that the imposition of any type of blanket compulsion for a long-time period will destroy the very economic system that American industry and American labor depend upon for maintaining the American standard of living and our economic system.

I wish to add one more reason why I think the labor-management conference failed. It is really supplementary to a reason I have already given. I mentioned the fact that during the war there could not be collective bargaining in its true sense; that the "no strike, no lock-out" agreement was not an agreement which restricted itself merely to strikes and lock-outs. It accomplished much more; its implications were much broader than that. As the result of that great agreement entered into between labor and management, and contrary to all the misleading and false charges about the effectiveness of it, the "no strike, no lock-out" agreement was a monumental success during the war. There were violations of it, and there will always be violations of agreements of that type, because people are human, and when they are angry, when they feel that they have been provoked into an unfair situation, they sometimes act impulsively. So we had impulsive strikes during the war. But by and large the success of the "no strike, no lock-out" agreement will go down in American labor history as a magnificent tribute to the patriotism of American workers and labor leaders and American industry.

But what did we do after VJ-day? I think a great mistake in judgment was made. I believe we should have continued the procedures that had been built up during the war for the settlement of labor disputes. In my opinion, the machinery of the War Labor Board should have been continued during the reconversion period. I say that because of the effectiveness of its program, which had penetrated into practically every community of any size in this country. After VJ-day it still was the greatest stabilizer of industrial relations in our Nation. It had not yet served its full purpose. There was still a great job for it to do. Certainly it had its critics.

Labor and industry wanted a modification of this policy and a modification of that policy, and demanded that the Board be eliminated as soon as possible; yet it has been interesting to me to note that some of the very men who were crying for the abolition of the Board immediately after VJ-day, tell me privately, "Wayne, it was a great mistake." We still needed it. No substitute was provided for it, with the result that catch-as-catch-can prevailed after VJ-day as the policy to be applied in settling labor disputes.

I think the labor-management conference should have recommended the continuation of the machinery that had been set up for exercising judgment on labor disputes during the war pending the time of the return of economic conditions under which we would be free of the danger of inflation. Such a proposal was vital to the welfare of labor and all the rest of us. Pending such time, the conference should have come forward with a recommendation that the labor disputes settlement machinery be reestablished.

As I said earlier in my remarks, I have criticized the President for some of the things he has done in the field of labor relations since VJ-day, and I think that is one example of a mistake in judgment which he made, but it was an honest mistake. And how many of us are not guilty of frequent honest mistakes in judgment? After all, the President was advised by many individuals that the course of action which he followed was the proper course to pursue. I think he was advised by some who should have known better. But I think if we could have retained some of the machinery, in view of the fact that we have to keep economic controls in effect until there is a balancing of purchasing power with supply of goods, much would have been done to prevent some of these labor troubles.

My labor friends completely disagree with me on the next observation I am about to make. Yet, as I have told them, that part of the drive for what has economically resulted in inflationary wage increases must, in my judgment, be considered in the light also of the great jurisdictional struggle within labor and the drive for power within labor. There can be no doubt that wage adjustments needed to be made after VJ-day. There can be no doubt that the tremendous loss of take-home pay which large numbers of American workers suffered immediately after VJ-day was not only injurious to the economic welfare of labor, it was injurious to the economic welfare of all of us, every man, woman, and child, because, I think, it is pretty clear economically that unless American workers, American farmers, and American consumers generally can maintain a relatively high purchasing power, the value of the American dollar will be seriously affected. I refer to inflation, which can take a variety of forms. There will be the effect of inflation if, to any marked degree, there is deflation in the purchasing power of American consumers, including the three great classes, labor, farmers, and the people generally. There can be no doubt that after VJ-day labor was justified in its endeavor to work out some adjustment for the loss it was suffering in its take-home pay because of the great cut-back in war production and the reduction in its pay envelopes. But there again is where the Government had a responsibility to industry, to labor, and

to the Nation as a whole. I have said before that I think it was unfortunate that the impression was given that at least a large part of the wage demand which labor was making could be met within existing price structures. I have not made an exhaustive study of the question in the sense that I feel that I could give any finality of opinion on it, but I have studied it, and I have yet to see any evidence which shows that any substantial increase in real wages—which, after all, are the only wage increases which amount to anything so far as the interest of labor is concerned—could be made without considerable adjustment in price structures.

I do not take the position—in fact, I think it was such an absurd fallacy that it was ridiculous—which was taken by the president of General Motors in his testimony before the Committee on Education and Labor. The record will speak for itself. He testified that whatever increase was given to labor in the way of a wage increase, a corresponding increase had to be made in prices. It simply was not true. Other American industrialists tried to take that position, and I thought that to too great a degree they were allowed to get by with it. They confessed a great human frailty, namely greed.

But the point I wish to make is that, to the extent that labor obtained wage adjustments which will not prove to be increases in real wages, those increases in wages will prove to be inflationary in fact. That is why, in those weeks, I was found arguing and pleading that the wage cases be not settled on the basis of horse-trading tactics. I know how such tactics work in labor relations; I know something about compromising procedure in the settlement of labor disputes. There is a place for it. But there is no place for it—and I speak advisedly—when the public interest is involved.

In these great labor cases, the public interest was at all times involved because, for the reasons which I heretofore stated, the Government in fact, although not in participation, was one of the three parties to those disputes. Hence, mediation was not the solution. Collective bargaining was not the solution unless the Government would make collective bargaining possible by giving the parties around the bargaining table a clear-cut, unequivocal statement as to what the Government's position would be so far as the price structure involved in those disputes was concerned.

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

Mr. MORSE. Just one further word, and then I shall be glad to yield.

I took the position that if we wanted those disputes settled, not on the basis of horse trading, not on the basis of compromise without thought of the public interest; if we wanted them settled so that the wage increases to which I think labor was entitled for the reasons stated could be granted, then there was only one way to settle them, and that was on the basis of objective data which could be presented to fair and impartial minds by labor, by industry, and by the Government, in the judicial atmosphere of a voluntary arbitration.

I know the stock objections which can be raised to such a policy. It is said that the parties might not have confidence in the arbitrator. I have said before, and I now repeat, that it is a sad day in America if we cannot have confidence in the President of the United States, in such critical disputes as have plagued the country in recent months, to appoint fair-minded men to arbitrate a fair settlement. I have confidence in him; and I say that there is not an American employer, an American labor-union leader, or anyone else, who can justify expressing any lack of confidence in Harry Truman to appoint fair men to arbitrate such disputes.

After all, there is a place for politics, there is a place for political criticism, there is a place for honest differences of opinion between those of us on this side of the aisle and those on the other side of the aisle, but there is no place for them when the chips are down, as they are down today. There is no place for politics in the face of such a serious national crisis as exists in America today.

So, I say that I think the way the disputes should have been settled, in order to get for labor the increase in real wages to which I think it was entitled, was on the basis of the facts and the evidence, not on the basis of exhibitions of economic power either on the part of General Motors, the steel industry, the coal operators, the electrical employers, or the unions involved in those industries. There was a duty on the part of the Government to come forward and insist on seeing to it that the evidence was presented so that a judicial determination could be rendered.

Let no one think for a moment that I am not perfectly aware of all the types of misrepresentation and misunderstanding that can be woven around the remarks which I am making here today. I speak as a friend of labor and of industry when I say to them that in an economic period in our history when it is absolutely impossible to have free collective bargaining in the sense we ordinarily know it, the kind of collective bargaining to which we must return just as soon as we get away from the danger of inflation, labor disputes cannot be settled rightly in their own interest or in the interest of their country by resort to horse-trading tactics, compromises, or the exercise of economic threat and force. Arbitrary formula, such as the 18½ cents per hour, have little relation to the facts of differing cases.

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

Mr. MORSE. I yield.

Mr. SMITH. I congratulate my distinguished colleague on what to me is one of the most illuminating and best thought-out analyses of this whole situation. Let me ask the Senator a question. Am I to draw the inference from his remarks that when the moment comes when governmental controls can be removed from our economic life—price fixing, and so forth—at that stage of the game the management-labor conference advocated by the distinguished Senator from Michigan could go on without Government participation? Or shall we always need Government participation in such conferences?

Mr. MORSE. I believe that when we return to an economic period in which the Government is out of the picture so far as controls are concerned, the Government should be out of the picture so far as participating in such conferences is concerned. Let me say to my good friend from New Jersey that as one who fears governmental dictation over the relationships of free men entering into collective bargaining agreements—and I cannot tell the Senator how greatly I fear it—I will be the first to insist upon the elimination of all controls as soon as I can be satisfied that it is safe for our economy to release such controls

I do not intend to become involved in an OPA debate here today, but the OPA illustrates my point. With all its abuses—and I shall continue to fight to eliminate its abuses—I take the position that until we can get a balance between supply of goods and purchasing power, we must exercise OPA control. However, so long as we exercise that type of control over labor, such controls impinge upon the freedom of labor and of employers, too. Labor, I think, is fairly well united in favor of OPA control. But too few of labor's leaders have recognized that we cannot exercise controls over merely one segment of what is, after all, an integrated and united economy, without during the same period of time exercising some controls over other segments. The tendency to like controls except when our own toes are stepped on, the habit in this country of liking to pass the buck to others, but to keep ourselves free of restrictions, is one of the reasons why, in my judgment, in these days we are having so much difficulty in trying to work out what I am pleading for today—namely, a rational settlement of labor disputes, short of economic force and threat.

Mr. SMITH. Mr. President, will the Senator yield to me for a comment?

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

Mr. MORSE. I yield.

Mr. SMITH. I wish to thank the Senator for his statement. It is in accord with my own thinking on this subject, namely, that the problem is greatly complicated by the present war controls which we have to continue, and that because of those controls the Government very distinctly has a place in the conference.

I think the Senator also is correct in saying that when the controls can be removed and when we can resume a normal economic manner of living, then labor and management will be able to solve these problems themselves without superimposed Government control.

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

Mr. MORSE. I yield.

Mr. TAFT. The Senator from Oregon does not mean, does he, that he would be in favor of repealing the Wagner Act as it relates to relations between employers and employees?

Mr. MORSE. No.

Mr. TAFT. It seems to me that that is a field in which we should legislate, and I see no reason why we should not legislate in regard to it now, as well as at some other time.

Mr. MORSE. Mr. President, I shall discuss at a later time, although I shall mention several of them before I conclude today, some of my suggestions in regard to legislation. But I say to my good friend the Senator from Ohio that, of course, the Wagner Act was long overdue. The unfair employer practices the Wagner Act sought to prevent, and which it has, I think, rather successfully prevented, were abuses and practices which needed to be prevented. Of course I would not vote to repeal the Wagner Act. I have said before, and I now repeat, that the Wagner Act is not a perfect instrument, but it does fall in line with one of the basic premises of my political philosophy, namely, that it is the obligation of Government to establish minimum standards which protect the economic weak from the economic strong. That is what the Wagner Act was devised to do, and I think by and large it has done a magnificent job.

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

Mr. MORSE. I yield.

Mr. TAFT. I do not question for a moment that the Wagner Act is based on a sound general principle. I am only pointing out that it seems to me the Senator from Oregon is departing from his theory that we should not in any way interfere with the freedom of employers and employees, inasmuch as we already have an act, and the Senator is in favor of retaining it, which does regulate employers very extensively, and to some extent regulates labor unions also, although not to the same extent. I do not think the Senator carries through the logic of his position when he says there should be complete freedom in this field, because there cannot be, as I see it.

Mr. MORSE. Mr. President, there is nothing illogical, I think, about the position I have taken. I shall not let the Senator from Ohio put words in my mouth, because I do not think the RECORD will show that I have made any statement in favor of complete freedom in the field of labor relations. It is a field of many facets. In the phase of the field that involves protecting workers from unfair practices of employers, I say it is an obligation of government to see to it that such protection is given by means of legislation, and I say likewise that there is an obligation on the part of government to see to it that legislative protection is given to employers from unfair practices of labor. That has been for many years one of the basic criticisms I have had of the Wagner Act, because not in all respects does it apply the same rules to both teams in the game.

I am not taking the position that no governmental controls of any degree whatsoever should be exercised over labor relations; but I am taking the position that in the field of collective bargaining, when it comes to working out wages and hours and conditions of employment which are social and economic, and not primarily legal, in aspect, I do not wish the Government to be given the power to determine and dictate what shall be the terms of collective bargaining agreements. I speak as one who in case after case, as recorded in volume after volume such as the one I hold in my hand, was charged with the responsibility of exercising just such compulsory controls during the war. I say it is a tremendous and a dangerous power to vest in any man in peacetime.

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

Mr. MORSE. I yield.

Mr. TAFT. I agree with the Senator's statement, and I do not want anything I have said to be understood as conflicting with it. I agree with the Senator's position about not having the Government attempt to make or fix or require collective bargaining agreements.

Mr. MORSE. Mr. President, I should like to make one other comment, and then I shall address myself to the point which I really rose to discuss in connection with the pending amendment. An examination of the facts will disclose that the coal miners are entitled now to have fair adjustments made in respect to their wages and working conditions. Because out of every loss I like to find at least some gain, I have the feeling that as a result of this strike, at least, the American people are being educated as never before into a realization of how much they owe the coal miners of America. If our economy is so dependent—and it has been demonstrated that it is very dependent—upon the labors of our coal miners, then certainly we as a people ought to be willing to support them and enable them to obtain a more decent, a more abundant life than they have been able to enjoy thus far in the history of the coal-mining industry. The point has already been made over and over again in the debate on this floor, so I shall not dwell upon it now, except to put myself on record in favor of it, that throughout the years of our history the coal miners have, after all, had rather wretched treatment from the American people.

Oh, yes, it is easy to make the operators scapegoats, but I certainly hold no brief for many of their bad labor practices. Any study of labor history in connection with the coal mining industry will show that the conditions to which I refer have existed to a shocking extent. I should like to see any Member of the Senate who would attempt to justify the failure of one single coal operator in this country to give to his workers, who are engaged in the most hazardous of all occupations, the protection to which they are entitled from the standpoint of health and safety. Some persons, perhaps, do not like to hear me use the word "exploitation." They think it is too negative; but, in my judgment, and according to my ethical standards, no coal miner who has not taken steps to give to his workers adequate health and accident protection can escape the charge of being an exploiter of human beings. I make that statement, Mr. President, because the coal mining industry is chiefly characterized by unsafe working conditions, and great hazards to human life. As we sit here today do we realize that, based upon past experience, during the next year 75,000 miners, American citizens, will be killed, maimed, or seriously injured in the coal mines? The apathy of the American public is no excuse for permitting conditions of that kind to continue. But, as I have said before, coal operators are entitled to receive from us, the consuming public, an income from their products which will be sufficiently high to make it possible for them to pay adequate wages, and afford proper working conditions to their employees. When the operators are unable to do that, I think they are entitled to have necessary price adjustments paid out of the pockets of the consuming public.

In passing, Mr. President, I may say that my statement is not limited entirely to the coal miners. There are other workers in this country who are doing their share in subsidizing the average American citizen. The point which I wish to make, and which I shall make over and over again so long as there is any possibility that any syllable which I may utter will have any influence on the thinking of a single Member of the Senate, is that we must recognize that we cannot hope to maintain a long-time economic stability and at the same time allow any large segment of American labor, or any large segment of American consumers, or any branch of American agriculture to be forced to live under conditions which are far below a decent standard of living. The situation to which I refer is not the sole cause of depressions, but one of the causes. When our economy gets out of joint in the sense that a large segment of our population here, there, and elsewhere is unable to maintain the purchasing power necessary to support the people of that group on a decent level, the old toboggan ride toward depression begins. We can have a flight of prosperity for 2 or 3 or 4 years, as I believe we will have, but it will not be long lasting with large segments of our people living as the miners have to live. Many of our people will do some short and loose thinking during that short prosperity. They will develop myopia concerning the situation, and will reach the false conclusion that a little flurry of prosperity means that we are on the road to economic bliss, but that conclusion will never prove to be a correct one. It is economically impossible for it to be correct. Unless we, as a people, insist that our economy shall level itself off in a manner which will permit of an improvement in the working and health conditions of many million of American workers who are today serving us, we will be headed for another depression. Too many millions today are working for inadequate wages, and are living under conditions which are a disgrace to a land which claims to afford the highest standards of living of any nation in the world. Even such comparison, true as it is, is no excuse for permitting the exploitation of any group of our citizens to continue.

Mr. President, I wish to address myself for a few minutes to a rather tech-

nical point which has been raised during the course of the debate on the Byrd amendment. I do not say it is a material point, but, nevertheless, it is a point which I think should be answered, or to which an opposing point of view, at least, should be put into the RECORD in order that the RECORD will not show that the word "contribution," as it appears in the National Labor Relations Act, makes it unlawful for an employer to contribute to a health and welfare fund even though it is administered solely by the union.

On that point, Mr. President, I may say that, so far as I am concerned, I prefer the type of health and welfare fund which is jointly administered by representatives of the union and representatives of the employer, or one as to which both sides to the collective bargaining agreement may have, in administering the fund, the cooperation of a third party such as an insurance company or a Government agency. I am aware, also, that because of an interesting propaganda program which has been conducted throughout the country, some unfortunate public misconceptions have developed concerning union health and welfare funds. The public has been given the impression that if any such fund exists it is a tax on the American citizen, if the formula for obtaining money for the fund happens to be one that relates to the units of production rather than an agreement for an out-and-out lump-sum contribution by the employer. I do not share that view, Mr. President. Of course, health and welfare funds can give rise to abuse in administration; it is true that a health and welfare fund could be used, if there were dishonest union administration, for bad purposes; but so can the funds of most human institutions, because people are human. Yet I am at a little loss, Mr. President, to understand the thinking of some people who criticize unions as being mere dues-collecting organizations that provide, say some of the critics, no services for their membership, and are merely organizations the leaders of which, playing union politics, are enabled to amass unto themselves not only political power but great financial power. That is an unwarranted slander and libel against American organized labor.

It is easy to pick out an abuse here and there, to find that some labor leader has not lived up to the great and sacred obligations and trusts of his position, and, because of his mistake, draw the conclusion that all labor is bad, all union officials are corrupt, and all objectives of labor unworthy. I might dwell on the point of what would happen if the same principle were applied to members of the cloth, who sometimes fail to live up to their trust, or members of industry or of any other class. The truth is that when the hysterical critics of organized labor are asked to present a bill of particulars, to come forward with a specific indictment, to name names and give specific instances, the transgressions they can point to are relatively few compared to the great mass of workers and labor leaders and the great number of instances in which organized labor and its leaders have more than lived up to their trusts and their obligations.

Take, for example, the question of violation of contracts. To read the statements of some employers and some employers' associations, who are very anxious to carry on an antilabor drive, it might be thought that no union ever lived up to its contracts. I am willing to say here and now, Mr. President, that annually more than 99 per cent of the collective-bargaining agreements entered into between organized labor and employers are carried out without violation. That is a pretty good record, if true, and I am satisfied that it is true, and I am willing to offer any one an opportunity to disprove it. Think of the thousands and thousands of collective bargaining agreements which are carried out honestly and faithfully day after day! In spite of the many misunderstandings under them, that develop during the course of a year, nevertheless they are lived up to to the letter in an overwhelming majority of the cases.

I do not hold any particular brief for John Lewis. I suppose that probably I am in the position, Mr. President, of having clashed with him more than any other Member of this body. I have had vigorous differences of opinion with him as to some of his procedures, but one thing that has to be admitted is that he has lived up to his contracts. Yet one would think as he listens to this agitation to impose what I believe are some very unwise restrictions in the form of governmental compulsion upon labor, that Lewis never lived up to a contract in his life. The coal operators cannot offer a better record of abiding by contracts.

I mention it, Mr. President, only because I think it important in this discussion that we get beyond personalities. We should stop trying to do something in order to discipline a particular labor leader. My position would be the same in this field of labor relations if an attempt were made to discipline an employer because someone finds himself in great disagreement with the policy of the employer. We must get down, it seems to me, to a discussion of the fundamental issues involved in the settlement of labor disputes on a long-time basis by way of peaceful procedures.

That is why I joined the Senator from West Virginia [Mr. KILGORE] in introducing the other day a revised resolution, which is now pending before the Senate, and which proposes to create a special subcommittee of the Committee on Education and Labor of the Senate, with full investigatory powers of the Senate to proceed in the months ahead to make investigation—of what. To make an investigation of all the facets of the labor-relations problems that are plaguing this country, including, says the resolution, union and employer practices and policies.

When I introduced it I was criticized in the press, by a Member of this body, if he was correctly quoted, as trying to stall labor legislation. The criticism was unwarranted, and I am sure would not have been made had the critic even taken the time to read my remarks in the CONGRESSIONAL RECORD, for I have tried to make it clear that I am perfectly satisfied that nothing can stop the Senate in the days immediately ahead from making some grievous mistakes in the field of labor legislation. The handwriting is as clear on the wall as it possibly can be. But the legislation which will be passed will not solve the problem. It will create new problems; and after we get through with it and the legislation is passed, we will need as never before a body of objective data and indisputable facts and evidence as to what the conditions are in the relations between employer and labor in this country. On the basis of such a study I think in the next session of Congress we could sit down and in the calmness of rational deliberation repeal some of the legislation which I think will be passed in the next few days, and enact other legislation which will make really possible the protection of the principles for which I have been heard to plead so frequently. Unless we do that I think we are headed for more, rather than less labor trouble in this country. Labor will never submit to legislation that is unjust, unfair, and in violation of basic rights of free workers to improve their conditions of employment.

Labor has come of age. Labor might just as well recognize now, if it has not already done so, that amendments which will protect the legal rights of third parties to labor disputes will have to be written into some existing labor legislation, as well as other legislation.

I shall not dwell on the thought at any great length, but in order that this speech may not be too badly misinterpreted I wish to say that I insist a clean-cut line can and should be drawn between the objectives of labor in the field of wages, hours, and conditions of employment, and the rights and privilges of labor on the other side of the line, involving the legal and property rights of the employers and the public. That is why I have said so many times, almost universally with the opposition of labor, that I have yet to hear labor make one sound argument justifying labor being permitted to claim the right which it claims, to carry on jurisdictional warfare within its ranks, at the expense of the property rights of employers and the public. They cannot do it rationally, in my judgment.

Oh, yes; they can point out that to some degree employers too are involved. They can point out a few cases—but they are in a great minority—in which employers provoke jurisdictional troubles, and are really parties to them. But that can be proved, and when proved, the legislation which I think can and should be devised, once we get all the facts as to union practices, as well as employer practices, which are covered by my resolution, would provide that employers who are guilty of that sort of unconscionable conduct come within the law.

Then, too, Mr. President in the face, so far as I know, of almost universal labor opposition, I take the position that the right to work, the right to organize, the right to all the guaranties of the Wagner Act, which I do not propose to take away from labor, but to defend and support, do not, however, entitle labor to the license of indulging in practices involving economic waste. They are unfair labor practices, and are against the

best interests of labor. I have yet to find the case in which it is not really against the interest of the workers involved in a given union to find itself carrying on a strike based upon the economic waste principle, the so-called make-work program issue.

Such a program does not help labor, it does not help the workers involved. Technology is going to advance. Labor cannot stop science. Certainly adjustments have to be made. Oftentimes a change in technology, involving a labor-saving device, throws men out of work. That is a different problem. I will go a long way, I will perhaps go such a long way that, figuratively, my head will be bloody with criticism, in pleading for severance pay in such instances, or when I support legislation, if there need be legislation, to see to it that workers in given instances who have spent 10, 20, 25 years preparing themselves for the skill which is about to be lost as the result of the advance of technology, are given adequate adjustment to take care of the tremendous loss they suffer from such changes. It is only right, it is only fair. But labor has no right to try to hold back progress in the form of new discoveries by adopting unfair practices of a make-work variety.

I shall mention one instance. I have had many of these cases. I suppose I have never rendered a single decision in one of them that was popular. I was fortunate to be operating in each instance under a contract in which the parties had pledged themselves to abide by the decision, and I wish to say to their credit that they did abide by it. When finally, under the contract, they came to know the principle which I insisted upon applying, it was interesting to note how easy it was for them to work out voluntarily by negotiations between themselves, without ever letting the matter go to arbitration, a fair and decent compromise adjustment of the problem.

I remember one case in which an attempt was being made to prevent trucks from going directly shipside and loading lumber directly from trucks to slings to the hatch. Labor insisted that the trucks be unloaded some times a block and a half away, at the end of the dock, by hand, and then moved by hand-truck to shipside. That was economic waste. There was nothing within the contract that justified such a position on the part of the union concerned. There was nothing that justified a strike in support of a make-work principle.

I took a great deal of time in the preparation of the decision in that case, because I thought the issue was pretty fundamental to the future welfare of labor. I endeavored to point out that that type of labor practice would never have public acceptance; and if there is any one lesson labor needs to learn today—it knows it, but it has temporarily forgotten it, or it has suffered a temporary lapse of good judgment—it is that the final arbiter in all labor disputes, after all, is going to be the public. Without public acceptance of labor's position it not only is bound to lose on that issue, but weaken its position in support of many issues on which it is absolutely sound.

So, Mr. President, speaking of the resolution, I say that after we get through making the great mistakes that I think are about to be made by the Senate in the passing of labor legislation of the strait-jacket type, which will prove to be more detrimental to industry and the public than to labor, we will need, I think, the type of objective investigation called for by my resolution. I hope that before we take the summer recess calmness will pervade our minds sufficiently long on the labor issue so that the Senate will authorize its Committee on Education and Labor to proceed with such an investigation. Because I feel that only by the accumulation of such facts as would flow from such an investigation can we do the job that will need to be done when the Congress reconvenes.

Mr. President, I return again, perhaps for about the third time, to the point I rose really to address myself to, namely, the argument that has been made on the floor of the Senate by several Senators, the last time by my good friend, the junior Senator from Minnesota [Mr. BALL]. I may say, that although he is not in the Chamber, I know he has no objection to my proceeding to discuss the issue, because I notified him yesterday that if and when I was able to obtain the floor I would do so. But I wanted him to have the opportunity to be present in case he might wish to make any reply to anything I said. I addressed a question to the junior Senator from Minnesota, to which he replied. This colloquy appears on page 5347 of the CONGRESSIONAL RECORD, of Tuesday, May 21, beginning at the bottom of the first column. I read:

> Mr. MORSE. I should like to ask the Senator about the observation he has made. I understood him to say that he believes that any contribution made by an employer to a welfare fund would be an unfair labor practice under the Wagner Act, if the fund were administered solely by the union. Did I correctly understand the Senator?
>
> Mr. BALL. It would be an unfair labor practice, as I interpret the Wagner Act; but I added the proviso that there is no way that the employer could get before the National Labor Relations Board in such a case, except on complaint of the union, and the union never would raise the question.

Then I proceeded briefly, Mr. President, to express a curbstone opinion, something which a lawyer should seldom if ever do, but which in this instance I submit was a correct opinion, that in my judgment the word "contribution," as used in the National Labor Relations Act, is not subject to the interpretation that it forbids an employer as a matter of law to contribute to a health and welfare fund.

In view of the fact that the point made by the Senator from Minnesota has been made by other Senators on the floor, and also has been repeated in statements made by proponents of legislation now pending before the Senate, in advertisements in newspapers, and in various other releases, I am anxious at least to have the record show the basis on which I rendered my curbstone opinion of the other day. Since then I have taken a little time to study the term "contribution" as it relates to the Wagner Act, and I should like to make the following observations resulting from that study.

Section 8, subsection (2) of the National Labor Relations Act provides:

> It shall be an unfair labor practice for an employer * * * to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it: *Provided*, That subject to rules and regulations made and published by the Board pursuant to section 6 (a), an employer shall not be prohibited from permitting employees to confer with him during working hours without loss of time or pay.

Mr. President, note the language "or contribute financial or other support to it." Clearly, I think that means the union. In my judgment, this section does not preclude an employer from contributing to a health, safety, or welfare fund for the benefit of his employees, to be administered by the labor organization which is the exclusive bargaining representative of his employees. Whether based upon production or a percentage of the pay roll, such contributions do not come within the proscription of section 8, subsection (2) of the Wagner Act when there is no evidence of support of the union involved, when there is no evidence of opposition to some other union or unions, and when such payments are made pursuant to a valid collective bargaining agreement.

I digress long enough to say, Mr. President, that the thing which needs to be kept in mind is that the unfair labor practice which the distinguished senior Senator from New York, who I now see present in the Chamber, sought to prevent under the Wagner Act was a contribution to a company-dominated union; that is, he was seeking to prevent an employer from owning a union, from financing a union, from preventing a legitimate union from organizing his workers, from avoiding entering into a truly free collective bargaining agreement. It was a widespread practice, Mr. President, on the part of employers. Have we forgotten it so soon? The records of the National Labor Relations Board and of our courts are replete with case after case in which it was found that employers owned unions, company unions. In reality they were not unions at all. They were headed by men who were bought and paid for, men who sold out the legitimate interests of the workers time and time again.

In order to reach that unfair labor practice, in order to make it possible for truly legitimate collective bargaining to be carried on with such union-hating employers, the senior Senator from New York made one of the greatest contributions in American labor history when he incorporated in section 8, subsection (2) of the Wagner Act the prohibition against contributions to unions of the type he sought to regulate by this act.

Mr. President, this interpretation of mine is not individual to me. It is supported by the congressional history of the provision involved. Thus, in discussing this section of the act, the Senate committee which considered and reported it said:

> The committee feels justified, particularly in view of statutory precedents, in outlawing financial or other support as a form of unfair pressure.

I repeat that sentence because it goes to the whole heart of my thesis. The committee of the Senate which reported the Wagner bill to the floor of the Senate said in its report, as follows:

The committee feels justified, particularly in view of statutory precedents, in outlawing financial or other support as a form of unfair pressure. It seems clear that an organization or a representative or agent paid by the employer for representing employees cannot command, even if deserving it, the full confidence of such employees.

That will be found in Senate Report No. 573 of the Seventy-fourth Congress, first session, 1935, at page 10.

In other words, the committee itself pointed out in its own report that what it was seeking to prevent was contributions to the hired men of the employers parading as union officials of a company-dominated union.

The Senate committee also stated in its report:

Nor does anything in the bill interfere with the freedom of employers to establish pension benefits, outing clubs, recreational societies, and the like, so long as such organizations do not extend their functions to the field of collective bargaining, and so long as they are not used as a covert means of discriminating against or in favor of membership in any labor organization.

What could be clearer?

What about the House committee report on the same bill? The House committee which considered and reported the bill also made clear what it understood the section to prohibit. It was the same as the intent of the Senate. It made the following statement in its report:

The prohibition of financial support is particularly justified. Collective bargaining is reduced to a sham when the employer sits on both sides of the table by supporting a particular organization with which he deals by the payment of added compensation to the representatives or by permitting such representatives to conduct organizational work among the employees during working hours without deduction of pay.

In other words, it is seen from the House committee report that it, too, was seeking to prevent the type of contribution which was recognized as an unfair practice, namely, the support of a company-dominated union. The House, too, sought to check an employer when the union and the employer sat down at the bargaining table, and the employer in fact sat on both sides of the table. The quotation can be found in House Report 1147, Seventy-fourth Congress, first session, 1935, at page 18.

I need hardly remind the Senate, I am sure, that the Supreme Court has held that—

such reports of committees of House or Senate may be regarded as an exposition of the legislative intent in a case where otherwise the meaning of a statute is obscure.

The Court has made the same statement in a great many leading decisions. I cite only a few: *Duplex Printing Press Company* v. *Deering* (254 U. S. 443); *Wright* v. *Vinton Branch* (300 U. S. 440). I take the position that the Senate, like the Supreme Court, should look to its own records for a finding as to its original intent; and if we look to our own records in this instance it is perfectly clear that what the Senator from New York intended by the statute, as the report sets out, was that the word "contribution" in the statute sought only to prohibit an employer from engaging in the unfair labor practice of contributing to a company-dominated union.

As the Supreme Court has said as to the value of committee reports in reaching its decision as to legislative intent—

We are justified in seeking enlightenment from reports of congressional committees.

Quoting again Wright against Vinton Branch, at page 464.

Consequently, Mr. President, it is my position that employers' contributions to welfare funds for the benefit of their employees are not prohibited when they are not a form of unfair pressure, that is, when they are not used as a covert means of discriminating against or in favor of membership in any labor organization.

In further support of my position, Mr. President, I wish to point out that for many years employers and labor organizations have bargained with respect to group insurance, hospitalization, and medical attention. Let me cite references for those Members of the Senate who wish to check up on that broad statement. They will find plenty of supporting evidence in: Lieberman, the Collective Labor Agreement, pages 111, 112, and following; Seidman, the Needle Trades, published in 1942, pages 251, 269–270; United States Bureau of Labor Statistics Bulletin 686 on the subject of union agreement provisions; Bulletin No. 393 of the Bureau of Labor Statistics for 1923 and 1924. Even as far back as that, this type of agreement was entered into. Reference is made also to Suffern, the Coal Miners' Struggle for Industrial Status, 1926. Other authorities could be cited which list example after example of unions, in collective bargaining agreements, having consummated health and welfare fund clauses.

The Supreme Court has recognized that these matters may legitimately be the subject of collective bargaining agreements between an employer and the representative of his employees. I wish to cite in support of that statement the case of *J. I. Case Company* v. *National Labor Relations Board* (321 U. S. 332, at p. 339).

It is true that the point is covered by dictum. It is true that what the Supreme Court really passed on in the Case case was the practice of an employer in that case seeking to enter into an agreement with an individual employee. To make a long story short, Mr. President, the Court found the employer engaging in the well-known unfair employer practice of trying to weaken the union which sought a collective bargaining agreement by making special concessions to individuals. The Court found against the employer. I cite the case because, by way of dictum, I think it is very clear that the Court expressed the view, in support of a well-recognized principle, that a health and welfare fund is a proper subject for collective bargaining. That is the test.

As I stated on the floor of the Senate the other day, if the employer has the right, and the union has the right, to consider a health and welfare fund request on the part of the union, or an offer on the part of the employer—and it is interesting to note that sometimes this happens not at the request of the union, but as an out-and-out offer from the employer—I say that if the establishment of a health and welfare fund is the proper subject of a collective bargaining agreement, or a proper subject for collective bargaining, then the contract which the parties make, including a provision that the employer shall contribute the funds, is not illegal under the National Labor Relations Act. The only circumstances under which any contribution could be illegal would be, as I have previously said, when it was found that the employer sought to support a company-dominated union.

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

Mr. MORSE. I yield.

Mr. WAGNER. I do not wish to interrupt the Senator's fine presentation. But let me say that when I was chairman of the Labor Board appointed by the President under the NRA, under a section which the Senator remembers very well—section 7 (a), which authorizes workers to organize unions with representatives of their own choosing—we discovered, as a result of our experience in a short time, that about 40 percent of the organized unions were organized by the employers and the heads of those unions were paid certain incentive salaries, so that the unions were company-dominated. We sought some way to avoid that situation; and that is the purpose of section 8, I believe, of the National Labor Relations Act.

Mr. MORSE. I thank the Senator from New York.

Mr. WAGNER. Of course, we did not intend to refer to any benefits or welfare provisions. They are not included among the unfair labor practices.

Mr. MORSE. I thank the Senator from New York. I think it is perfectly clear that such contributions are beyond the intent of the law. No one who reads the legislative record of the history of the National Labor Relations Act can fail to recognize, in my judgment, that the Senator from New York has stated exactly what was intended by the word "contribution" in the act.

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

Mr. MORSE. I yield.

Mr. AIKEN. Is the Senator from Oregon satisfied that the provisions of the Byrd amendment would not interfere in any way with the present practice of insurance companies of administering health and welfare funds to which the contributions are made by both employers and employees? Would it interfere with group insurance in any way?

Mr. MORSE. I must confess, Mr. President, that I am not sure that it would not. I think the Byrd amendment, if and when it is adopted, will cause utter confusion in the field of health and welfare funds. It will upset a great many of them which have been established for years. It will produce lucrative employment for many lawyers, because in my judgment it will result in

widespread litigation. I think it is entirely unnecessary, and I think it will result in setting back this very much needed attempt on the part of organized labor to secure, through collective bargaining, a betterment of its position by way of establishing health and welfare funds.

Mr. AIKEN. It would appear to a layman, from a reading of the amendment, that when an employer pays to an insurance company certain deductions from the workers' checks, on assignment from the workers, the insurance company is acting as the representative of the employees in that respect. As the Senator has said, it seems to me that there is a chance for a great deal of confusion in the field of group insurance. Certainly, group insurance today is working very satisfactorily all over the United States. I understand that in some places the practice is for both employer and employees to make contributions to such funds. If the insurance company is not going to be able to administer the fund because the amendment provides that employees and employers must be equally represented in the administration of the fund, it appears to me that if the amendment is adopted there will be no question about the effect it will have upon group insurance.

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

Mr. MORSE. I yield.

Mr. TAFT. I cannot imagine any circumstance under which payments to an insurance company would have any relation to this amendment at all. The amendment relates only to payments to a union, not to payments to an insurance company. Group insurance funds are nearly always entirely paid by the employer, and are paid directly to the insurance company. That is true in regard to every one I have ever heard of. This amendment in no way affects group insurance plans, so far as I can see.

Mr. AIKEN. It applies to any labor organization or to any individual who makes these collections.

Mr. TAFT. Yes; but the individual must be a representative of the employees concerning grievances, labor disputes, wages, or rates of pay—in short, a negotiator. An insurance company is not a negotiator. An insurance company is merely an agency—not an agent at all—to which the premiums in connection with such a collective-bargaining agreement are paid. That matter has no relation whatever to this amendment, so far as I can see.

Mr. MORSE. Be that as it may, Mr. President, I say to the Senator from Ohio that neither he nor I will be able to check the imagination of lawyers who will bring litigation under the Byrd amendment, and I think the amendment will result in a multiplicity of litigation: First, litigation testing the legality of the amendment; and, second, litigation to determine whether existing contracts must be abandoned. The result will be that labor will be harassed, and there will be a tremendous set-back to this very desirable social movement within the voluntary processes of collective bargaining for the establishment of health and welfare funds.

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

Mr. MORSE. I yield.

Mr. TAFT. I do not think there is the slightest question that subdivision (c) (3) covers every existing fund and authorizes it, except with relation solely to the question of joint management. In that respect it is true that there are some existing funds which, when present contracts expire, would have to provide for joint management. But there is included in the amendment, I think, every single item which has been listed in any existing fund, according to the report of the Department of Labor. It includes everything else of the same nature that we can think of. So I have no question that any fund now in existence is completely covered.

Mr. MORSE. But, even if the litigation were limited entirely to the funds to which the Senator from Ohio has referred, it would still be voluminous. Of course, the difference I have with the Senator from Ohio is that I do not agree that as a matter of law it is good public policy for the Congress to say that no employer and no union shall have the legal right to sit down and negotiate a collective bargining agreement by which there is established a health and welfare fund to be contributed to solely by the employer. If the employer has so much confidence in the union that he is willing to make such an arrangement with it, I think he should have the right to do so.

I wish to say further that, although that is not the form of agreement which I prefer—for, as I said earlier in my remarks, I much prefer a jointly administered fund—nevertheless, we are dealing with what I think are some very basic rights. I simply cannot reconcile my thinking, insofar as the functions of Government are concerned, to a belief that the Federal Government should go so far as to say to American employers and American unions, "If you have a health and welfare fund, it cannot be administered by the union if all the money is contributed by the employer." We say much about democratizing unions and about increasing their responsibility to their membership. I can think of few things which would be better training for union officials and their members and which would do more to develop democracy within organized labor than to have them administer a fund and a plan for health and welfare for the benefit of their members.

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

Mr. MORSE. In a moment I shall be glad to yield.

I take the position that when such a plan has been established, if any union official or group of officials ever seek to abuse their use of the fund they will hear from the rank and file of the members very quickly. I believe that the establishment of such a fund could be an inducement to greater democracy among the American unions, which now is sorely needed.

Mr. TAFT. The Senator has said that more democracy is needed. In other words, there are leaders of unions who are not conducting their affairs in a democratic way.

Mr. MORSE. The Senator is correct.

Mr. TAFT. I say that it is immoral for such a leader to go to an employer and arrange to have money for a special fund paid directly to him. Automatically he is allowed to say to the employer, in effect, "I want 7 percent of the money which otherwise you would pay to these employees. I want it to put into my union." In such case the employers are not given any opportunity to make a choice. I assert that in any case in which an agent is negotiating for another person, to permit the agent to provide in the terms of the agreement that money shall be paid directly to him to be spent within his discretion is something which, to a large extent, is immoral and subject to abuse, and therefore a proper subject for regulation under ordinary rules of the common law having no relation whatever to labor.

It seems very certain to me that if we were to ask the employees, "Would you like to have an increase of 7 percent in your weekly salary check, or have it paid to some union welfare fund?" Ninety would rather have the 7 percent paid to them. If that is not so, and they were willing to set up the fund under the pending proposal, the employees could set up the fund and operate it themselves. But this proposal strikes at taking money which has been earned by the employee and saying, "No, you cannot have it; it will be given to your agent. The money will be used to set up a fund, and will be expended as we see fit."

I say that is a violation of the common law of agency, is subject to serious abuses, and is a perfectly proper subject for regulation.

Mr. MORSE. I understand the Senator's viewpoint, but I disagree with it. There is nothing immoral about doing what he has suggested. It is so easy to label something "immoral" but that does not establish such a charge. The Senator can call it what he pleases; the fact is such funds are sorely needed for the legitimate benefit of American workers.

Mr. TAFT. I am perfectly willing to make an exception for what are beneficial uses properly regulated. But I assert that once we permit an agent to obtain money for his own use, or for any purpose, it is affirmatively a dubious practice, an immoral practice, and unless it is used for purposes which are properly defined, it should not be permitted.

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

Mr. MORSE. I yield.

Mr. AIKEN. Does not the employer have every right under the law to refuse to pay the 7 percent? Why does the employer have to accede to a demand for the payment of 7 percent to Mr. Lewis, or to anyone else?

Mr. TAFT. It makes no difference to an employer, so far as the money is concerned, whether he pays 7 percent to Mr. Lewis or to the employee, but it does make a great deal of difference to him if he is enabled to settle a strike. In other words, two parties are getting together without any consideration of the employee.

Mr. AIKEN. I do not believe that the employers of the country always make decisions purely on the basis of money.

Mr. MORSE. I understand the Senator from Ohio. There are two or three assumptions in his argument with which I do not go along. In the first place, I do not go along with the assumption that the employer is not at all interested in the machinery which is set up for the administration of the fund. It is a matter for collective bargaining, and around that subject a great deal of bargaining will take place. If an employer reaches the conclusion that the administration of the fund through the union is one to which he has no objection, I say he should have a right to enter into that type of a contract if he cares to enter into it, and if he does so, there is nothing immoral about it. It happens to be the way the two parties, in keeping with their rights under the collective bargaining agreement, have decided the fund shall be administered.

There is a second assumption in the statement of the Senator from Ohio with which I do not go along. I think he implied in his statement that John L. Lewis, or any other labor leader who negotiates the establishment of a fund over which he, as president of the union, is supposed to have control, will administer the fund against the interests of his workers. If the Senator would read the constitution of the United Mine Workers of America, and read the proceedings of the national conventions of the United Mine Workers of America, I believe he would see that some of the charges about so-called dictatorial policies of that union cannot be borne out. I believe that he would discover that the rank and file of the miners have a thoroughly accurate idea of the use which is being made of their money. I believe that I know mine workers sufficiently well to assert that any health and welfare fund which is set up for their protection had better be administered in accordance with their interests, or John L. Lewis will soon find himself not the head of the United Mine Workers of America. The idea that he sits as a complete dictator and czar will not be borne out, in my judgment, by any study either of the constitution of the union, the debates which have occurred within the union, or the proceedings of the annual conventions of the union. If I were a member of the United Mine Workers of America I would want much more democracy in my union than there is at the present time, but I do not believe that we, as the Senate of the United States, have any right to impose the Senators' ideas upon the union by way of the particular device which the Senator from Ohio seeks to use.

After all, members of unions, as well as of other organizations, must learn to live in a democratic fashion. If the United Mine Workers of America want more democracy within their union, they have it within their power to see that greater democracy is achieved. However, I do not believe it is for us, by way of legislation, to proceed in an indirect manner to attempt to democratize the United Mine Workers of America.

I return to the argument which I was making with reference to the word "contribution." I refer to a case found in 321 United States, page 339, and will quote one of the paragraphs of the decision. The Court said:

> It is also urged that such individual contracts may embody matters that are not necessarily included within the statutory scope of collective bargaining, such as stock purchase, group insurance, hospitalization, or medical attention. We know of nothing to prevent the employee, because he is an employee, making any contract provided it is not inconsistent with a collective agreement or does not amount to or result from or is not part of an unfair labor practice. But in so doing the employer may not incidentally exact or obtain any diminution of his own obligation or any increase of those of his employees in the matters covered by collective agreement.

I say that although that decision is not directly on the nose, as we lawyers say, it certainly is in point by way of dictum. Because of the issue that was involved in the case, it indicates very clearly, I think, recognition on the part of the United States Supreme Court that a health and welfare fund is the proper subject of collective bargaining. I think it follows that if the contribution to the fund were made by the employer, it still would be within the National Labor Relations Act.

I wish to point out, further, that employers have contributed to welfare funds which have been administered solely by the representatives of the employees. My authority is Seidman's book, previously cited. Yet such contributions have not been declared violations of the National Labor Relations Act when there was no evidence of support of the union involved—and when I say "support of the union," I refer again to support of a company-dominated union—when there was no evidence of opposition to some other union or unions, and when such payments were made pursuant to a valid collective agreement. On the contrary, the National Labor Relations Board has held it to be a violation of that statute for an employer to take "unilateral action in expanding the existing plan of group insurance." The leading case on that point is *Matter of Consumers Lumber & Veneer Co.* (63 N. L. R. B. 17, 37, 39–40). Since such a change is a proper subject of collective bargaining, unilateral action with respect to it was held to be an unlawful refusal to bargain in violation of section 8 (5) of the act.

If it is not an unfair labor practice to bargain about a group-insurance plan, as the Board has held over and over again, and it has never been reversed by the courts on this point, it seems to me to follow logically that it is not an unfair labor practice to bargain about and set up such a plan, even though the contributions come, so far as the money is concerned, solely from the employer.

Mr. President, I am sorry to have taken as much time as I have consumed on the point I have been discussing, but we had a longer discussion preceding my remarks on this legal point than I anticipated, and if I am to make an accurate record on the subject it will be necessary for me to take possibly 20 minutes longer in order to cover it adequately.

I have made the point that it is very clear from the decisions of the National Labor Relations Board that it is not an unfair labor practice for an employer to bargain collectively with a union in the setting up of a health and welfare fund, but that it has been held decidedly to be an unfair labor practice on the part of an employer for him to refuse to sit down collectively with members of a union because it seeks to establish such a welfare fund. It would be an unfair labor practice if he refused to bargain on that point. I think that needs to be emphasized very strongly in the establishment of the premise which I am seeking to support.

I may say further, although it is true that the right of the employer, as the Senator from Minnesota pointed out a few days ago, to go before the National Labor Relations Board is purely a discretionary right, it is, however, true that at the option of the National Labor Relations Board he can go before it on complaint. It is also true that he has the right to appeal to the courts from decisions of the National Labor Relations Board, and I think it is very significant that from the decisions of the National Labor Relations Board which have laid down the proposition to which I have just referred, namely, that there is an obligation on the part of the employer, if it is a part of the controversy, to bargain on health and welfare funds, appeals have not been taken, at least no court decision has been handed down sustaining such an appeal on the part of an employer. That right of appeal is wide open to the employer.

To proceed with the argument, it is my position that so long as the insurance plan or welfare fund is for the benefit of the employees and not for the purpose of discouraging or encouraging membership in a labor organization, it can make no legal difference whether the employer contributes part or all of the funds and whether the control of the funds is in the hands of the employer or of the exclusive representative of the employees, or both.

Payments to a welfare fund for employees, to be administered by the labor organization representing the employees, does not constitute financial support of the union. Instead, they must be considered as additional compensation for work performed by the employees. As one author has expressed it, "The payment for insurance of his workers assumed by an employer must be considered as additional compensation for services rendered, differing only in form of payment from the ordinary weekly wage. Failure to pay the premium for insurance is enforceable in the same manner and on the same principle as payment for vacations or holidays. The individual worker may enforce such payment in the courts on the same principle as the payment of wages. I cite Lieberman on The Collective Labor Agreement (1939), page 132.

The National Labor Relations Board and the courts have also recognized that rights to sick benefits, paid vacations, and the privilege of participating in group life and hospitalization plans, may be rights and privileges accompanying the employment relationship, and that—and this is important—discriminatory deprivation of

such rights and privileges is an unfair labor practice which may be remedied by an order that such rights and privileges be restored.

I do not know of a much stronger authority I could cite than that. In support of it I call attention to the following citations: *Matter of Butler Bros.* (41 N. L. R. B. 843, 866, 869; enforced as modified, 134 F. 2d 981, 985 (C. C. A. 7); certiorari denied, 320 U. S. 789. Compare *Matter of Continental Oil Co.* (12 N. L. R. B. 789, 821; enforced, 113 F. 2d 473, 485 (C. C. A. 10); remanded on other grounds, 313 U. S. 212). I also suggest that those interested refer to *N. L. R. B.* v. *Stackpole Carbon Co.* (128 F. 2d 188, 191 (C. C. A. 3)).

Mr. President, I said earlier in my remarks, but in order to make the RECORD complete on the point that health and welfare funds are quite common in collective-bargaining agreements in this country I should like to read a very brief quotation from Bulletin No. 841 of the United States Department of Labor, Bureau of Labor Statistics, entitled "Health-Benefit Programs Established Through Collective Bargaining, 1945." I read, as follows:

Provision for health-benefit programs as a part of the contractual relationship between employers and unions was almost unknown a few years ago. Although a number of companies had provided within-plant medical service to their employees for many years and a few had established group health-insurance programs, these were administered by the employer and were subject to alteration or discontinuance at his will. Many were started as a part of a general welfare program designed to win employee loyalty and discourage union organization. Organized labor, having no voice in their administration and suspecting the motives for which they were established, has never wholeheartedly endorsed company benefit plans.

In response to their members' need for protection against total loss of income during sickness, a number of unions have established benefit programs of their own which are financed through membership dues or special assessments. Many of these, however, cover permanent disability and old age rather than short periods of illness.

During recent years an increasing number of unions have succeeded in having health-benefit plans included in the terms of their agreements with employers, and several international unions have established special facilities for helping their locals negotiate such plans. Although a number of the provisions in current agreements signify the substitution of contractual arrangements for already established employer-administered or union-administered benefit plans, many of them are new; some of the latter have been negotiated in lieu of wage increases which could not be obtained under the wartime wage-stabilization program.

I shall comment on that in a very few minutes, as I discuss the leading case of the Wage Stabilization Board which sets forth, and I think it is very important to have it in the RECORD, the War Labor Board precedents on the question of health and welfare funds. I will say in passing, Mr. President, that the War Labor Board encouraged the establishment of health and welfare funds during the war. The War Labor Board held in case after case that the establishment of such funds was beyond the wage stabilization program; that they referred to working conditions and benefits not restricted by the wage stabilization program. In other words, during the war, and still today—today through the Wage Stabilization Board—one branch of our Government is encouraging the setting up of such funds, whereas it is now proposed in the Senate of the United States to enact legislation which I tell you, Mr. President, will discourage the establishment of such funds, and will strengthen the hands of employers who want to resist their creation. Do not tell me that we are not passing legislation that is going to work to the detriment of workers and to the benefit of employers. The very restrictions included within the Byrd amendment in my judgment will play right into the hands of employers who do not want to set up such funds. It will strengthen their hands in collective-bargaining situations and weaken the position of unions which are doing what I think is a very laudable thing, a very desirable thing, in trying to be something else, as most of them always have been, than simply dues-collecting organizations.

Again referring to Bulletin No. 841, Mr. President, on page 2 it says:

Most of the plans described in this report have been negotiated by the following unions.

I shall not take the time to read them into the RECORD. In the interest of saving time, Mr. President, I ask unanimous consent that the list of unions in question may be incorporated in the RECORD at this time as a part of my remarks, as the list appears on page 2 of the bulletin.

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

International Ladies' Garment Workers Union (A. F. of L.), Amalgamated Clothing Workers of America (CIO), United Hatters, Cap, and Millinery Workers International Union (A. F. of L.), Textile Workers' Union of America (CIO), United Textile Workers of America (A. F. of L.), International Fur and Leather Workers Union of America (CIO), United Electrical, Radio, and Machine Workers of America (CIO), Upholsterers' International Union of America (A. F. of L), United Furniture Workers of America (CIO), Industrial Union of Marine and Shipbuilding Workers of America (CIO), Hotel and Restaurant Employees' International Alliance and Bartenders' International League of America (A. F. of L.), Paper Workers' Organizing Committee (CIO), United Retail, Wholesale, and Department Store Employees of America (CIO), and the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America (A. F. of L.).

At the bottom of page 2 of the bulletin we find the following:

A little more than a third of the employees covered by health-benefit programs included in this report are under plans which are jointly administered by the union and employer. Another third are covered by programs for which insurance companies assume the major administrative responsibility; and somewhat less than a third are under those administered solely by the union.

Most of the health-benefit plans included in this report are financed entirely by the employer. That is true of all the union-administered plans, almost all the jointly administered programs, and more than half of those administered by insurance companies. Only a few of the jointly administered plans and less than half of those administered by the insurance company require both employees and the employer to contribute to the financing of the health program.

Most agreements stipulate that the employer shall contribute a specified percentage of his pay roll (usually 2 or 3 percent) to meet his obligations under the benefit plan, although in some cases no exact amount is specified. Under the latter arrangement the employer either defrays all the expenses on a current basis, or supplements regular employee contributions with such money as may be required from time to time.

Mr. President, I consider that a pretty significant analysis of existing health and benefit plans. I think one sentence needs to be reemphasized as we consider the Byrd amendment. The sentence is as follows:

Most—

Most; a majority of them—

of the health-benefit plans included in this report are financed entirely by the employer.

Mr. President, I do not hold any brief for John L. Lewis as to many of the things he does. But I think the RECORD ought to be pretty clear in this debate, for future reference, that it apparently was all right for a great many other labor leaders over the years to negotiate health and welfare funds entirely financed by the employers, entirely administered by the union, but when Mr. Lewis proposes the same principle, then a flood of propaganda is let loose on the country for special legislation to be passed to stop the practice. Are there any complaints about any of the plans which have been formulated and are now in existence? Is there any evidence in the RECORD in this debate that any union leaders who have negotiated such plans are guilty of abuses? Can any Senator stand up on the floor of the Senate and submit to the Senate any evidence to support his statement, that the workers have been exploited under any of these agreements and plans? Does anyone want to defend the proposition that these plans have not helped democratize the unions which have adopted them, have not increased the responsibility of the unions, and have not been of great educational as well as health and welfare benefit to the workers?

In my judgment, Mr. President, such evidence cannot be presented, because I do not think it exists.

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

Mr. MORSE. I yield.

Mr. BALL. I know of one particular case in the Twin Cities where the upholsterers' union have such a 3-percent contribution to a social-security fund, operated by the union, as I understand, with which they buy insurance in a little New York company that was established by a group of union leaders. The practice there is to make one particular business agent of the union the collector of this 3-percent payroll tax as the premium on this insurance. It is a nice graft. He collects a commission on the premium. It is passed around among

the business agents. It is a nice graft of three or four hundred dollars a month for a particular business agent in a very small industry. I think that is bad.

Mr. MORSE. I have heard such charges made; but let me say to my good friend from Minnesota that I should like to see the evidence. I should like to see the records which show that the workers in that union have not been fully protected by their union at all times as to their benefits under the fund. I think the Senator very well knows that if any labor leader is guilty of misusing such funds the laws are adequate to protect the workers from such abuses.

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

Mr. MORSE. I yield.

Mr. BALL. Since the Senate began consideration of the Byrd amendment I have learned of the cases of two different former union members. They were both kicked out of their respective unions for having the temerity to get up on the floor and oppose the leadership. One union was the garment workers' union, and the other was a bricklayers' local in Washington. Both members had made contributions over a period of years to a so-called insurance fund established by the union, and both of them suffered disabilities. When the time came to collect, neither of them could collect. They tried to go to court, and their lawyers told them that they had no case.

Mr. MORSE. Let me say to the Senator from Minnesota that I think his major premise cannot be sustained if his major premise is that under such conditions workers have no legal remedy to protect themselves from embezzlement of the funds or failure on the part of the union to give them their rights under the funds, because the principles of contract law would protect them under such circumstances. I certainly am not going to vote for such legislation as this on the basis of hearsay evidence such as the Senator from Minnesota presents.

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

Mr. MORSE. I yield.

Mr. AIKEN. As I understand the example cited by the Senator from Minnesota, the members of the union contributed to the health and welfare fund, and the contribution was collected by an agent who made three or four hundred dollars a month by doing so. I am wondering what there is in the Byrd amendment which would prevent such practice from being continued. Does the Senator from Oregan know of anything in the Byrd amendment which would prevent the employees of a union from joining health programs and group-insurance plans?

Mr. MORSE. I am sure I cannot answer the question.

Mr. AIKEN. I do not see that there is anything in the Byrd amendment applicable to the instances which the Senator from Minnesota cited, if there was no contribution from the employers.

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

Mr. MORSE. I yield.

Mr. BALL. The instance which I cited was that of a contract of the upholsterers' union under which the employer made a contribution of 3 percent of the pay roll.

Mr. AIKEN. I understood the Senator to say that the 3 percent was collected from members of the union.

Mr. BALL. The last two cases involved union funds. The business agent did not keep any record of the contribution to the health fund, and when the time came to collect the benefits the employee had no evidence, and no case in court.

Mr. AIKEN. There would be no recourse under the Byrd amendment.

Mr. BALL. Not in the case of the union fund; but there would be in the previous instance, in which a 3-percent contribution was paid by the employer.

Mr. AIKEN. Or in any instance in which both employer and employee contributed.

Mr. BALL. Yes.

Mr. MORSE. I have a great deal of respect for the judgment of the Senator from Minnesota, and I have no doubt that he expresses an honest belief as to an abuse which he thinks exists. All I wish to say is that I have gone through too many cases in which I have heard such charges made in advance by disgruntled members of an organization. Then when they were on the witness stand under oath, and counsel was boring in for the evidence, time and time again it was found that their charges evaporated into thin air.

I believe that the record which has been made under the collective-bargaining agreements which I have cited, which provide for health and welfare funds, and which have been in operation for some time, is a splendid record. Organized labor ought to be encouraged to negotiate for such funds, and not discouraged in its attempt to protect its members. I believe that it would be discouraged under the Byrd amendment.

Mr. President, along the line of other evidence calling attention to the existing agreements which contain health and welfare funds, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a very excellent article on the subject by Thomas L. Stokes. The article is entitled "Overshooting." I think it is a very fine statement on this issue and on the Byrd amendment, and I support every sentence in it.

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

OVERSHOOTING

(By Thomas L. Stokes)

When Congress gets riled up, as with reason it has again over John L. Lewis, it often exhibits a tendency to overshoot the mark and pass legislation which is regretted.

That happened during the war when Congress hastily slapped together what was known as the Connally-Smith "anti-strike" bill. It is generally conceded now that the act encouraged rather than discouraged strikes.

John L. Lewis was the inciting factor there, as he is now. But legislating against one man or one union often creates injustices for other workers and upsets constructive programs adopted jointly by management and labor.

A case in point is the current proposal of Senator Byrd (D., Va.). It is designed to prevent union control of the proposed health and welfare fund which Mr. Lewis has asked the coal operators to set up by contributing an amount equal to 7 percent of the industry's total pay roll.

Senator BYRD's bill would provide for industry control of this fund, with minority union representation on an administrative board. While the measure was provoked by the Lewis proposal for complete union control of the fund, the Virginia Senator argues that if this were adopted it would start a widespread demand by all unions to set up such funds.

The truth, as Mr. BYRD now finds out, is that what Mr. Lewis asks already is operative in a number of union contracts, with variations in different trades. These plans, furthermore, were established through regular collective bargaining and are accepted as a part of ordinary relationships between company and workers.

In some cases the union controls the fund, as Mr. Lewis asks. In others there is joint control. If the Byrd bill were enacted, it would be necessary to revise some of those well-established health-welfare plans. The Byrd bill provides that the party which makes the larger contribution shall have major control.

Plans now in effect include the International Ladies Garment Workers Union (AFL); New York City laundry workers in the Amalgamated Clothing Workers (CIO); United Hatters, Cap, and Military Workers (AFL) in a number of larger cities through individual company and union contracts. These are distinct from a number of other health and welfare arrangements—some between employers and unions, some on an insurance basis, some voluntary in nature, some wholly within the union itself.

Such social-welfare programs as these, as well as various wage-incentive plans in effect, are in keeping with the best traditions of progress within industry and unions, some established by one or the other, some through cooperative effort.

Existing employer contribution plans usually are on a 2 or 3 percent basis. Mr. Lewis is asking 7, which admittedly is high, and which undoubtedly he never expected to get. Criticism of Mr. Lewis is based on his obdurate stand and his self-exploiting tactics which tied up a whole industry and slowed down production and threw workers out of jobs in other industries, and his refusal to bargain collectively on a reasonable basis.

The need of a health and welfare program is recognized. Mr. Lewis was considerably late in getting around to it, after all these years, especially in an industry where it is needed perhaps more than any other because of the hazards to health and life.

Collective bargaining is the method by which it is to be attained, as the others were attained.

What is hard to understand about Senator BYRD is that he is a stalwart of the free-enterprise school in Congress, which always has advocated reforms on this basis, through private agreement rather than through intervention by Government. Now he is trying to legislate on behalf of corporate interests to stop something which could be arranged between those interests and the union by collective bargaining.

Mr. MORSE. A short time ago I referred to the practice of the War Labor Board during the war in encouraging agreements for the establishment of health and welfare funds. I shall not take the time to read the opinion, but on May 6, 1946, in the case of the International Brotherhood of Electrical Workers and the National Electrical Contractors' Association, both of Washington, D. C., the National Wage Stabilization

Board handed down a decision referring to the question of health and welfare funds, and reviewing, in a very concise form, the history of the development of such funds in collective-bargaining agreements during the war, under the encouragement and with the authority and approval of the War Labor Board. I ask unanimous consent to have this opinion printed in the RECORD at this point as a part of my remarks.

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

IN THE MATTER OF THE REQUEST FOR APPROVAL OF THE EMPLOYEES BENEFIT AGREEMENT BY THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS AND THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION, BOTH OF WASHINGTON, D. C.—CASE NO. 52-11, 138—MAY 6, 1946

OPINION

This case arises from a joint application to the Wage Adjustment Board for approval of an agreement between the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW). The agreement calls for payments by those electrical contractors covered by it equal to 1 percent of the gross pay roll paid by such contractors to employees who are members of the IBEW. The 1 percent payments are to be made periodically to a board of trustees, created by the agreement, consisting of seven members appointed by the IBEW, seven appointed by the NECA and one public member to be appointed by the Secretary of Labor. The trustees are made responsible for collecting and administering the funds and paying such funds over to augment the pension benefit fund of the IBEW.

The IBEW pension benefit fund is provided for in article XII of the constitution of the IBEW which is incorporated as a provision of the NECA-IBEW agreement. The fund has been in existence for some years, supported by dues from IBEW members and, according to the constitution, the fund "shall be maintained solely for pension benefits" for those members of the union who, under the constitution, make contributions to it. The constitution provides that such pensions are payable to any contributing member "attaining the age of 65 years, * * * who has been a member of the IBEW in continuous good standing for 20 years immediately preceding his application." The amount of the benefit presently paid to eligible members is $42 a month, $2 of which is kept by the union as dues for the pensioner.

The public and labor members of the Wage Adjustment Board voted to approve the agreement, holding among other things that the 1 percent payments covered by the agreement constitute wages and that approval by the Board is therefore required before the agreement can be put into effect. The industry members of that Board dissented from the decision and have requested the National Wage Stabilization Board to review the case in accordance with the established prereview procedure. In dissenting, the industry members have challenged the holding by the majority that these payments constitute wages.

The basic question presented is whether the payments called for by the proposed agreement are wages or salaries as defined and subjected to control by the Stabilization Act of October 2, 1942, and the Executive orders issued thereunder. Only if they do come within that definition does the Wage Adjustment Board or this Board have jurisdiction either to approve or disapprove the payments. If they do not constitute wages or salaries as defined, the agreement may be effectuated without any necessity of seeking or obtaining Board approval.[1]

THE STATUTORY EXEMPTION

Section 10 of the Stabilization Act of October 2, 1942, defines wages and salaries subject to control as follows:

"SEC. 10. When used in this act the terms 'wages' and 'salaries' shall include additional compensation, on an annual or other basis, paid to employees by their employers for personal services (excluding insurance and pension benefits in a reasonable amount to be determined by the President)."

It is accordingly clear from the Stabilization Act that payments by employers into insurance or pension funds for the benefit of their employees are exempt from those controls which are applicable to other forms of compensation for personal services. The form of this exclusionary provision, however, is such as to require some further construction to permit its application to individual cases, the necessity for a definition of "reasonable amount" being, for example, specifically recognized in section 10 itself.

Executive Order No. 9250, issued on October 3, 1942, contained, in section 2, of title VI, a further definition of wages and salaries.[2] Here again, however, there was simply the flat exclusion from the definition, and the resultant exemption from stabilization controls, of "insurance and pension benefits in a reasonable amount * * *." The determination of reasonableness of amount was further delegated here to the Director of Economic Stabilization.

Subsequent Executive orders have not made any change in the exclusion from control of payments made for "insurance and pension benefits." The regulations issued by the Economic Stabilization Director shortly after the wage-stabilization program came into being have undertaken to lay down more detailed guides as to the definition of wages and as to what constitute "insurance and pension benefits," but these regulations which have been amended from time to time have left many factors, including the question of the reasonableness of amount, primarily to the agencies in charge of the administration of the stabilization program.[3]

Accordingly, the provisions of the Stabilization Act itself and of the original Executive order, as the basic sources of authority and intent, have governed the disposition of innumerable cases involving the same question as that presented by this case which have come before the National War Labor Board and its successor agency for determination.

NATIONAL WAR LABOR BOARD PRECEDENTS

It is in the cases ruled upon over a period of some 3½ years by the National War Labor Board that the detailed application of the statutory exemption to particular fact situations has been developed. Such plans have become increasingly common in American industry and the problem of the applicability of the wage stabilization laws to them has arisen in numerous cases. The precedents, covering both exempt and nonexempt benefit plans, leave little doubt as to the appropriate disposition of this case.[4]

These precedents establish clearly at one extreme the inclusion within the statutory exemption of employer payments of premiums on orthodox types of insurance policies covering employees. Employer payments of employee life insurance premiums,[5] group hospitalization premiums,[6] and premiums on

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[1] The building and construction industry, involved in this case, is today the only industry (except agriculture) in which direct wage controls have been retained. Wage and salary increases in this industry cannot be put into effect unless they are approved by the Wage Adjustment Board or, upon appeal or request for prereview, by the National Wage Stabilization Board. The question involved in this case arises today in connection with similar adjustments in other industries only with respect to whether such adjustments must be approved by the wage stabilization agencies as a condition precedent to their being used as a basis for seeking an increase in price ceilings or for increasing costs on contracts with the United States Government. See Executive Orders No. 9599 (Aug. 18, 1945) and No. 9697 (Feb. 14, 1946); and NWLB General Orders No. 13 and No. 41.

[2] Section 2, of title VI, is as follows:

"2. Salaries and wages under this order shall include all forms of direct or indirect remuneration to an employee or officer for work or personal services performed for an employer or corporation, including but not limited to, bonuses, additional compensation, gifts, commissions, fees, and any other remuneration in any form or medium whatsoever (excluding insurance and pension benefits in a reasonable amount as determined by the Director)."

[3] The first regulations of the Economic Stabilization Director were issued on October 22, 1942 (approved by the President, October 27, 1942). The matter of the definition of "wages" and "salaries" coming within stabilization control was covered in section 4001.1 of those regulations, and the subject of insurance and pension benefits more particularly in subsection (h) of that section. This subsection was then amended on August 28, 1943 (7 F. R. 748), and most recently on November 30, 1944 (8 F. R. 11, 960). The only specific reference to the "reasonableness of amount" question appears in section 4001.1 (h) (2) where a figure of 5 percent of the employee's annual wages or salary is used to measure the "reasonableness" of a plan for employer payments of premiums on employee life-insurance policies. Subsection (h) (1), as it appears in the latest revision of the regulations brings specifically within the "insurance and pension benefits" provision, contributions by an employer to an "employee's retirement plan" which meets the requirements of section 165 (a) of the Internal Revenue Code, and contributions to a "stock bonus or profit-sharing plan providing benefits distributable * * * on the death, retirement, sickness, or disability of the employee." These references to certain types of plans have, during the long period since the issuance of the regulations, been interpreted as illustrative of the nature of plans which are covered by the statutory exemption. Thus, for example, the regulations in form seem to cover certain types of benefit arrangements only if they are part of stock-bonus or profit-sharing plans. Such a limitation, however, would exclude identical benefit plans not part of a profit-sharing scheme and thus would clearly do violence to the language and intent of section 10 of the Stabilization Act.

[4] There are reviewed in this opinion only those precedents established by action of the National War Labor Board itself or by rulings of the general counsel's office of the National Board. A great many additional rulings have been issued by various regional boards and by regional attorneys.

[5] Among the more recent of these are the following: *In re Coastal Tank Lines* (G. C. R., Feb. 1, 1945); *In re Hayden Flour Mills* (G. C. R., Feb. 1, 1945); *In re Sun Life Assurance Co. of Canada* (G. C. R., Feb. 15, 1945); *In re Lockheed Aircraft Corp.* (G. C. R., May 11, 1945).

[6] *In re American Transfer & Storage Co.* (Case No. 7-1-886, G. C. O., Oct. 21, 1944); *In re Hospital Service Plan Commission* (G. C. R., Dec. 23, 1944); *In re General Accident Fire & Life Assurance Co., Ltd.* (G. C. R., April 16, 1945); *cf. In re G. M. Co. Mfg., Inc.* (G. C. R., March 16, 1945).

accident insurance policies[7] have generally been ruled to fall outside of the wage stabilization controls and not to require Board approval. The exceptions to this general rule have involved, largely, plans which did not meet the requirements, established by the regulations, that exempt plans must provide for nondiscriminatory distribution of benefits among the employees involved and must not include any cash surrender value features.[8]

At the other extreme are those cases which involved plans having no relationship whatsoever to the type of welfare benefit plans contemplated by the statutory exemption. Thus, contributions to an irrevocable trust fund equal to 6 percent of the employees' earnings, to be distributed, according to employee earnings, after the termination of the stabilization program, was held by the Board to be "wages" and therefore subject to Board approval.[9] Similarly, where the benefits are of the type contemplated but the benefits are distributed directly by the employer to the disabled employee, instead of through a fund established on something like an insurance basis, the exemption provision was ruled not applicable.[10]

Between these two extremes stand a number of National War Labor Board precedents approaching more closely the problem presented by the subject case.

Most directly in point is the ruling issued covering a plan worked out and agreed to by the Franklin Cooperative Creamery Association and Local 471 of the Dairy Employees Union. That plan, providing for benefits distributable to employees having a record of 20 years or more of continuous employment in case of retirement at the age of 55 or in case of permanent disability was held to fall "within the intent and meaning" of the exemption provided in the act.[11] Approval of the payments was ruled not to be required. The ruling relied in part on the fact that this plan covered two of the contingencies specifically enumerated ("death, retirement, sickness, or disability") in section 4001.1 (h) of the Regulations of the Economic Stabilization Director.

In several other important cases, plans for payments by employers to disability funds for the benefit of employees have been found to be within the statutory exemption. Payments to one such fund, established for the benefit of members of the United Hatters, Cap, and Millinery Workers International Union, involved payments to the fund by the companies involved equal to 2 percent of the weekly pay roll. The fund, established by agreement between employers and the union, was to be maintained as a trust fund, to be used to provide payments to employees in case of injuries and sickness not covered by workmen's compensation legislation. The agreement included specific rules as to the use of the fund for the benefit of all employees. The payments involved were ruled here, as in other similar cases, not to require approval.[12]

In a group of related cases, the exemption has been held to include health funds established to avoid disability rather than to compensate for its costs. A "health insurance fund" plan was set up in the dress manufacturing industry in several of the eastern metropolitan areas, by agreement between the companies involved and various International Ladies' Garment Workers Union groups. Company contributions were from 3 to 4 percent of the weekly pay roll of covered employees. Benefit payments for health purposes (including vacations under special circumstances) were to be determined according to specified procedures. Administration of the fund, including the rules governing eligibility for benefits was divided, in various respects, between the union and a council established by the agreement. The council included company and union representatives in equal numbers and an impartial chairman. Payments into these various funds were ruled not to be "wages," and, under the statutory exemption not to require approval.[13]

The National War Labor Board ruling in the Electrical Transcription Manufacturers[14] case should be mentioned as part of the history of the interpretation of the statutory definition of wages and salaries, although it throws little light on the present case. The companies there involved had agreed with the American Federation of Musicians to pay into the Union Employment Fund a certain amount (one-fourth cent to 5 cents) for each record made from a master recording. Various restrictions on the use of the fund were incorporated in the agreement, but in general these uses were described as being "for the purposes of fostering and propagating musical culture and the employment of live musicians." The Board's ruling that these payments did not require approval was based on two grounds.[15] The first of these was that the payments had been ruled by the Bureau of Internal Revenue not to be subject to the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, or the withholding provisions of the Current Tax Payment Act of 1943. The second ground was that the relationship of the transcription companies and their artist employees gave rise to a unique "copyright royalty" claim.[16]

No claim was made that the payments were within the "insurance and pension benefits" exclusion. That ruling, based exclusively on the peculiar facts of the case, could have no application to a different set of facts, and cannot be considered applicable to the present case.

GENERAL CRITERIA; APPLICABILITY OF PRECEDENTS TO NECA-IBEW AGREEMENT

These various administrative rulings and interpretations give substance to the exemption contained in section 10 of the act and warrant certain generalizations which will serve to test its application to the present case.

1. The phrase "insurance and pension benefits" includes only plans calling for payments into a fund rather than to individual employees directly. The NECA-IBEW agreement obviously involves the requisite plan and fund.

2. The fund must be established, if contributions to it are to be exempt, for purposes contemplated by the statutory reference to insurance and pension benefits. These purposes include, in general, the payment of benefits covering, with respect to the employees involved, what have come to be recognized as insurable risks involving a danger of interruption of employees' earnings as the result of factors over which they have no control. The form of the statutory provision warrants the identification of these benefits, in the War Labor Board precedents, as including, particularly, payments in case of death, retirement, illness, injury, or unemployment. Within limits, these precedents support the exemption of funds to be used to prevent or postpone or diminish as well as to compensate for risks. A bona fide health plan, designed to prevent employee sickness, could only arbitrarily be distinguished from a plan to pay employees when they do get sick.

Combining the "fund" requirements with this "insurable risk" concept, the relevant rulings have emphasized several features common to most of the benefit plans submitted. Most of the agreements ruled on involved funds which were earmarked for stipulated purposes, and were segregated from any general company or union funds. Benefits were made available, not to a few selected employees, but on a reasonable basis to employees generally. The agreements negatived expressly any claim of any individual employee upon the fund, based upon the extent to which his services were the measure of the employer's contribution to it.

Here again, the IBEW plan, providing for exclusive use of the fund for retirement pension payments to all employees contributing to it, satisfies this criterion.

3. There is, as a corollary of the preceding test, the requirement that a fund, although established originally for a purpose which meets the test for exemption, would of necessity be viewed differently if the situation permitted its present or subsequent diversion, in whole or in part to other uses. It would not suffice to bring a "benefit" plan within the statutory exemption that only a part of it was to be used for the purposes enumerated above. In most of the cases submitted to the War Labor Board, there have

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[7] *In re Upholsterers Int'l Union of North America* (G. C. R., June 28, 1944).

[8] See regulations issued by the Economic Stabilization Director (Nov. 30, 1944), section 4001.1 (h).

[9] Milwaukee Electric Ry. & Transport Co., case No. 6-29580 (Aug. 22, 1944).

[10] *In re Harlan-Wallins Coal Corp.*, G. C. R., May 27, 1944. A subsequent ruling in this same case rejected a claim of exemption based on a "self-insurer" concept advanced by the company. Supp. G. C. R., June 16, 1944. But *cf.* G. C. R., May 16, 1944.

[11] G. C. R., May 12, 1945.

[12] G. C. R., October 17, 1944. Similar rulings are involved in G. C. O., July 4, 1944, and G. C. O., February 16, 1945.

[13] G. C. R., January 1, 1943; G. C. R., April 7, 1944; G. C. M., May 20, 1944; G. C. R., May 28, 1945 (employer contributions 4½ percent of pay roll). The first of these rulings was also based on the fact that section 4001.1(h) of the Economic Stabilization Director's Regulations provided at the time for inclusion within the exemption of certain benefit fund payments if such payements had been found to be deductible by the employer under section 23 (a) of the Internal Revenue Code. That was true of these payments. The regulations were subsequently amended to eliminate this obviously purposeless cross-reference. The later NWLB rulings in other cases involving the ILGWU health fund, issued after the regulations were changed, reached the same result as had the first. This was obviously necessary, however, to avoid inconsistency as between rulings on identical funds involving virtually the same parties. This history casts some doubt upon the relevance of these cases to others, particularly insofar as the vacation feature of the health plan is concerned.

[14] 16 W. L. R. 369, Case No. 111-2499-D, directive order issued June 15, 1944.

[15] As indicated in the general counsel's opinion filed with the Board in the case.

[16] This position was based on the following description of the situation included in the tripartite panel report issued in the Electrical Transcription case: "These sums do not purport to constitute payment for services performed by individuals, but rather consideration for the 'rights, privileges, and permissions' (par. 13) granted by the union to the employers under the contract, with respect to the musical reproduction of instrumental music by means of electrical transcriptions and recordings. In other words, the payments are made in satisfaction of the long-standing claims, whatever their merit may be, of the union, in behalf of its membership with respect to such mechanical reproduction. These claims are to be distinguished from claims for compensation for services performed by individual musicians in the making of the master record or transcription itself."

been provisions for carefully restricted use of a small part of the fund involved for purposes of administration of the benefit program, but great caution has been exercised to negative any substantial use of the fund for other than the prevention of or compensation for one or more of the "insurable" employment risks. Payments to union officials for general union business have, for example, been specifically precluded. It is clear that the use for exempt purposes must be virtually an exclusive use, and that neither party to the plan can effect diversion of the fund to nonexempt purposes.

The NECA-IBEW benefit fund agreement presents two questions in this connection. There is, on the one hand, the fact that $2 is to be taken from the fund each month for the union dues of each pensioner. Beyond this, there is at least a technical uncertainty as to the degree to which the fund benefits might be diverted from the stipulated use as the result of a change in the union constitution.

Both of these questions must be considered in the light of the fact that this case involves a fund already established and a retirement pension plan that has been in operation, supported by union member contributions for a number of years. These employee contributions are to continue, and the new agreement contains provisions limiting employer contributions on the basis of a relationship to employee contributions. These employee contributions will exceed by a considerable amount the extent to which the fund benefits will be used for union dues payments and there would accordingly be no justification for permitting this case to turn on that feature.

The previous operation of this pension plan and the clear indication of the intention of both parties that this fund will be used indefinitely for the stipulated purpose outbalance the technical possibility of a future change in the form of the plan. This possibility is really no more than an uncertainty resulting from the omission of any provision as to what disposition would be made of the fund assets in the event that the brotherhood should, by a change in its constitution, abandon its established pension plan. The agreement with the association provides, however, that the fund "shall be maintained solely for pension benefits," thus precluding any different use at least while the plan is in operation. The omission of any coverage of certain remote future contingencies would not warrant disregarding the clearly stated intention of the parties.

4. Related to the question of the uses of the fund, and the possibility of its diversion to noncovered uses, is that of the provisions made for its administration. The War Labor Board rulings emphasize the fact, in most of the cases ruled upon, of the degree of independent administration provided for. There is obviously such independence in the plans involving only the payments of premiums on insurance policies written by established insurance companies. In most of the other cases ruled exempt by the Board there was included a provision for at least partial administration of the fund by a joint control council or board, including not only company and union representatives but also a nonpartisan chairman or member.

The importance of independent administration appears, from these precedents, to turn upon the extent to which the uses of the fund are definitely established and controlled by the original agreement entered into. Where the specified benefits are within the exempt categories and where the agreement is in such form as to preclude any change in the use of the fund or its diversion to nonexempt purposes, independent administration is of lesser importance. Where, on the other hand, the original agreement leaves any uncertainty as to the possible future uses of the fund, it would come within the statutory exemption only if the administration of the fund was to be controlled, in actuality and not simply in form, by a trustee or similar official who would be empowered to assure the continued use of the fund for the kind of purposes coming within the exemption.

The NECA-IBEW payments are to be collected by a board of trustees, of which the odd member is to be appointed, as a "public member," by the Secretary of Labor, and this board is also to exercise a limited power in "administering" the fund. These administrative functions relate almost exclusively, however, to the collection of the fund and hardly at all to the distribution of its benefits. This would not bring this plan within the exemption if the agreement did not itself specify, apparently irrevocably, the exclusive use of the fund for one of the enumerated purposes. Here again, the provision of the agreement that the fund "shall be maintained solely for pension benefits" satisfies a requirement which would otherwise be met only if the uses of the fund were subject to the control of an impartial officer in a position to assure its continued use for purposes indicated by Congress and in the previous rulings.

5. Finally, there is the test, recognized expressly in the statute itself, that the benefits must be reasonable in amount.[17] It is a proper construction of the statutory provision, as it affects the cases which have arisen, that this test of reasonableness is intended to apply to the amount of the contribution to the fund as well as to the benefits paid out of it. Both are part of the transfer of money from employers to employees, and neither can be considered, for purposes of applying this test, independently of the other. In fact, the intended test would appear to be that the amount of the benefits proposed must be reasonable and that the amount of the contributions to the fund must be reasonably designed to cover no more than these anticipated benefit payments. Any plan providing for excessive contributions to the fund would fall outside the statutory exemption even though only reasonable benefits were distributed to employees if the remainder were to be allowed to accumulate, for unexplained purposes, in the fund itself.

There is inherent in this criterion of reasonableness, and in its application in previous War Labor Board rulings, the requirement that the amounts of the contributions and payments in a benefit plan cannot be such as to indicate an attempt to evade the stabilization laws or to circumscribe its purposes.[18]

The IBEW retirement pension plan provides for benefit payments of $42 per month, and this only after the pensioner has reached the age of 65 years. This is the retirement age most frequently fixed in pension plans and is, if anything, on the conservative side. The payments, totalling only $508 a year, cannot possibly be considered excessive.

The record as submitted to the Board does not include a complete basis for computing the mathematical and actuarial relationship of the 1-percent pay-roll assessment and contribution to the benefit payments which may be anticipated. The union contributions would also have to be taken into account to get the complete picture on this score. There is, however, sufficient information available to satisfy the Board that the contribution features of the plan are reasonably related to the benefit provisions, that there will be no excessive accumulation of moneys in the fund, and that the establishment of the plan does not represent an attempt to defeat the purposes of the stabilization laws. Everything in the record, in fact, points the other way. Should any accumulation develop in the fund, it can only be used in accordance with the specific terms of the parties' agreement to increase the present comparatively small monthly benefit payments.

This review of the statutory and regulatory provisions and of the administrative precedents can leave no doubt as to the proper disposition of the subject case. The agreement comes within the exclusionary provisions of the statutory definition of wages or salaries for stabilization purposes. The stabilization laws, therefore, do not require its approval by the Wage Adjustment Board or the National Wage Stabilization Board. On the contrary the agreement is of a type which Congress has expressly withdrawn from the jurisdiction of any wage stabilization agency. There is accordingly no bar to its being put into effect in accordance with the conclusion of the parties.

This conclusion, agreed to unanimously by all members of the Wage Stabilization Board, precludes the necessity of any consideration of the further question, discussed in the opinions filed by the Wage Adjustment Board, as to whether such an agreement would be approvable if it were found to constitute an agreement covering wages or salaries under the Stabilization Act. The Wage Stabilization Board finds that question not before it in this case and expresses no opinion with respect to it.

W. WILLARD WIRTZ,
Chairman.

JACK G. DAY,
Vice Chairman.

Mr. MORSE. As I have previously stated, it has been the policy of those agencies of our Government best informed on labor-relations problems—and I say that in no disrespect to the Senate; but I have no hesitancy in saying that they are much better informed than is the Senate on the complexity of labor-relations problems—those agencies of Government entrusted with the task of helping to administer a labor policy for the Government have been encouraging the very thing which the Byrd amendment seeks to discourage, recognizing not only the social desirability of having such funds established, but also, I may say, as one who sat on the Board, recognizing that negotiations over this issue and the establishment of such funds do much to increase union responsibility. I strongly favor unions doing more for their membership. I have so stated many times. They ought to exist primarily to serve the welfare of their membership, not to seek political power, not to seek wealth through the collection of dues, but to do something for the men in overalls, for the workers, which will better their lot. What finer social objective could a union have than to seek to negotiate with the employer a health and welfare fund which will better protect the workers of the union?

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

Mr. MORSE. I yield.

Mr. SALTONSTALL. I should like to ask the able Senator from Oregon a question. He has stated several times that the establishment of welfare funds is an excellent thing. I agree with him. On the other hand, he states that the amendment offered by the Senator from Virginia would discourage the establishment of such funds. My question is this: As I look at the amendment, it seems to me that it is merely a method by which to safeguard by law the use of such funds, which represent money in the hands of

[17] See footnote 3.

[18] Compare Milwaukee Electric Railways cases, see supra, note 8.

a third person. Take, for example, the safeguarding statutes of the SEC, and the laws of every State relative to trust funds placed in the hands of two persons, we will say, to administer for the benefit of a third person. As I see it, this amendment would impose by statute certain restrictions on the use of funds in the hands of A and B for the benefit of C. That is a perfectly proper safeguard. It is not a restriction or impediment, but rather a safeguard in the use of other peoples' money when placed in the hands of a person for the benefit of a third party.

Mr. MORSE. I know that that is the position taken by the Senator from Massachusetts, and I do not at all question the motives underlying his position, but I will say to the Senator from Massachusetts that that is not the way it would work in practice.

The Senator would find that under the operation of the Byrd amendment much of the old suspicion toward the employer as to what he is up to in the establishment of the fund would return; much of the old suspicion that the employer was trying to use the fund to favor one group of employees over another group would again appear. What the Senator from Massachusetts is overlooking is something which is characteristic of the labor movement. It had to be learned by sad experience. I refer to the insistence of unions and their members that they negotiate these agreements, and that they maintain control over the funds, because only by so doing can they be positive that the members will benefit from the agreements. What the Senator is overlooking is a very unpleasant but true fact. I am sorry it exists in American labor relations. But the fact is that there is an underlying and deep-seated suspicion on the part of workers that, under such devices as those which are proposed in the Byrd amendment, they will find themselves involved in clever tactics on the part of employers to weaken their union and in much litigation.

Mr. SALTONSTALL. Mr. President, will the Senator yield, to permit me to ask another question?

Mr. MORSE. I am glad to yield for that purpose.

Mr. SALTONSTALL. In connection with the answer which has been made by the distinguished Senator from Oregon, let me inquire whether he has overlooked the fact that there are to be two representatives of employees, equally responsible with the two representatives of the employer.

Mr. MORSE. No; I have not overlooked it.

Mr. SALTONSTALL. And that if they perform their duty properly, then the whole problem can be worked out much more amicably and with more justice than in any other way.

Mr. MORSE. I have not overlooked it at all. On the contrary, I have kept in mind the fact that, out of an experience with a considerable number of so-called joint employer-labor boards, under collective-bargaining agreements, it has been found that the functions of such boards themselves are often the springboard used by either one side or the other to start labor trouble, once one side feels that the other side is in a weakened position and that it may be able to move in for greater advantages.

In fact, I recall now a case of an employer-employee port relations board. It is interesting to note that that set-up was a source of constant wrangling between the employees and the employer. Unless the parties can jointly agree to work cooperatively on such a board, I think that when we impose such a board upon them, all we have bought is a great deal of future wrangling between employees and employers. I think the Byrd amendment would be source of constant and serious conflicts between employers and unions, because—do not forget—the procedure would be imposed upon the workers.

Mr. President, because I point out a fact of human behavior does not mean that I seek to justify the behavior. But I point out here and now that when we impose this type of board upon labor, we shall have bought for ourselves a great deal of conflict and wrangling between the employer and employee representatives. It is so much better when we can proceed by way of the good old process of voluntary agreement between the two parties.

Before proceeding to discuss the next point I wish to make, I desire to read at this time a telegram which I have received from Mr. Martin E. Segal, 17 East Forty-ninth Street, New York City. The telegram reads as follows:

MAY 22, 1946.

Senator WAYNE MORSE, of Oregon,
Washington, D. C.:

As consultants to the Blue Cross which provides hospitalization insurance for more than 21,000,000 Americans, and as consultants to health and welfare insurance funds involving more than 3,000 employers and more than 35 AFL and CIO unions with more than 1,000,000 members, we thought you might like to have a statement on the legislation proposed by Senator BYRD.

The legislation suggested is unnecessary in the following: Where the health-insurance funds are already in operation. Either under joint labor-management supervision or with union trustees and employer advisory committees. These industries are men's and ladies' garments, textiles, painting, leather and tanning, hotel, and food.

In these instances the administration of the funds operate to the complete satisfaction of the employers and the unions and the agreements which established the funds were reached without any Federal legislation or Government intervention.

In other instances like the furniture industry where there is no employer participation in the administration of the fund, the lack of employer representation is due to the fact that there are hundreds of independent employers with no common representatives. In industries such as this, the legislation proposed by Senator Byrd would simply place a tremendous and costly administrative burden on the fund in that the legislation would seem to require the union to deal with hundreds of employer representatives.

The health insurance funds as they are now constituted provide the contributing employers with regular certified public accountant statements and a complete and audited report on income, disbursements, benefits paid, etc.

In most every instance the specific purposes of the insurance fund are set forth in trust agreements which govern these funds. The funds on their present basis serve a truly great need in that they provide hospitalization benefits, weekly disability benefits for sickness or accidents, surgical benefits, and life insurance.

The need for these benefits is greatly shown by the following facts:

According to the Life Insurance Institute, 40 percent of all American workers have no life insurance because they cannot pass medical examinations, are too old, or simply can't afford the insurance. Twenty-one percent of all workers have $500 or less of insurance, while only 39 percent have more than $500.

The need for disability benefits is demonstrated by the reports which indicate that each year American workers lose more than three and one-half billion dollars because of disability which are incompensable under workman compensation laws. The need for hospitalization benefits is illustrated by the report from the American Hospitalization Association which states that one out of every 10 Americans are hospitalized each year with hospital bills ranging from $10 to more than $900 a case.

The health insurance funds which have been established and which are now being negotiated by many unions and employers without the benefit of Government legislation serve to bring to the great masses of American workers the only current means of seeking certain basic forms of insurance protection regardless of the workers' age, physical condition, sex, color, or ability to pay.

The introduction of legislation such as is now being considered might very well disrupt existing plans, place severe administrative problems and additional cost on future funds and equally important, get the Government involved on a subject which to date has been settled on an amicable and peaceful basis in the overwhelmingly majority of collective bargaining negotiations.

MARTIN E. SEGAL, & CO.
MARTIN E. SEGAL.

NEW YORK, N. Y.

Let me say in passing, Mr. President, that I am not one who has ever opposed making unions accountable for their funds or who has ever opposed having an accounting of union funds published. That is quite a different matter from imposing upon unions the type of fund system which the Senator from Virginia proposes in his amendment.

It is rather interesting to note that most of the record made to date on the Byrd amendment and practically all of the record made in support of the other pieces of proposed legislation on the subject now before the Senate has been made by the opponents of the proposals. It is true that a few Senators favoring the proposals have spoken briefly in favor of them, but the fact is that there is great haste to obtain an early vote on some of the measures which have been proposed, although the case in chief for them has yet to be made by their proponents. I know they have the votes in their pockets, so to speak. Yet we are making history here, these days. I predict that in the future we shall have to come back to this record time and time again to see what was said and to find out, if we can, why the proponents of this measure wanted it passed. I think it is only fair and reasonable that those of us who are objecting to the proposed legislation should ask the proponents really to set forth, in much greater detail than they have, the reasons why they think this measure should be enacted and their evidence in support of it.

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

Mr. MORSE. I yield.

Mr. TAFT. Would the Senator from Oregon be willing to agree to vote on the Byrd amendment in, let us say, 3 or 4 hours, and to divide the time equally between the proponents and the opponents? I can promise the Senator that the arguments in favor of the amendment—which, incidentally, have been made to a considerable extent—will be set forth in full strength within an hour.

Mr. MORSE. Mr. President, the Senator from Ohio knows very well that the Senator from Oregon will not enter into such an agreement, and he knows the reasons why the Senator from Oregon will not enter into it. The Senator from Oregon is very much disappointed that the Senator from Ohio has not thus far seen fit to join with him in seeing to it that the principle which the Senator from Oregon seeks to protect is always protected on the floor of the Senate.

However, I am happy to note that the Senator from Ohio never hesitates to join with the Senator from Oregon in signing a cloture petition whenever a filibuster starts. I say now to the Senator from Ohio, as I did the other day to the Senator from Minnesota, that I will sign such a cloture petition once it is clearly demonstrated that a filibuster is in progress. But I shall not enter into any agreement for limitation of debate when I think so much more needs to be said on the merits of these issues by the proponents of the measures. I want them to have all the time they need to get their case on the merits in the RECORD, so that it never can be said, "They limited debate, and that is all the time we had, so we could not make a complete record."

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

Mr. MORSE. I am glad to yield.

Mr. TAFT. I do not think there is any subject that I cannot state completely to my own satisfaction in half an hour on the floor of the Senate. Merely because the opponents have, unfortunately, chosen to talk 2 or 3 or 4 hours each on the subject, I do not think that means that the case for the proposal cannot be made in half an hour by any Senator who is seriously interested in it.

Mr. MORSE. Mr. President, I suppose there is no question that the length of our speeches is dictated by the seriousness of the situation and the recognition on our part of the fact that the time has certainly come for some Members to speak on the floor of the Senate in the interest of principles of democracy, as I have done in the remarks I have made today.

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

Mr. MORSE. I yield.

Mr. PEPPER. Mr. President, I was about to ask the able Senator from Oregon what other measure he can recall which required such constant consideration on the part of the Senate as has been given in respect to the pending bill. When, if the able Senator recalls, were rules so stringently applied to other proposed legislation then pending before the Senate and without, at the same time, protest being voiced on the part of the opponents of the measure?

Mr. MORSE. I do not recall many such instances, but I believe that we followed somewhat the same procedure when the joint resolution pertaining to the British loan was before the Senate. However, I may say that I enthusiastically support the holding of long sessions by the Senate. I think that we should meet tomorrow at 10 o'clock instead of at 11 o'clock. I am willing that the Senate remain in session until midnight tonight. All I insist on is that the proponents of these proposals make a record for future reference, because today I believe the record is very scant, indeed.

On the point, Mr. President, I believe we should keep in mind that no hearings have been held on the Byrd amendment. It is an amendment of great importance. It is bound to relate, in my judgment, to important events in labor relations in the future, and may upset many existing health and welfare funds. I believe that we should have a carefully prepared report, based on the testimony of such persons as labor leaders, employers, and insurance officials, which should cover all matters involved in the funds which are now in existence, and which will be affected, in my opinion, by the Byrd amendment. What we are being actually asked to do, Mr. President, is to pass proposed legislation which is not based on any committee report, or the careful taking of evidence, but is, instead, based on the curbstone opinions of the proponents who have not taken adequate time to conduct hearings in the way that hearings should be conducted in advance of proposing any form of important labor legislation.

Mr. President, I have two more points which I wish to make, and then I shall close. The Byrd amendment strikes out section 8 of the Federal Mediation Act of 1946, which was reported by the Committee on Education and Labor. That section provides that nothing in the act is to be construed to diminish or interfere with the exercise of the rights of the employees or labor organizations under the National Labor Relations Act, as amended, or to impair the functions of the National Labor Relations Board, or to amend or modify the Norris-LaGuardia Act. The Byrd proposal would validate trust funds where "(b) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees, and employers are equally represented in the administration of such fund."

The definition of "representative" is as follows:

> "Representative" means any labor organization which, or any individual who, is authorized or purports to be authorized to deal with an employer, on behalf of two or more of his employees, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work; and any other organization or fund of which a majority of the officers are representatives or are members of a labor organization, or are elected or appointed by a representative.

Mr. President, that is a very interesting definition. It becomes apparent, then, that the whole principle of majority rule as set forth by the National Labor Relations Act would be undermined by the Byrd amendment, because, under it the labor organization with which the employer may deal in establishing a trust fund need represent only two or more of his employees. The existence of a majority representative, certified by the National Labor Relations Board or otherwise validly designated by the employees; would be irrelevant. Apparently, an employer could set up a company union which would participate in the administration of the trust fund. It would be possible, also, for the employer to deal with several organizations, even despite the existence of a majority representative. Moreover, it seems clear that if the protections of the National Labor Relations Act are to be abrogated, an employer could effectively defeat unionization of his employees by the device of setting up a liberal trust fund at the very time that attempts at organization were begun—a situation now forbidden under the National Labor Relations Act.

I submit, Mr. President, that this analysis of the meaning of the word "representative" as used in the pending amendment is but another reason for proceeding in our consideration of this amendment through committee hearings and affording opportunities for experts, as well as other qualified witnesses, to testify. A report should then be submitted to the Senate showing what would be the effect of the Byrd amendment on the labor relationships of this coutnry.

At the beginnings of my remarks I made unequivocally clear my position with regard to the crisis which exists today. Because of the crisis which the country now faces, a great deal of proposed labor legislation has come before the Congress, most of which, if passed by the Congress, would not have one iota of effect on a single labor dispute now pending. I suggest that we are giving vent to a public hysteria in regard to the labor situation.

Mr. President, I close by saying that if there were ever a time in the history of our Nation when calm deliberation on the part of Members of the United States Senate was called for, now is the time. Instead of proceeding hastily as we are proceeding, I believe that the pending amendment should be referred to the Committee on Education and Labor and that the Senate, out of its desire to make certain that it will pass judgment upon the facts and evidence available to it, should be furnished by the committee with a report showing what would be the various effects of the Byrd amendment upon labor relations in this country. In making this plea, Mr. President, I know that I raise my voice in vain, but I raise it for the record. I believe, as strongly as I believe in justice and freedom, that we will be compelled to return to this hour over and over again until we correct the mistakes which I think the Senate is about to make.

Mr. President, I close by saying that I do not expect to speak at such great length again on any of the other pending

measures pertaining to labor relations, but shall speak briefly with reference to them in the days ahead. At some future date I shall discuss a subject which I meant to discuss today. Believing that it would be inconsiderate of me now to consume further time of the Senate, I shall discuss at some future time the issue of the lack of right of workers to strike against the Government. I shall endeavor to sustain the premise, as I have already endeavored to do in a decision, that during the time of an emergency when the American flag flies over the mines and is carried, figuratively, on every train in this country, in the event of a railroad strike, there is no right on the part of workers to strike against the Government.

EXTENSION OF STABILIZATION ACT—LETTER FROM THE PRESIDENT

Mr. WAGNER. Mr. President, I have received a letter from the President of the United States which deals with the Office of Price Administration. I ask that the letter be read to the Senate.

The PRESIDING OFFICER. Without objection, the Clerk will read as requested.

The Chief Clerk read as follows:

THE WHITE HOUSE,
Washington, May 23, 1946.

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

DEAR SENATOR WAGNER: The most important issue now before the Congress is whether to protect the Nation from the imminent danger of inflation. Today we are attaining production levels unprecedented in peacetime; labor-mangement agreements have been reached in most industries; free international trade, which is vital to world peace, is beginning to be restored. But all these gains depend on economic stability. They could be swept away by inflation in a few short months. To avoid such a disaster, the prompt renewal of the stabilization laws in effective form of 1 year is essential.

For 15 weeks the Congress has been considering the extension of the stabilization laws. The House of Representatives has passed a bill which I would not be able to approve because, although purporting to extend price control, it would actually mean a quick end of price control.

I am disturbed by reports of proposals in your Senate committee of many amendments that would impair effective price control. As a result of spreading uncertainty about prices and growing fear of inflation, the country is already experiencing a creeping economic paralysis from speculation and the withholding of goods.

I earnestly repeat my earlier request that the Congress quickly reenact the stabilization laws without any amendments that would jeopardize economic stability. I ask, too, that, as President, I not be handicapped by amendments destroying my authority to vest responsibility for effective coordinated administration of the laws in those departments and agencies of the Government which I believe can best carry out the stabilization policies.

Prompt and vigorous action, first by your committee and then by the Congress, would reassure the people of this country that their Government is united in a firm determination to protect them from these evils.

Sincerely,

HARRY S. TRUMAN.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 4763. An act for the relief of R. L. Benton; and

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pepper
Andrews	Hickenlooper	Radcliffe
Austin	Hill	Reed
Ball	Hoey	Revercomb
Bankhead	Huffman	Robertson
Barkley	Johnson, Colo.	Russell
Brewster	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Byrd	La Follette	Stanfill
Capehart	Langer	Stewart
Capper	Lucas	Taft
Connally	McCarran	Taylor
Cordon	McClellan	Thomas, Okla.
Donnell	McFarland	Thomas, Utah
Downey	McMahon	Tobey
Eastland	Magnuson	Tunnell
Ellender	Mead	Tydings
Ferguson	Millikin	Vandenberg
Fulbright	Mitchell	Wagner
George	Moore	Walsh
Gerry	Morse	Wheeler
Green	Murdock	Wherry
Guffey	Murray	White
Gurney	Myers	Wiley
Hart	O'Daniel	Wilson
Hatch	O'Mahoney	Young
Hawkes	Overton	

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

Mr. BALL. Mr. President, I ask unanimous consent that during the remainder of the consideration of House bill 4908 no Senator be permitted to speak more than once or longer than 30 minutes on the bill or any amendment thereto.

Mr. MORSE. Mr. President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. BALL. Mr. President, I should like to submit one more unanimous-consent request, hoping that we can get along with the bill. The Byrd amendment has been debated for more than a week and a half, and I ask unanimous consent that the Senate proceed without further debate to vote at 4 p. m. today on the Byrd amendment and all amendments to that amendment.

Mr. MORSE. Mr. President, I object, and in stating my objection, I merely wish to say that I am sure that if those who are seeking to limit debate will allow the debate to run its course we may come to an early vote. As I said before, however, I shall not give unanimous consent to a limitation of debate so long as I feel that any Senator desires to speak on the merits of the matter.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. TYDINGS. Mr. President, I ask unanimous consent that no Senator be permitted to speak more than once nor longer than 5 hours on the bill or more than once nor longer than 3 hours on any amendment thereto.

Mr. MORSE. Mr. President, even when it is reduced to the absurd, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. TYDINGS. Mr. President, I ask unanimous consent that no Senator be permitted to speak on the bill more than once or longer than 10 hours, or on any amendment offered thereto not longer than 5 hours.

Mr. MORSE. Mr. President, suppose I have an understanding with my good friend, the Senator from Maryland, that I shall object to any proposal he makes for limitation of debate.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. GREEN. Mr. President, in order to clarify the situation I wish to say that I understand the pending question is the amendment which I offered earlier today on behalf of the Senator from Florida [Mr. PEPPER] and myself as a substitute for the Byrd amendment.

The ACTING PRESIDENT pro tempore. May the Chair inquire whether the Senator offered his amendment or merely sent it forward?

Mr. GREEN. I offered the amendment as a substitute for the Byrd amendment.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island sent forward two amendments. Which one does the Senator desire acted upon first?

Mr. GREEN. The longer one. The one which has the language "At the proper place insert the following."

The ACTING PRESIDENT pro tempore. Very well. That will be the pending amendment.

The question is on the amendment offered by the distinguished Senator from Rhode Island [Mr. GREEN] on behalf of himself and the Senator from Florida [Mr. PEPPER] in the nature of a substitute for the Byrd amendment, as modified.

Mr. MYERS. Mr. President, I assure the Senator from Maryland and my other colleagues that they have no cause to be concerned or alarmed that I might take 5 or 10 hours, and that therefore a limitation of debate would be necessary, so far as I am concerned.

Mr. President, I listened attentively to the remarks of the Senator from Oregon [Mr. MORSE]. I congratulate him on having made a fine, a splendid, a masterful presentation of the subject. I only wish more Senators had been present to hear his exposition of the subject of labor relations, and particularly the pending coal strike. The Senator from Oregon

at one point in his remarks had this to say:

We should support them—

Meaning the coal miners—

for a more decent life.

I address myself rather briefly to that particular phase of this situation.

It occurs to me, Mr. President, that few of us have endeavored or attempted to get to the bottom of the present coal controversy. I, of course, as many others have said, have no brief and hold no brief for Mr. Lewis, but I would suggest that we get away from the personality of Mr. Lewis. I am interested in the welfare of 200,000 of my constituents, and the welfare of 300,000 other coal miners in America. Of course, I am interested, too, in all the people of Pennsylvania and all the people of America, and I should regret it if at any time those 500,000, through their leaders or others, should cause a serious economic disturbance throughout the Nation. But I repeat, Mr. President, let us forget that personality, that magnetic personality, if you will, and let us direct our attention to those 500,000 coal miners. When I say that few of us appear interested, I mean we have only condemned the miners or their representatives, although we know little or nothing of their conditions, little of their problems. And yet we have considered here, on the floor of the Senate for 10 days, an amendment which would make it illegal to gather together any funds for the health and the welfare of the miners.

Remember, a strike is not always occasioned by merely one party to a controversy. Probably the operators have been just as adamant as have been the representatives of the miners. Probably they have refused to give consideration or any attention to the plight of the miners. I wonder how many Members of the Senate have ever been down in a coal mine. I wonder how many Members of the Senate have ever visited a mining town.

I should like to read a short excerpt in order to show the conditions which exist in one mining town in Kentucky. I read:

A town of overflowing privies and sewage-strewn roadways, reeking of half-burned human refuse and animal carcasses—that's Kenvir, Ky., a coal camp of more than 3,000 population owned by the Black Mountain Corp.

The foul and offensive lack of sanitation in the Kentucky coal town was revealed in a letter to President Lewis from Frank Hodges, president of Local Union 4493, and in a joint letter from C. M. Enochs, Powers Dixon, and Dennis Burns, all employees of the Peabody Coal Co. subsidiary and residents of Kenvir. They are conditions American coal miners are fighting to eliminate, in the manner called for in the UMWA proposal that would make it a contractual obligation upon the operators to install, at their own expense, running water and bathroom facilities in all company houses, and sewage disposal and garbage-collection systems.

The Black Mountain miners used plain language in describing the intolerable conditions to which they, their wives, and children are subjected. Their graphic reports are self-explanatory.

The men reported that sewage is strewn from one end of the town to the other by leaky wagons used to collect the waste from outhouses. That the waste dump, directly behind the houses, is a hazard as children must walk over it on their way to school and women must cross it to get to the store, not to mention the unbearable stench that it gives off. That just recently the 10-year-old daughter of a miner was painfully burned when she sank into the dump above her knees. That State health authorities have been informed of the situation but have done nothing about it.

"All the houses in which the officials, office workers, and bosses live are equipped with bathtubs, lavatories, and commodes," her father said. "All other employees have a privy about 30 feet from the house. The refuse from these privies is dipped out and hauled by wagon and dumped less than 100 yards from my house. The company then hauls slate mixed with coal, covers this refuse, and sets it on fire."

His small daughter was so badly burned when she slipped into the refuse dump recently that "the flesh just rolled up and came off," her father disclosed. "I called the doctor and then I took him and showed him the refuse dump. At my insistence the doctor reported the condition to the State health department."

The doctor, however, "had only been at our camp a very short time and did not know the connection between the coal companies and the health department," he explained. "The health department wrote the company pertaining to this matter, and as a result the doctor was sent packing and the method of refuse disposal still exists today."

I read from another article, Mr. President, as follows:

Sanitation was among the UMWA proposals unceremoniously thumbed down by the operators on the ground that they have no place in a wage-negotiating conference. Operators' spokesman Charles O'Neill, for the benefit of the press, labeled the proposal a "gratuitous insult."

In fact, in the privacy of the conference room, Mr. O'Neill said he didn't "give a damn" about insanitary conditions in company-owned towns. We do not believe Mr. O'Neill's sentiment is shared by all members of the operators' negotiating subcommittee. We do believe, however, that he spoke for a large percentage operating in the coal industry.

How else explain the lack of ordinary sanitary facilities in a vast number of company-owned coal camps? Outhouses, those odious relics of a bygone age, are still the rage, despite their offensiveness and threat to the health of the community. They are deplorable nuisances. They are disease breeders.

Mr. O'Neill's statement to the press, however, carried the unmistakable implication that the entire coal industry is above reproach as far as decent housing for employees goes. Of course, Mr. O'Neill knows better. And if he doesn't, he should, since he claims to speak as an authority. His own district, the central Pennsylvania coal region, offers a prize example of the disgraceful conditions American coal miners are fighting to erase.

We are speaking of the Shawmut Mining Co.'s ancient, crack-ridden shacks, leaky privies, and polluted wells. The company couldn't be bothered last summer when the 350 miners living in the coal camps at Force, Hollywood, and Byrnedale, Pa., demanded water that did not reek and taste of sewage, and the disposal of waste so that privies would not overflow into their yards. That, the company insisted, was the miners' concern. The State health department couldn't be bothered, either, except to the extent of posting "danger" signs at the contaminated wells and warning residents to boil all drinking water.

Had it not been that the company's handling of its financial affairs was questionable, which resulted in a court airing, it is doubtful that the miners would have pure drinking water yet.

Mr. President, that is just a brief word picture of the condition of their homes. I now desire to invite attention for a few moments to the so-called health and welfare fund which now exists in some of the mine areas and some of the mining communities in America. Let me say, however, that the company hires the doctor, and pays the doctor such amount as it thinks necessary, out of the miner's earnings. That is the only type of health and welfare fund which is now in existence in the mining communities of this country.

I have before me a pamphlet entitled "Medical Care in Selected Areas of the Applachian Bituminous Coal Fields," which is published by the Bureau of Cooperative Medicine, 5 East 57th St., New York City. I cannot attest to the authenticity of this pamphlet, but the facts which it sets forth and the frightful conditions now existing in the mining communities which it portrays certainly indicate to me that the Congress should give consideration to these charges. Until we know the true facts, until a committee of the Senate has considered these charges carefully and completely, we should not attempt to write legislation on the Senate floor.

This pamphlet indicates that a survey was made of the coal-mining regions of southern West Virginia and the adjacent parts of Virginia, Kentucky, and Tennessee. The report states that—

Because of the isolation of most coal-mining camps in this hill country, there grew up many years ago the custom of employing a doctor on a monthly basis, his income being derived from wage deductions—

Through the check-off system; but, of course, the fund was managed and operated by the employer.

This practice had everywhere been recognized as necessary. Coal has long been a vital fuel and the demand for it opened fields and mines which were at one time far removed from the conveniences and even necessities of a more well-settled environment. * * * Yet readily available medical care, particularly in view of the hazardous nature of the work, was a necessity to both miner and mine operator. The answer was to employ "camp physicians" and guarantee them a livelihood. This system took hold decades ago and, meeting the need, has survived.

The funds are collected from the wages of the miners by the check-off method, and the disbursement of these collective funds appears to be made, as a rule, in one of three ways:

First, the full amount of the wage deductions at a given camp is turned over to the mine doctor, sometimes after 10 percent has been deducted by the company "for collecting." Out of this sum, the doctor has to pay for all medicines and for nurses in the rare instances when he has any.

Or the disbursement of these collected funds is made in a second way. I ask Senators to give careful attention to the method which is now in use in many of the mining communities of our country.

This is the only health and welfare fund now in existence in our mines.

The company turns the check-off for all its mines over to a single doctor, who then hires his assistants on salary. The surplus is his remuneration. The contract doctor may live anywhere.

One did live in my city of Philadelphia, and he did as little of the actual medical work as he chose. True, he paid for medicines and nurses if he employed them.

This system has led to the contractor doctor's paying low salaries to his assistants and keeping unwarranted profits for himself. In one instance the contract doctor was taking in about $2,400 a month and paying salaries aggregating $1,200. In another case he took in $1,500 and paid out $250. In one instance of this kind, the doctor collects the check-off for five mining camps owned by the company, hires one assistant to aid in the work, and uses part of the surplus money to purchase mining company stock. In another instance, at a camp in the Williamson area, the company has selected for the physician a man of 70 who acts as a contractor. The doctor's sole expenditure is $300 a month for a young and able assistant who, single-handed, is expected to meet the medical needs of the camp, which consists of 5,000 people. In this instance, the expenditure represents only a fifth of the money checked off for medical services.

The third method of disbursement of funds collected out of the wages of the miners for health services is as follows:

The company keeps the entire check-off, hires the doctors on salary, furnishes medicines and nurses, if any, and puts the remaining money into its general funds. This practice is growing more and more common.

Remember that this survey was made in 1939, not many years ago. The company keeps the entire check-off, hires the doctors on salary, and the balance is returned to its own general fund, the moneys being collected out of the wages of the miners.

It seems to be highly objectionable to some Senators that the health and welfare fund should be managed by the union. But under the existing systems we find the company managing the so-called health and welfare fund which is contributed entirely by the miners.

With respect to the third method of disbursement of funds it was found that one of the large companies in the area changed from method 2 to method 3 because the company profited to the extent of $1,300 a month as a result. It is estimated that from one-third to one-fourth of the check-off was diverted into nonmedical purposes.

That is the health and welfare system that is practiced by the operators today. For these health services approximately $2,500,000 a year is regularly checked off, plus another $1,000,000 in extra charges, and a large portion of the total is diverted into the pockets of the companies and contract doctors who sublet the work.

The report continues:

Many of the physicians actually working at the mines are receiving salaries far too small for the work they are expected to do, and are prevented from raising their standards through poverty, isolation, and company domination. Some of these men are well qualified for effective service and would welcome an opportunity to render it.

Those conditions should be, and I submit must be and will be corrected. They can be corrected only by a health and welfare fund.

In these mining communities there are also hospitalization funds. The report states:

For 30 years or more it has been customary for the miners in this region to pay for hospitalization and professional care while in the hospital through wage deductions. Single men and families usually pay the same rate: $1.25 a month. As in the case of the mine doctors, the companies check this money off and make no accounting of how it is expended. The hospitals simply accept the checks which the companies send them without being able to find out whether they actually represent the whole amount collected from the employees.

* * * * *

The usual plan includes all men working at the mine. The amounts paid give the hospitals a yearly total of $1,500 for every 100 subscribers—a sum which should command good service, especially since normal deliveries, contagious and chronic diseases, and work injuries are not included.

* * * * *

Usually there are several small competing hospitals in the same town. It should be noted that this situation is almost unique in this country. In the entire United States as a whole, there is an average of nine tax- or charity-supported general hospital beds to one that is privately controlled; while in this area—

Particularly the mining area embraced in southern West Virginia and the adjacent parts of Virginia, Kentucky, and Tennessee—

the proportions are exactly reversed. Taking this region as a whole, there are not enough hospital beds. United States Government figures indicate that the minimum adequate standard is 4.5 general-hospital beds per 1,000 population. In this area there are only about 2.5 beds per 1,000.

The report continues:

These hospitals could not exist if it were not for the miners' payments but, just as in the case of the mine doctors, the companies entirely control the situation by controlling the check-off. In one instance the investigators were told that the construction of a new hospital building was financed through an increase in the men's wage deductions, but the operators kept the deed and later turned it over to a group of doctors.

The report mentions the hospital equipment, and states that—

The equipment, in general, is fairly good for emergency surgery, but wretched in other respects. * * *

Since hospital expenses are cut to the lowest possible point in order to make profits, each "list" patient's treatment is made as cheap as possible.

The "list" patients are those who are eligible for treatment in the particular hospital.

The mine doctor is discouraged from sending in patients. He is regarded as a "buck-passer" and the chief enemy of the hospital if he does so.

I now wish to discuss briefly the inadequacy of the hospital service provided by the so-called health-and-welfare fund which exists not only in this region, but in all the coal-mining regions, both soft and hard coal.

The report further states:

The greatest single complaint against hospital care by the miners is delay of treatment. Many cases such as the following were related to the investigators, and many were well authenticated. A miner * * * reported that a family living nearby had been injured in an auto crash; the mother and father were killed outright and the three children were taken to the hospital, where they were, according to this account, allowed to stay 2 days before being examined. One child died subsequently.

* * * * *

In brief, then,—

Says the report—

the hospital service is disorganized, and run under disastrously competitive conditions, out of which each owner-doctor is trying to squeeze every possible penny. For this sort of service, in the whole region, the miners' regular payments reached $2,000,000 yearly—and there is probably another half million in extra charges. It is reasonable to believe that this amount of money, if efficiently expended, could furnish excellent hospitalization not only for general illness, but also for children and for serious, acute, contagious disease.

So, Mr. President, we find that in this small area $2,500,000 is now being deducted from miners' wages for hospitalization, and some $3,500,000 is deducted by the check-off system from the miners' wages for doctors' care. I repeat that the company hires the doctor, dictates as to the hospital, pays such amounts as it thinks necessary out of the miners' earnings, pockets the balance, and it is impossible for the miners to do anything about it.

The third problem in that area involves the matter of workmen's compensation. The study to which I have been referring, which was made in a small, selected area, also concerned itself with workmen's compensation. I read further from the report:

According to the laws of all States but one, the full expense of caring for such an injury must be paid by the employer. He must pay all the medical and hospital bills of the injured man, and he must as well pay the insured worker for the loss of time from his job. If the injury is severe and of a permanent nature, the employer indemnifies the man for his loss.

* * * * *

The chief problems confronting any worker in case of a compensable injury are two: (1) enforcing his legal right to satisfactory medical care and hospitalization at his employer's expense, and (2) obtaining the cash benefits to which he is entitled by means of fair representation at compensation hearings. The miners of this whole region are badly handicapped in both respects.

In investigating the situation in regard to workmen's compensation, the report goes on to state that—

It might be thought that a man could get around this difficulty by going to some doctor or hospital other than the ones to which he makes his check-off payments. This would be wholly impossible in Virginia, Kentucky, and Tennessee. However, because their compensation laws explicitly state that an injured employee is obliged to accept whatever medical service his employer offers him. Naturally, the employer usually offers the doctor and hospital paid by the men's wage-deductions and under the employer's influence. If the man refuses the offered

treatment, he is no longer eligible to receive compensation.

* * * * *

This whole situation was neatly summed up by a West Virginia attorney, who said, "By this method the employer, in effect, says to his employees, 'I will pay you compensation for your injury, but you shall submit yourself to treatment and examination by doctors of my choosing and employment who are, of course, paid by you, and if the doctors so selected by me and paid for by you, find any disability. I will pay in accordance with such findings.'" Numerous cases were reported to the committee where the camp doctor at the compensation hearing denied the existence of an injury that he had treated.

So, Mr. President, to summarize those few conditions, let me say that the conditions relative to the doctors, the hospitals, and the workmen's compensation in that small area are such that it is apparent that it is necessary to make changes in regard to the employment of compensation experts and the selection of doctors and hospitals. The unions are insufficient in themselves to improve the situation, so long as there is no integration of medical services, no responsibility on the part of the doctors and the hospitals to the men they are attending, no competent professional authorities upon whom the men can rely for guidance, and no contractual obligations on the employers to pay the medical check-off to the agencies the men select. That is what the men are asking for at this time, namely, that they be allowed to select and manage their own health and welfare funds.

Mr. President, now let me refer to the fact that there are many people who believe that the inspection of the mines is not what it should be. So let us look for a moment at the facts of that situation. In Pennsylvania, as in other States, the Federal Bureau of Mines inspects these properties and makes recommendations to the State Department of Mines and the coal operators, but the Federal Bureau of Mines has no enforcement powers. Furthermore, in many cases the recommendations made by the experts of the Bureau of Mines are never carried out by the coal operators.

In view of this fact, it is easily seen why the life insurance companies of America consider the mine workers poor risks. The safety laws of the anthracite coal mining industry—and of the bituminous coal mining industry, too—are, to put it very mildly inadequate. That is why the life insurance companies of America in all honesty can say in their prepared statement that "We do not issue personal accident and health policies to coal miners." They go even one step further, and declare, "Nor do we include accidental means death benefit in ordinary policies issued to underground coal miners." That, it seems to me, tells a story in itself.

Mr. President, the statistics from the United States Department of Labor indicate that the average number of disabling injuries for each million hours of work done by mine employees during the years 1939, 1943, and 1944 are as follows:

In 1939 the average number of disabling injuries for each million hours of work done by employees was 71 in the bituminous-coal-mining industry. In 1943 the average was 67.2. In 1944 the average was 64.4.

For the anthracite-coal-mining industry the figures are even more amazing. There was an average of 127.3 disabling injuries for each million hours of work done by employees in the anthracite-coal-mining fields in 1939. In 1944 the average was 81.3 injuries.

Compare that record with the record for all manufacturing industries. There the average number of disabling injuries for each million hours of work done by employees was 14.9, as compared to an average of 127.3 disabling injuries in the anthracite-coal-mining fields in the year 1939. In 1944 there was an average of 18.4 injuries per million hours of work done by employees in all the manufacturing industries of America. We can well see why the miners have so much difficulty in securing insurance policies.

The construction industry affords another comparison which might well be mentioned. In the construction industry the average injuries were 47.8, as compared to 71.0 in the bituminous-coal-mining industry and 127.3 in the anthracite-coal-mining fields for 1939.

Of course, Mr. President, if you are a United States Senator, subject only every 6 years to the firing of the ballots, or if you are a member of any branch of the armed forces and thereby liable to death on the battlefield, you can get all the insurance necessary; but God help you if you are a miner and go down where the demons of death are playing around you while you work. You can get no insurance of this nature.

We cannot definitely blame the insurance companies, who are not, as a rule, in the business of philanthropy, and who know full well the risks encountered by the smudged-faced men who dig coal.

These are the men whose plight is not being forcibly brought to the attention of the country. They are the men who, when death visits them, leave behind destitute widows and orphans. They are the men who can rarely look beyond the needs of the moment, who can save pitifully little from their hard-earned weekly wages. So they ask for a health fund. Why not? Certainly, welfare funds are nothing new in America. Such funds have been in existence in this country since away back in the 1880's, shortly after the War Between the States. They never amounted to much. However, they were in existence, and they set the pattern for others. I am told that the Washington Evening Star, a great newspaper of this city, established a welfare fund for its employees back in the early 1880's, and that afterward it became a model for all social-security set-ups.

After the social-security program, which was established a few years ago, got under way the union labor of this country, of its own accord, set out to do something along the same lines for its membership. So today we have the great funds which were brought into being by such labor groups as the International Ladies' Garment Workers' Union, and others. If it is possible for the coat makers, the cloak makers, the dress makers, the shirt makers, and the socks makers of America to have health-benefit and welfare programs, why is it not feasible for a great nation like the United States to give similar consideration to the men who face death and illness every time they walk into a mine?

Although the amendment offered by the Senator from Virginia has been modified, and another substitute may be offered, the present controversy over the Case bill began on the floor of the Senate with the submission of an amendment which would have made it illegal for the employer to pay, or for the employee to demand or receive any moneys by way of a health and welfare fund. In fact, no moneys were to be received other than by way of compensation and check-off. Mr. President, I am rather amazed that any Senator, or any person or any group of persons, would advocate such a proposal in the face of the frightful and contemptible conditions which exist in the mines and the mining towns of this country.

From the clamor which has taken place here, one would be led to believe that the miners are trying to raid the United States Treasury, or are trying to rob the banks and sell their Nation down the river when all they are asking for is social justice. Others have obtained such justice. Others are receiving it at the present time. Why should not the miners receive it?

I have heard no objection voiced in the Senate against the situation which I have outlined and which now exists in the mining communities of the Nation. But as soon as the miners seek a health and welfare fund, which they certainly should have, and to which they are justly entitled, immediately a frightful furore is raised.

Of course, there has been some modification of the amendment, but I repeat I am rather surprised and disappointed that any Senator should try to make it illegal for employers and employees, miners and operators, to build up a fund in order to improve the frightful conditions under which miners are now required to live and work. Barbers receive protection, and printers and bartenders are not thrown upon the mercy of organized charity when their time comes to retire to the shadows. I see no reason in God's world why the mine workers, who certainly do not breathe conditioned air when they plug away at their livelihood, should not receive the same consideration. The conditions under which the miners exist and live cannot be realized unless one goes into a mining town and descends into the mines. Then he may realize just what it is that the miners are seeking.

I repeat that I hold no brief for Mr. John L. Lewis. He has made many mistakes. He has been arrogant and unbending. I do, however, advocate the cause of 200,000 Pennsylvanians, and 300,000 other miners in America, because they are certainly entitled to the protection of the United States Senate. I would expect Senators to advocate the creation of a fund for miners instead of, as was done in the early part of the de-

bate, stand in the way of the creation of such a fund.

So, Mr. President, I plead, as did the Senator from Oregon, that at this moment we not allow ourselves to be carried away by hysteria, but that we realize that the problem now confronting us will not be solved by any legislative proposal which may be adopted within the next day or the next week. This entire controversy should be referred to a committee of the Senate where it can be considered carefully and thoroughly in open hearings, and where the entire situation may be thoroughly and objectively investigated. If that is done, much good can be accomplished. But I fear that the pending measure will turn out to be another Smith-Connally Act. I believe that the Senate will pass a bill which, at a later date, most Senators will regret and label a mistake. So I hope, Mr. President, that in the further debate on this measure Members of the Senate will continue to consider the matter factually and impartially, and give thought and consideration to the plight of the miners who now need help and assistance.

Freedom from fear and freedom from want, freedom from disease and freedom from company domination are the fundamental liberties which the coal miners of America ask the Senate of the United States to guarantee them. What will be the answer of the Senate? What will be its decision?

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Rhode Island.

Mr. GREEN. Mr. President, I wish to say a few words not on the subject of the bill, but on the subject of the Byrd amendment.

The Byrd amendment, and the substitute for it, have aroused a certain amount of criticism. The occasion for the Byrd amendment and the substitute for it was the criticism which had been made of existing conditions. The substitute was offered this morning on behalf of the Senator from Florida [Mr. PEPPER] and myself, and was in the nature of an attempt to suggest legislation which would meet the objections of those who have seen fit to criticize the existing situation, as well as those who have seen fit to criticize the provisions of the Byrd amendment itself.

It seems hardly necessary to do more than to read the provisions of the substitute. I believe its purposes are set forth clearly. At the proper place in the bill it proposes to insert the following:

SEC. —. It shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees engaged in an industry affecting commerce, separately, or jointly to establish and maintain a fund for the provision of hospital, medical, and home nursing care and services, vocational rehabilitation, and other benefits to promote the welfare of such employees: *Provided*, That, wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be prescribed by the Federal Security Administrator to assure the equitable administration of the fund for the purposes for which it was established and to provide for a public audit of such fund. Whoever violates such regulations shall be punishable by a fine of $10,000 or imprisonment for 6 months or both.

Mr. President, the substitute amendment does not go outside the question of establishing a health and welfare fund and its administration in accordance with the purposes for which it would be established. Such funds are usually established as the result of collective bargaining, and are jointly administered in such a way that the employer and the employee are given an opportunity to see that the funds are administered fairly according to the purposes for which they were provided. But when one party exclusively, either the employer or the employee, controls and administers the fund there is no check which can be exercised upon it. Therefore it seems that in such cases the public should step in and see that the fund is administered according to its established purposes, and a public audit should be made. To that extent, the proposed substitute answers the critics of the existing situation, and of the Byrd amendment in particular.

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

Mr. GREEN. I yield.

Mr. REVERCOMB. As I understand, the amendment which has been offered by the able Senator from Rhode Island deals with funds administered by the employer or the representatives of the employee, but does not deal with funds which may be administered by a joint board. Am I correct in that statement?

Mr. GREEN. The Senator is correct.

Mr. REVERCOMB. I am absolutely in favor of such funds being placed under the control and direction of some department of the Government. Would the Senator be willing to modify his amendment so that it would apply to joint boards of the character to which I have referred?

Mr. GREEN. The reason for the amendment not providing for an arrangement of that nature is this: An effort was made to achieve the purpose of the fund with as little public participation as possible. In the case of joint administration, the employee has an opportunity to exercise a check on the employer, and the employer has an opportunity to exercise a check on the employee. That has in the past accomplished the purpose. The main criticism is directed at a case where the employees administer the fund. It is claimed they may use it for other purposes, or, where the employer alone administers the fund, then the employees claim it will not be used for the agreed purposes. So there, and there alone, the public becomes interested in seeing that there is faithful administration and a public accounting. That is the explanation. I believe, as the Senator from Virginia has previously stated, that the less interference by the Government there is in the administration between employees and employers, the better. So the amendment is limited to what seemed to me to meet the situation.

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

Mr. GREEN. I yield.

Mr. REVERCOMB. If the Senator will indulge me, I wish to say that, from my own viewpoint, I am heartily in favor of positive action which will assure any welfare fund that will be helpful in maintaining the safety and health of workers in any industry. That is particularly so as to the hazardous industry of coal mining. But it seems to me that these funds, if they are to be administered without complaint from either side, should be administered by joint representatives of the employers and the employees. I think the Senator's amendment, so far as it requires an accounting and supervision, is excellent, but I wish the amendment of the able Senator were changed so that it would deal with all funds, including those controlled by joint boards, and make them subject to the same accounting and responsibility.

Mr. GREEN. I have no objection to such an amendment to the substitute. My only purpose, as I said before, was to limit the provisions to those which were necessary in view of the discussion of this particular subject on the floor of the Senate. There has been no discussion of the administration of funds jointly controlled. The criticism has been of funds such as the Senator from Pennsylvania has just been describing, administered by the employers alone, or funds to be administered by the employees alone, as has been proposed by Mr. Lewis. This amendment, I think, meets those two criticisms. If the Senator from West Virginia or any other Senator wishes to amend by adding such a provision as has been suggested, I have no objection.

Mr. REVERCOMB. Will the Senator yield again?

Mr. GREEN. I yield.

Mr. REVERCOMB. The Senator has very kindly permitted me to interrupt his discussion, and would he be willing, following the view I have expressed, to see to it that all funds are jointly administered, instead of being administered by either the employer alone or the employees alone?

Mr. GREEN. I would not be willing to have such a directive by the Government, because I think that the best results are achieved as a result of collective bargaining, and where the Government steps in and dictates the terms on which employers and employees come to an agreement, it is not nearly so successful, in the main, as when they come to an agreement voluntarily among themselves.

Mr. REVERCOMB. The Senator has built up a situation which is quite appealing to me, if some changes can be made. If I may say so to the able Senator, we have opportunity now to take out of the picture, as I see it, for all time, disputes between the employer and the employees as to administration, so that neither could object to the method by which the fund was managed. The employer would not have complete control of it, the employees would not have complete control of it, and a Government agency would oversee as to whether or not it was used for proper purposes.

I am thinking about the man who is the real beneficiary, the worker himself.

I think that any safeguard which can be thrown around the fund, to see that it is used for the proper purpose, is desirable. However, so far as welfare funds are concerned—and I am for a welfare fund, and I hope there will be welfare funds in every industry, properly administered—are we not here presented with the opportunity to forever remove a source of dispute between employers and employees over the control of the fund, when we place them in joint control, under supervision of the Government?

Mr. GREEN. As I have said, I am in sympathy with the idea that there shall be no dispute arising, and I do not think the record of joint control shows that disputes of serious import have arisen.

Mr. REVERCOMB. That is one very good reason why joint control should be provided.

Mr. GREEN. It is.

Mr. REVERCOMB. If the Senator will write into his amendment a provision that such funds shall be jointly controlled and jointly accounted for to the Government agency named, he will have a very sound argument.

Mr. GREEN. That goes far beyond the purpose of my amendment. The purpose is to avoid the dispute which has arisen owing to the so-called Byrd amendment, and that is all. I am not trying to discuss the bill in general, and I think an entirely new question is raised by the Senator's suggestion that we should direct how the welfare funds are to be administered. All my amendment purports to do is to provide that where one or the other party exclusively has control the fund shall be administered according to the provisions under which it is set up.

Mr. REVERCOMB. We are directing what shall be done so far as concerns accounting and showing to the Government agency what is being made of the money. Why not go a step further and take out forever this everlasting dispute as to who shall control the fund, and provide by the able Senator's amendment that it shall be a joint fund, under the supervision of the Government?

Mr. GREEN. My answer is that the prospect of success is far greater where the fund is set up and its purpose is designated as a result of collective bargaining, than it would be if it were dictated by the Government

Mr. MAGNUSON. Mr. President, will the Senator from Rhode Island yield?

Mr. GREEN. I yield.

Mr. MAGNUSON. Does the Senator's amendment provide for any control of an employers' fund, as where the coal operators would raise a fund and exact from the consumer a certain price for coal?

Mr. GREEN. The amendment relates purely to welfare funds.

Mr. MAGNUSON. There is no provision to take care of the so-called employers' funds?

Mr. GREEN. If the welfare fund is administered by the employers, the amendment would apply. If it is administered by the employees alone, it would apply.

Mr. MAGNUSON. It has been stated on the Senate floor as a fact that there is exacted on every ton of coal, and added to the price to the consumer, a certain amount which the employer uses for a so-called trade association fund. The employers have sole control of that. There is no accounting of it. But when the miner wants to have the same privilege, of exacting a price per ton of coal, there is a great dispute as to who should administer the fund. I wondered if the Senator's amendment provided any accounting for the employer's fund that is now exacted.

Mr. GREEN. This morning I offered two amendments and the pending amendment is the first one. The other one relates to the matter which the Senator now brings up, and we will probably have an opportunity to discuss that later.

Mr. MAGNUSON. I am wondering also what the Senator's viewpoint is about so-called welfare funds which have been set up in some instances in small amounts, and probably in small concerns. I know two or three instances of my own knowledge where the employer does not wish to have anything to do with the fund. If the Byrd amendment were adopted, such an employee would be forced to participate in the fund, where voluntarily he would like to stay out. Does the Senator's amendment cure that situation?

Mr. GREEN. My amendment provides that the fund, where it is exclusively administered by either party, shall be subject to Government examination to see that the purposes for which it is set up are carried out, and that there shall be a public audit.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Rhode Island [MR. GREEN] as a substitute for the amendment offered by the Senator from Virginia [Mr. BYRD] as modified.

Mr. MEAD obtained the floor.

Mr. TYDINGS. Will the Senator yield?

Mr. MEAD. I am glad to yield.

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

The ACTING PRESIDENT pro tempore. Does the Senator from New York yield for that purpose?

Mr. MEAD. It is not necessary, so far as I am concerned, to have a quorum, but I yield, so long as the suggestion has been made.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

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

Aiken	Gerry	McFarland
Andrews	Green	McMahon
Austin	Guffey	Magnuson
Ball	Gurney	Mead
Bankhead	Hart	Millikin
Barkley	Hatch	Mitchell
Brewster	Hawkes	Moore
Buck	Hayden	Morse
Bushfield	Hickenlooper	Murdock
Byrd	Hill	Murray
Capehart	Hoey	Myers
Capper	Huffman	O'Daniel
Connally	Johnson, Colo.	O'Mahoney
Cordon	Johnston, S. C.	Overton
Donnell	Kilgore	Pepper
Downey	Knowland	Radcliffe
Eastland	La Follette	Reed
Ellender	Langer	Revercomb
Ferguson	Lucas	Robertson
Fulbright	McCarran	Russell
George	McClellan	Saltonstall
Shipstead	Thomas, Utah	Wheeler
Smith	Tobey	Wherry
Stanfill	Tunnell	White
Stewart	Tydings	Wiley
Taft	Vandenberg	Wilson
Taylor	Wagner	Young
Thomas, Okla.	Walsh	

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

Mr. MEAD. Mr. President, there seems to be two distinct schools of thought represented by those engaged in the debate on this very vital and important legislation. Those representing one school defend the voluntary system for the settlement of disputes, and urge that a continuation of collective bargaining is the best and the most democratic method for the settlement of strikes. Those who represent another school of thought feel that compulsion is essentially necessary and that it will work out more successfully in this particular field than will the voluntary method.

Mr. President, I ascribe to both groups the honesty of purpose and the desire to be of service to the country that is common to all our general endeavors, and especially when a serious crisis is upon us.

But, in view of the seriousness of the situation, because of the long line of experience and tradition that is available on the subject, and also because of the fact that anything we may do at this time will require further action on the part of the House, and will not affect the present industrial difficulty, but will have an effect on the future relations between management and industry, I think we ought to go into the subject at great length, and should endeavor to find the right answers. We could very well review the experience of forward-looking countries all over the world, and determine whether or not we desire to improve the structure we have built here over the years, or whether we desire to tear it down and start on a new highway of compulsory legislation.

Mr. President, I agree that in the political platforms of all the parties, national and State, the platform makers, as one of the essential musts in the perfection of a platform, espouse the cause of collective bargaining in order to recommend themselves whole-heartedly to the cause of organized labor. I recognize the fact that there is a different feeling in the Senate at this time than is to be found in the atmosphere of the political convention when a platform is being written to attract the prestige and the support of large groups of the people. But, Mr. President, I do not believe that we are in the proper atmosphere, when we are perhaps motivated by feeling, when we are exercised to the point of impatience or anger, to give the proper consideration to legislation having the long-range objective of bringing about an industrial peace which we all hope will be attained.

I wish to lay before the Senate some of the experiences of forward-looking countries in the field of labor disputes. I wish to point out to my colleagues the experiences of the English-speaking countries, and show how they have traversed these several fields, how unsuccessful they have been when compulsion was the heart and center of their legislative endeavor, and

how successful they were when they accorded to the worker a status in the enjoyment of rights and privileges equal to that granted to everyone else by the particular government.

I hold that the abandonment of a traditional and time-tested policy should never be undertaken except upon adequate proof that such a move is necessary and that the proposed new and substituted policy constitutes an assured and undoubted betterment. Is the course which it is proposed to take in the passage of the bill as passed by the House of Representatives, or the bill which will be approved by the Senate if we adopt the pending amendments, an improvement over the voluntary methods now in vogue, or is it a better course than would be the course of continuing the voluntary method with such perfections as experience, study, and research would permit?

I do not believe that the general soundness of that observation will be disputed by anyone. That it is particularly pertinent to governmental policy in respect to the stoppage of industrial relations is so obvious as to require no further argument whatsoever. It is certainly the traditional policy of this country. It has been the policy of the national parties in this country and, indeed, in all English-speaking commonwealths throughout the world, to accord to labor complete freedom in the right to organize and to function under such organization unaffected by government domination, by restraint, or by intimidation.

In its application to private industry this policy recognizes the right of any individual or group of individuals to stop work whenever dissatisfied with the terms and conditions of their employment. Likewise, it accords to the employer the right to reject his employees' demands and to suspend his plant operations.

It is the duty of the Government, however, to afford to both parties the most effective steps by which these disputes can be conciliated, arbitrated, or settled by the effort of the Government in bringing the parties together. There is the further discipline which should recommend itself to the responsible leadership of both groups, and even to the groups themselves, namely, that both groups are patriotic enough to preserve the institutions of the Government which would protect them in those rights. So, Mr. President, we have the discipline common in the democratic state, as contrasted with the lack of discipline in the totalitarian state.

In addition to pride of citizenship in a State which grants to the individual the liberties which he enjoys in such a State, we have the services of the Government, with the conciliator who comes around at the beginning of the dispute; the mediation board, which volunteers its services, and to which both groups are usually anxious to present their case; and finally, arbitration, as is the case under the Railway Labor Act, is brought into effect whenever a dispute becomes of major importance.

So, Mr. President, we have several opportunities for the settlement of disputes. With such opportunities the established practice of this Government, it occurs to me that we ought to study them and their application here and in other countries, and endeavor to refine, protect, and improve upon the voluntary method, rather than to destroy it in the heat and passion of a crisis such as that which confronts us today. No one regrets more than I do the growing paralysis of the strikes which are upon us. No one hopes more fervently for their quick and permanent settlement than I do. I offer the best information I have to my colleagues in the Senate in order that I may aid in bringing about the industrial peace which we all hope to obtain.

I feel that once we depart from this basic policy—a policy approved by both the Republican and Democratic Parties and embraced by the Congress of the United States on a number of occasions—and attempt to take away either of these rights from the employer or employee through the exercise of Government police power, it is not difficult to foresee continued and further progressive encroachment upon the rights of our citizens in many particulars which heretofore have been deemed fundamental in the American concept of democracy.

In his testimony before the Senate Committee on Labor and Education last January, Mr. William H. Davis, a distinguished authority in the field of industrial relations, made this statement:

> The creative adventure of the conference table loses all color of reality if the workers have been deprived of their right to reject management's offer and quit, or if management has lost its right to refuse the workers' terms and close the plant. It is in the last analysis the pressure of this right to strike or to lock out that keeps the parties at the conference table, that tests their courage, resourcefulness, and decision.

Mr. President, on the subject of strikes, no one has yet come forward with a plan for the abolition of strikes which at the same time does not interfere with the free operation of collective bargaining. It is impossible to see how this miracle can be performed by this or any other legislative body. The gesture in that direction through the so-called Smith-Connally Act proved to be a mere gesture indeed, and it certainly disappointed its enthusiastic supporters and sponsors. In my judgment, it was the occasion of more strikes than would have been the case without the Smith-Connally Act. It should constitute a warning against the temptation to enact legislation of this kind in the heat of resentment over some specific or isolated incidents.

No reasonable person looks with unconcern upon strikes, and particularly those which seriously interfere with the economic life and the welfare of the general public. In respect to such strikes it is natural that there should arise considerable clamor for drastic prohibitory regulations—and this, unfortunately, without thoughtful consideration of the consequences of such legislation. In irritation or in impatience over temporary inconvenience or interruption of customary facilities and services, we are apt to forget that a remedy can often be worse than the ailment for which it is prescribed.

Mr. President, in this controversy Senators on both sides of the question are anxious to prevent strikes. Yet in the light of the experiences of nations it is evident, it seems to me, that the sponsors of the pending measure are pursuing the wrong course. Their course is not the highway to industrial peace.

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

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Does the Senator from New York yield to the Senator from California?

Mr. MEAD. I am glad to yield.

Mr. KNOWLAND. Does not my distinguished colleague from the State of New York recognize the fact that there is a relative right as between the right to strike, on the one hand, and the right of 140,000,000 Americans to work and to exist and to prevent the economic strangulation of the Nation?

Mr. MEAD. Yes; I agree that there is a relative right. But if we carry that to the farthest point we deny any one within that population of 140,000,000 the right to strike, because of the effect of such strike upon the other persons in the Nation who are not at the time striking.

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

Mr. MEAD. I am glad to yield.

Mr. KNOWLAND. As a matter of fact, taking a rather simple example, we realize that the motorist has a right to drive his car, and yet we impose upon him an obligation not to drive his car recklessly, not to endanger life and property. We confer on property owners certain rights in relation to their own property, and yet they have an obligation not to construct a factory in a residential district. We confer certain rights upon the hunter, and yet we also impose upon him the obligation not to hunt out of season or to fire his gun in a city, where life and property might be endangered.

It seems to me that in this case, when we now have the paralysis of a great railroad strike which already has started while the Senate has been discussing this matter, and when a great coal strike is closing down and strangling the economic life of 140,000,000 people, both the Congress of the United States and the President of the United States have a grave responsibility continually to consider and develop the solution of this problem, so that these relative rights may be worked out with some degree of fairness. But to say that any group or any man has a right to strangle this Nation is something which I do not believe the Senate or the House of Representatives can sit idly by and accept.

Mr. MEAD. Mr. President, there is no doubt that we must have traffic regulations, criminal laws, penitentiaries, and State prisons. I agree that the regulations which have been mentioned by my able colleague the Senator from California are beneficial, even to the motorist who is behind the wheel. But if we apply that principle to the men who work in the mines and if we tell them that they have no right whatsoever to

endanger others, then I say, Mr. President, that the miners forever and a day will work in the dangerous mines, in the bowels of the earth, where one explosion after another occurs, making it the most hazardous enterprise on earth, and they will continue to live in company hovels, to be raised, as they have been in the past, as has been pointed out by a distinguished writer whose articles have appeared in one of the Washington newspapers, emaciated weaklings unable to enjoy the standards of life of the ordinary, common, everyday laborer.

Mr. President, we must consider, as did Abraham Lincoln and as did all the other outstanding men of America, that a man's liberty is something quite different from the incidental privileges men have. A man's liberty is a sacred right which he possesses, and it cannot be put on a par with driving an automobile or with the dollars of a corporation or with the regulations which are incident to the operation of a large municipality. In a democratic nation there are certain differences between the basic rights of human beings, who give their blood and their sweat, and I include their right to bargain collectively, and the right of regulation insofar as traffic conditions are concerned or insofar as any similar regulations which may be necessary are concerned.

I am endeavoring to point out how successful the voluntary methods are and how unsuccessful the compulsory methods are, because I am endeavoring to stop strikes and to prevent their recurrence. Before I conclude I think I shall be able to point out, even to the satisfaction of some of my colleagues on the other side of this issue, that there are more strikes where compulsion is the rule of the law than there are where voluntary methods are encouraged. No one regrets more than I do the slow economic paralysis which seems to be creeping over our country. Mr. President, if I had my way about it I would, insofar as I am concerned, make any sacrifice to bring about the industrial peace which we need so badly at this particular period of our history. To do it in the right way is all that I am endeavoring to point out.

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

Mr. MEAD. I yield.

Mr. PEPPER. Has not the able Senator from New York just put his hand upon the focal point of the controversy here? All of us are striving to reduce industrial strife and to produce industrial peace. One point of view is that we can achieve that objective better by stringencies and by certain compulsions. The other point of view is that by strengthening the arbitration and mediation and conciliation services of the Government and by trying to achieve social and economic justice we shall in the long run obtain better results in respect to the achievement of those objectives. Is not that the essential controversy which prevails here at the present time?

Mr. MEAD. Mr. President, that is the history of labor disputes in England, in Canada, in Australia, in New Zealand, and in these United States. So I am in thorough accord with the sentiments expressed by my able colleague from Florida. I wish to revise and improve and project into the future the helpful services which we have developed in the past.

Mr. President, in regard to strikes, as I have said, no one has yet come forward with a plan for the abolition of strikes which at the same time does not interfere with the free operation of collective bargaining. Let me point out again that in the ordinary course of the enactment of legislation our efforts this afternoon will not affect the strikes which are pending today. The measure now under consideration will have to be debated. Amendments offered to it will have to be accepted or rejected. Then the measure will have to go back to the House of Representatives, and there it probably will be debated again. Finally, perhaps, it will go, for at least a brief period, to the conferees. Thereafter it may come back to the Senate. But I am hopeful, and I think everyone else is, and I believe that everyone believes that these strikes will be over when this measure actually becomes the law.

If we were considering an emergency measure which applied only to the instant strike, then we could talk about its relation to the instant strike. But I am sure it will be popular today, in many quarters, to attack the miners who are out on strike, even though we are unfamiliar with the unfortunate circumstances under which they live and work, even though mines all over the world presented the highest percentage of strikes during the war and in the postwar period—and that, Mr. President, because of the hazard of the occupation and because of the unfortunate, poor economic conditions associated with those who work in that industry.

So, Mr. President, while what some of us are seeking to do may not be popular today; yet in the long run if we endeavor conscientiously and seriously to work for industrial peace, to repair and improve and rebuild the structure which we have built through the years, rather than to destroy it with a so-called atomic bomb, I am sure that those of us who are seeking a permanent system to bring about a more enduring industrial peace will be doing a greater service.

Mr. President, in developing an argument for strike avoidance by bargaining—and this matter bears directly on the subject I am discussing—Sumner H. Slichter, professor of economics at Harvard University, recently set forth the view that a period of strikes may be a necessary prelude to a prolonged period of industrial peace. He warned that it is impractical to attempt to prevent strikes, and pointed to two major benefits of strong unions, namely, forcing the development of efficiency in management, and stimulating technological improvements through upward pressure of wage rates.

I think that fact is recognized in this country and in other English-speaking countries. I traveled through most of those countries during the war. I saw evidences of their tremendous industrial production under the stimulus of labor organizations. I also saw evidence of the dead, decadent, and slowing up of production in the unorganized, backward, enslaved, and exploited countries. If it had not been for our country and other forward-looking countries in which dignified labor had the right to organize and bargain collectively, and stimulate efficiency and production, we would not have won the war. So, Mr. President, I was strengthened in my belief that the system which prevails within our own beloved Republic is not a system which would destroy but is one which the backward nations of the world could well employ.

I repeat that Professor Slichter warned that it is impractical to attempt to prevent strikes, and pointed to two major benefits of strike unions, namely, forcing the development of efficiency in management, and stimulating technological improvements through upward pressure of wage rates.

This experienced observer pointed out four major problems. Mr. President, I wish to bring those problems to the attention of the Senate. I have before me a copy of Labor Relations Reporter, in which there is an article on the subject of strike avoidance by bargaining. It reads as follows:

In a recent article offering answers to four major problems of postwar labor relations Sumner H. Slichter, Lamont professor of economics, Harvard University, set forth the view that a period of strikes may be a necessary prelude to an era of industrial peace. He warned that it is impractical to attempt to prevent strikes and pointed to two major benefits from strong unions—forcing the development of efficiency in management and stimulating technological improvements through the upward pressure of wage rates.

The article appears in the current issue of the Yale Review under the title "Strikes and the Public Interest." Portions quoted are reproduced by permission of Yale University Press, holder of the copyright.

FOUR MAJOR PROBLEMS

The four major problems stated are:

1. How to restore collective bargaining after its partial eclipse while the War Labor Board settled disputes. He recommended permitting the parties to obtain the best bargains procurable with their economic strength, the Government remaining neutral and aiding neither side.

2. How to protect the public against interruption of production. Among the recommendations were that strikes and lock-outs be permitted as a necessary means of education as to how far the parties would go without resorting to economic warfare. Professor Slichter recommended also that "cooling off" periods in case of great emergency should be required at the discretion of a Government conciliator.

3. How to develop satisfactory adherence to contracts. This problem, it was suggested, would solve itself in 2 or 3 years.

4. How to deal with inter-union jurisdictional disputes. As a partial solution, it was suggested that the Labor Relations Board be authorized to issue cease and desist orders to prevent picketing and other strike activities when the purpose is to compel the employer to violate the Wagner Act, withdrawal of bargaining rights being used as a remedial sanction.

UTILITY OF UNIONS

The long-range utility of unionization from the standpoint of economic welfare was set forth by Professor Slichter as follows:

"Undoubtedly, unions on the whole are an influence for better management. They insist that managements use orderly processes, that the responsibilities of both supervisors

and workers be clearly defined, that managerial decisions be based on principles and careful consideration of facts that supervisors be able to justify their decisions. In the setting of rates, in the introduction of technological changes, in the handling of layoffs, and in many other cases, union pressure and criticism are compelling 'off-the-cuff' decisions to be replaced by carefully formulated policies. Union pressure for better working conditions is slowly changing the approach of management toward new problems—compelling the attitude of 'It cannot be done' to be replaced by 'Let us see what we can do about it.' Unions are a major influence in developing management which has no counterpart for efficiency and social responsibility in any other country in the world.

"Unions are subjecting wages to far stronger upward pressure than our economy has ever witnessed. Even when unions were weak, wages were subject to a tremendous upward pressure. Between 1840 and 1940, hourly earnings in the United States rose about ninefold. They advanced so rapidly that, despite rapid technological progress, there was a small rise in the index of prices. During the last decade of this period, from 1930 to 1940, when unions had become strong, wages rose so rapidly relative to prices that total pay rolls fell—the first decade in which such a drop occurred. This experience shows that the upward pressure on wages can be too strong. Nevertheless, upward pressure upon wages can be tremendously useful in stimulating technological research. If overdone, it can produce chronic unemployment on a large scale. If not overdone, it can help American industry continue to increase its productivity faster than the industry of any other country."

The major problems confronting labor relations today, Professor Slichter explained, are in part due to the war and in part due to the 12 years of governmental encouragement of union organization.

The pursuit of the no-strike, no-lock-out policy during the war, he said, together with the wage-stabilization policy, caused numerous unsettled issues to accumulate. Wage demands mounted when reduction in overtime work reduced earnings by about 15 percent, he declared, and output per man-hour has not risen sufficiently to permit an offsetting advance in wage rates without some rise in prices.

RESTORATION OF BARGAINING

Respecting the restoration of collective bargaining, Professor Slichter wrote:

"Collective bargaining will not develop if the rank and file insist that the unions get them better conditions than the union members are willing to strike for and if the Government abandons the role of a neutral and virtually compels employers to grant better terms than the unions could win by bargaining. The Government, of course, does not always adopt a neutral attitude towards wage issues. Minimum-wage laws show that the scope of the Government's neutrality is limited. Government wage setting and collective bargaining, however, do not mix. Consequently, in the areas where the Government wishes collective bargaining to flourish, it must not seek to impose settlements. Incidentally, nothing would more effectively impede the development of responsible union leadership and encourage demagoguery than the kind of Government intervention in labor disputes which relieves employers and union leaders of the responsibility for making settlements."

The best hope of minimizing interruptions in production, according to the article, lies in the restoration and free operation of collective bargaining.

In support of this conclusion, Professor Slichter advanced the points that (1) collective bargaining is inherently capable of producing industrial peace and (2) the success of collective bargaining in averting strikes and lock-outs is one test of whether it is well done. In developing these points, he said:

"What is the basis for expecting collective bargaining to prevent strikes and lock-outs? Simply that each side, if it has accurate knowledge of the willingness of the other side to fight rather than to accept certain terms, is ready to accept the terms which will bring balance between the employer's willingness to stand a shut-down and the union's willingness to stand a strike * * *.

"In the imperfect world in which we live, one must not expect every dispute to be settled without an interruption to production. If either side persists in underestimating the willingness of the other side to fight, the parties will fail to agree on terms, and mediation or arbitration may be necessary to avert a stoppage.

With reference to the question of averting strikes, in this chapter Professor Slichter has made a very worthwhile contribution, and I wish to read it for the benefit of my colleagues, because I believe it to be very helpful. It reads as follows:

AVERTING STRIKES

It is important to understand that the basis for peaceful settlements of negotiations is knowledge—knowledge of what the other side will accept rather than force a trial of strength. Not only must the leaders have this knowledge, but the rank and file of the union and the members of the employers' association (if there is one) must also have it—or else they must be willing to accept the judgment of their leaders. A spirit of realism and willingness to face facts honestly rather than go off on sprees of wishful thinking is important in making collective bargaining work. So also is a bias in favor of peace and compromise because there are always uncertainties about the willingness of each side to fight. Finally, successful collective bargaining presupposes courgeous leaders as well as astute ones because the leaders must sometimes frankly tell their constituents that certain cherished demands cannot be achieved without a fight or that certain cherished conditions cannot be kept without a fight.

All of this suggests that experience is also important in making collective bargaining work. Only through experience does each side learn the strength of the other and the other's willingness to strike. This explains why strikes and lock-outs may be a necessary prelude to an era of peace. Furthermore, an occasional strike or lock-out is needed both to test the willingness of each side to fight and to keep alive a vigorous spirit of realism. Experience also is required to teach the rank and file of both sides that there is always another time and that demands which cannot be won at this negotiation may be achieved at a later one. Finally, it is needed to teach negotiators not to work themselves into positions from which they cannot easily recede and to teach them the importance of flexibility and resourcefulness.

Mr. President, I believe that the able article from which I have just been quoting by Sumner H. Slichter, the Lamont professor of economics at Harvard University, is one we could all afford to read in greater detail.

I see a great deal of hope in the intense interest which is now being manifest all over the United States in the field of labor-management problems. College after college, university after university, is giving courses, training men and women in the field of labor relations. Some larger colleges in the country have set up whole schools for the study and consideration of this subject.

As our economic activities become more complicated, leadership in this field is an important essential. I find a great many men of the law and of the other professions, studying labor relations in some of our advanced colleges and universities. Americans are going to Scandinavian countries and to British countries studying labor legislation and labor practices.

I am sure that from this widespread study here in America and from the study abroad we are going to work out our difficulties without losing the inherent liberties of our people; we are going to maintain our democracy in all its prestige and power, and we are going to project it so that we will have real democracy in our industrial field as well as in our political field.

Mr. President, the difficulty of attempting to insure industrial peace in a democratic country through statutory approach is illustrated vividly by the Australian experience. Probably no other country in the world has adopted more extensive legislation directed to the objective of reducing labor disputes and work stoppage while at the same time attempting to preserve to the workers those fundamental rights essential in a democracy.

For a period of many years Australia has had a super-agency known as the Commonwealth Court of Concilation and Arbitration, with broad power to interpret and administer a comprehensive and rather complex series of statutes and regulations. To these long existing legislative enactments there were added further emergency regulations during the recent war emergency known as the National Security (Industrial Peace) Regulations. To illustrate the imposing extent of detail and the apparent potency of these enactments I quote pertinent features from the work Wartime Labor Developments in Australia, by Professor Foenander. Professor Foenander is the author of a number of books. The one I have is entitled "Wartime Labor Developments in Australia." He talks about the court which I have just mentioned, and says:

The court shall, as regards every industrial dispute of which it has cognizance, have power to declare, by any award or order, that any particular regulation, rule, custom, term of agreement, condition of employment or dealing whatsoever, determined by an award in relation to any industrial matter, shall be a common rule of any industry in connection with which the dispute arises, or of such portion of that industry as the court thinks fit, or of any group of industries of which that industry is one.

(2) Where the court has cognizance of an industrial dispute it shall have power to make an award regulating the whole or so much of the conditions of employment in relation to the industry in which the dispute exists as the court thinks fit, and, for the purpose of making an industry, the jurisdiction of the court shall not be limited by the ambit of the matters in dispute.

Then Professor Foenander proceeds to say on whom the award is binding.

In addition to the parties, persons and organizations on whom an award is declared by the act to be binding, an award declared

to be a common rule or an industry award, as the case may be, shall also be binding on all organizations and persons on whom the award or industry award is declared by the court to be binding.

Then, under the heading "Reference by minister of matter likely to lead to industrial unrest," he says:

Where the minister is of the opinion that any industrial matter has led, or is likely to lead, to industrial unrest, he may refer that matter to the court and, notwithstanding that an industrial dispute affecting that matter does not exist, the court may proceed to hear and determine the matter in like manner as if were an industrial dispute.

* * * * *

Where a Conciliation Commissioner is of the opinion that an industrial dispute has arisen, or is threatened or impending, he may investigate all matters connected with the dispute.

Mr. President, this indicates that they have an organization of sufficient strength and volume and capacity to survey the industrial activities in Australia, to attempt to settle disputes at the very source, at the very beginning, and to go along with them as they develop, if they be developed, in an endeavor to bring about an early and an effective settlement.

I wish to read to the Senate from Professor Foenander's work, under the heading "The Persistence of Unrest in the Coal-Mining Industry," in Australia, even though they have in Australia, by statutory law, all these various safeguards to protect industrial peace. I read:

Refusals to work, nevertheless, persist in the coal-mining industry in a degree out of all proportion to those in industry generally. The following table of strike figures for 1942—

That was a war year, and during this war year they not only had this apparently widespread organization for the settlement of industrial disputes and for the protection of industrial peace, but they had an emergency law that was quite compelling in its character. Yet, in the midst of the war the following table of strike figures for 1942 will show in some measure the relatively heavy incidence of strikes that were occurring at that time in the coal-mining industry:

The number of workers employed in the coal-mining industry during the year 1942 may be taken on an average as about 23,000 or approximately 1.25 percent of that for all industry (exclusive of rural and household domestic workers).

	Total number of strikes in Australian industries	Total number of strikes in the Australian coal-mining industry
January	43	31
February	49	41
March	29	24
April	41	31
May	70	58
June	70	54
July	61	53
August	27	11
September	41	25
October	43	23
November	68	59
December	58	35
Total	600	445

The figures tabulated take account of those strikes only that involved a loss of at least 10 working days in the industry to which they directly relate. From them it will be observed that of the totality of strikes in Australian industries during the year 1942, approximately 74 percent took place in the coal-mining industry.

Yet, despite the minutiae of particulars in this and in other previous legislative enactments, we find that strikes occurred in considerable number even under conditions of war and actual threat of invasion. In the year 1942, according to Dr. Foenander of the University of Melbourne, there were 600 strikes in Australian industries, counting only those involving at least 10 days' duration. Of these 445, or approximately 74 percent, took place in the coal-mining industry.

I emphasize that, Mr. President, not only because of the binding effect of the labor conciliation court, not only because of the binding influence of its decisions upon labor and upon industry, but also because Australia had a very drastic war emergency law which required industry to continue to function. Yet with all that legislation, Mr. President, with the compelling influences of that legislation, Australia had 600 strikes at a time when invasion was imminent. When we contrast that situation with the situation which existed in our own country, I think we can be very proud of our industrial production and of the industrial peace we enjoyed throughout the emergency, and we can also commend labor for the manner in which it maintained its nonstrike pledges.

As an illustration of how such statutory regulations can be and were circumvented, Dr. Foenander points out that:

Malcontents found it possible largely to stultify the effectiveness of the applicable statutory rule by resuming work when required to do so under the regulations, and then promptly proceeding to another stoppage.

In other words, they would go to work one day in compliance with the law, but they would not go to work the next day. They would comply with the law by calling off the strike, ending the work stoppage, and then when they had thus complied with the law, the work stoppage would set in again. Dr. Foenander continues:

It would then be necessary to serve a fresh notice directing a return to work, but the summons could again be satisfied by a temporary observance.

This strike record in the Australian coal industry occurred despite a further legislative attempt to defeat circumventions of the kind just mentioned. This further regulation seemingly was sufficiently strong enough to accomplish its purpose. It forbade any person actually or usually employed at a coal mine who has no reasonable excuse, proof of which is to lie upon him, to refuse or fail to attend for work at the mine at the customary place and at the customary times, or to work at it during the hours for which he is required. A refusal or failure of this nature would render the employee liable, if under the age of 35, to service in the citizens' military force or in the army labor corps, and if not under that age, to service in the army labor corps. Still further provision for the maintenance of an undisturbed flow of production in the Australian coal-mining industry was made by the promulgation of additional amending of the national security regulations. These regulations made it an offense for any person, first, on account of any industrial dispute or in relation to any matter arising at a coal mine, to do anything in the nature of a strike or continue any strike at the coal mine except in pursuance of a decision of the duly constituted governing body of the organization of employees to which the person belongs, or, second, to cause or counsel, procure, urge, incite, or encourage any person or persons actually or usually employed at a coal mine to refuse or fail to attend for work at the coal mine at the customary place and at the customary times, or to work at the coal mine during the hours for which they are required to work.

Despite these seemingly drastic measures Dr. Foenander points out in his exhaustive report that refusals to work nevertheless persisted in the coal-mining industry to a degree out of all proportion to those in industry generally.

That is the experience, Mr. President, in all democracies of the world. It was our experience when we endeavored to force people by law to adopt certain customs to which they were basically opposed. I imagine there were more violations of the prohibition law, for instance, than ever came to the attention of the courts. Probably some violated the law simply to show their opposition to it. At any rate, the mere passage of the law did not change the customs of the people.

Despite the seemingly drastic measures adopted in Australia refusal to work persisted in the coal-mining industry to a degree out of all proportion to those in industry generally. The measures were very drastic. First of all there was established the Australian court of conciliation. Then there was the emergency wartime legislation for the settlement of disputes. Then there was the particularly drastic law which forced the men to go into the mines or to go into the army, yet in most cases the strikes persisted and increased and were aggravated.

It is significant that the special regulation designed specifically to keep the coal miners at work was issued on April 14, 1942. In the immediately succeeding month of May following the promulgation of the regulations the number of coal-mine strikes almost doubled over any previous month's figure. The actual count was 31 strikes in the month of April, 58 strikes in the month of May.

If statutory regulations can be relied upon to avoid all work stoppages, certainly it would seem that the Australian regulations should have accomplished the purpose.

GREAT BRITAIN'S EXPERIENCE

Mr. President, I now wish to present Great Britain's experience. I desire to observe that when drastic regulation was not in effect there was a greater degree of industrial peace than was the case when compulsory legislation was resorted to. That is experience which can be widely found in the English-speaking countries of the world.

The experience of Great Britain in dealing with the problem of industrial relations and trade unions extends over a much longer period than our own. In that country organized labor has been potent for many years and has enjoyed a full measure of protection by the Government. Even under its wartime policy and legislation the traditional reliance upon direct negotiation between management and labor in the settlement of disputes was maintained. I quote the Minister of Labor in his report of 1944 (Industrial Relations Handbook):

It is the traditional and well-tried practice of the principal industries to regulate wages through their joint voluntary machinery for wage negotiation. On the recommendation of the representatives of the Trades Union Congress General Council and the British Employers' Confederation on the Joint Consultative Committee and the National Joint Advisory Council, the Government decided to entrust the responsibility for wage regulation in wartime (save where machinery for statutory wage fixing already existed) to the industrial joint machinery, subject only to the Conditions of Employment and National Arbitration Order, which was made with the concurrence of the Joint Consultative Committee and the National Joint Advisory Council, and which provides for the more effective enforcement of agreed rates of wages, the reference of unsettled claims to arbitration and the prohibition of strikes and lock-outs.

Since the outbreak of the war, the existing joint voluntary machinery for wage negotiations has operated successfully.

I read that again:

Since the outbreak of the war—

This is the statement made by the Minister of Labor in his report of 1944:

Since the outbreak of the war, the existing joint voluntary machinery for wage negotiations has operated successfully.

Increases in wage rates have been reasonable; the authority of the unions in the day-to-day adjustment of wages and conditions has been maintained; the freedom of opportunity to make claims and to have them discussed has enabled industrial peace to be maintained.

The policy of the Government, therefore, is to avoid modification of the machinery for wage negotiations and to continue to leave the various voluntary organizations and wage tribunals free to reach their decisions in accordance with their estimate of the relevant facts.

It is true that under the war emergency in 1940 Great Britain adopted a seemingly drastic regulation called Conditions of Employment and National Arbitration Order, the main purpose of which was to prevent interruption of work during the war by trade disputes. This regulation provided for what was in effect compulsory arbitration only after every possibility for direct settlement between the parties had been exhausted. However, the British Government was careful to provide in a subsequent enactment for the resumption of the normal method of settling conditions of employment by collective bargaining. As a matter of fact, this legislation did not result in the abolition of strikes. The record discloses that industrial strikes in Great Britain in peacetime during the 5 years 1934–38 averaged 769 annually. During the war period 1939–43, inclusive, the number of strikes averaged 1,238. It is true that during the war years the average man-days lost per strike was less than half the average in the prewar period.

It is significant to point out at this time that in Great Britain, as well as in Australia and New Zealand, a large percentage of the recorded strikes occurred in the coal-mining industry. In Great Britain the unauthorized Yorkshire coal strike in March 1944 came at the end of a year of almost continuous wildcat coal strikes, in less than a month after a strike of 100,000 coal miners in South Wales. The Yorkshire strike involved more than 90,000 miners and occasioned a loss of over 1,000,000 tons of coal. And yet, Mr. President, that came about only after drastic compulsory legislation was enacted. In spite of these facts the British Government instituted no prosecutions but assisted in the negotiation of a national coal agreement and aided union leaders in urging the men to return to work. A spokesman for the Minister of Labor on April 8, 1944, in response to a query concerning the coal strikes in the House of Commons, stated:

It has been the policy of the Government to rely upon the joint voluntary machinery and negotiations for the settlement of disputes and upon the authority of trade-unions and employers' organizations to see that agreements reached are loyally observed.

I think I should read that again.

A spokesman for the Minister of Labor on April 8, 1944, in response to a query concerning the coal strikes in the House of Commons, stated:

It has been the policy of the Government to rely upon the joint voluntary machinery and negotiations for the settlement of disputes and upon the authority of trade-unions and employers' organizations to see that agreements reached are loyally observed.

NEW ZEALAND'S EXPERIENCE

Mr. President, I wish to make a brief observation with respect to New Zealand's experience. New Zealand has a long history of legislative control of industrial disputes, going back to the Conciliation and Arbitration Act of 1894. Like Great Britain and Australia, this country adopted a wartime antistrike measure, although it applied the basic principles of peacetime labor-dispute methods in the formation of its wartime regulations. It would appear, however, that New Zealand did not or could not rigidly enforce these regulations, and its efforts were devoted principally throughout the war in obtaining rapid settlement of strikes through management-labor negotiations. There, as in Great Britain, the wartime average of strike incidents increased over the peacetime average, the figures showing a peacetime average of 40 strikes per year 1934–38, inclusive, and 69 strikes per year during the war years 1939–43, inclusive. It must be recalled that during the latter years the more drastic antistrike measures were on the statute books.

CANADIAN EXPERIENCE

With regard to the Canadian experience, in Canada likewise the number of strikes per year increased progressively as the war advanced despite the adoption of wartime labor-dispute control through orders and regulations. Here, too, our neighbor to the north found it more practicable to rely chiefly upon voluntary settlements of labor disputes.

It is interesting to note that in countries which had drastic legislation on the statute books, in the midst of a war emergency they set aside the police powers enjoyed by the authorities and resorted to the voluntary prewar method of settling disputes, and when disputes were settled in that manner, as a rule they remained settled. So, Mr. President, both in the over-all experience of the industrial nations and in the experience of those nations in the midst of war, experience has always proved that when men can get together around the conference table, when the Government provides every opportunity for the men to negotiate, confer, conciliate, mediate, and arbitrate, the settlements are usually more lasting and are carried out far better than are settlements which are policed by a political authority.

The Canadian experience reveals that our neighbor to the north found it more practicable to rely chiefly upon voluntary settlements of labor disputes in the war emergency. In the peacetime years 1934 to 1938, inclusive, the Canadian record reveals an average of 178 strikes a year. In the war years, 1939 to 1943, inclusive, the number had increased to 264 annually, an increase of 48 percent.

It is worthy of mention that both employees and employers, realizing the seriousness of the emergency which confronted the country, settled disputes more rapidly. They were of shorter duration and resulted in less damage than was the case with strikes in peacetime. It is fair to state, however, that in Canada the average man-days lost per strike decreased 25 percent in wartime, as against the peacetime record.

Mr. President, I wish to read from the Labor Relations Reporter, issue of September 5, 1938, a very interesting report which verifies what I have been contending, that is, that it would be better for us to perfect, improve, and refine our voluntary procedures than to abolish them and resort to a compulsory Labor Disputes Act. In this issue of the Labor Relations Reporter is to be found the full text of the report by the President's Commission on Industrial Relations in Great Britain. In a statement by the President of the United States as a foreword, he says:

The Secretary of Labor has given me the factual report on industrial relations in Great Britain. This report, unanimously submitted by eminent Americans representing the various interests and points of view within our national life, comes in response to the request I made of them for an impartial statement on labor-employer relations as they exist in Great Britain.

To the members of the Commission on Industrial Relations in Great Britain who, at great personal sacrifice have spent weeks in an intensive study of these problems in Great Britain and in the preparation of an objective report, I express the thanks of the Government. I, personally, am most appreciative of the services they have rendered.

The adequacy of this report attests again the usefulness of cooperative endeavors on the part of those in Government and those whose labors and interests, diversified as they may be, are closely identified with the

labor-employer relationships as they exist in our country.

This report ought to be read through. Unless this is done, discussions of the facts contained therein will be of little value. To me, the most salient feature of it is the cooperative spirit coupled with restraint, which is shown by those who represent both employers and employees in Great Britain. Collective bargaining is an accepted fact and because of this the machinery which carries it out is functioning.

A second report is to be submitted in the near future and this will give us a parallel study of industrial relations in Sweden. Experiences of other countries very naturally have been different from our own but they should be considered and studied as we analyze our own problems.

FRANKLIN D. ROOSEVELT.

Mr. President, I believe that that was an exemplary approach to the solution of the very difficult and most vexing problem of industrial peace. The President appointed a committee of eminent authorities and sent them to Great Britain, there to make a study of industrial relations. The commission also visited Sweden, and a report was made on industrial relations there. I presume it would be advantageous to make a similar study of the experiences of other countries, not because we should copy after those countries, not because our problem is identical with their problem, but because it would be stimulating to the minds of those who are bent on developing a permanent and a more perfect solution of this problem.

What the commission found out appears on page 2 of the Labor Relations Reporter which was published on September 5, 1938; but before reading that I must read the names of those who were on that commission appointed by the President of the United States to study industrial relations in Great Britain. The commission consisted of W. Ellison Chalmers, William H. Davis, Marian Dickerman, Lloyd K. Garrison, Henry I. Harriman, Charles R. Hook, Anna Marie Rosenberg, Gerard Swope, and Robert J. Watt. On the commission there were employers and employees, industrial leaders, and professors in our colleges and universities.

I read from the statement entitled "What the Commission Found Out":

WHAT THE COMMISSION FOUND OUT

Employment contract, or collective agreement, in Great Britain does not mean a contract between an employer and a union but between an employers' association and a union or group of unions. Employer organization matches worker organization.

Enforcement of collective contracts is not provided for under the law. Both sides generally agree that they should not be, but that their validity should rest on the good faith of the parties.

Interunion disputes are minimized by acceptance of the principle that no union has an exclusive right to organize any class of workers. Acceptance by one union of members from another union engaged in a labor dispute is "not done."

Unions or their officers may not be sued for restraint of trade or for wrongful acts of members in furtherance of a trade dispute. An exception exists in connection with the highly restricted class of strikes declared illegal by the Trades Disputes Act of 1927.

Registration of unions is provided for on a voluntary basis but is not required. Those registering obtain certain advantages and undertake certain obligations, but in no case is there regulation of the union's affairs by the registrar. About half the unions are registered.

Peaceful picketing is permitted, but all intimidation is banned.

Strike breaking, by hiring of others to take the place of strikers, is extremely rare, the feeling being general on both sides that the "job belongs to the man" and that no one gains by the arousing of bitterness. Employers seldom try to operate during a strike.

Illegal strikes, so defined by the act of 1927, are not considered to include sympathetic strikes which do not seek to coerce the Government. Nor are strikes to coerce the Government considered illegal if they are not also sympathetic strikes. Both elements must be present to make a strike illegal. The Act has not been tested in the courts.

The effect of the 1927 act on strikes is believed to have been nil. But it is considered to have harmed the Labor Party by making it necessary for individual union members to consent to political contributions, whereas formerly contributions might be made in behalf of each member unless he objected. The party is pledged to repeal or amendment of the law.

Bitterest industrial strife and disorder occur, as a matter of history, in the period when unions must fight for recognition. Although there are no laws requiring bargaining, the process is general throughout most industries and is encouraged by the Government.

Where bargaining is ineffective, the Government appoints wage boards to establish minimum standards of hours and pay, these being similar in comparison to those to be set up under the Fair Labor Standards Act in America.

Unauthorized strikes over local grievances are not uncommon and are looked on as inevitable in view of the fact that agreements are on an industry-wide basis, and the agreements usually forbid strikes pending use of grievance procedure. Unions generally act to put the men back to work.

Closed-shop contracts are exceptional, but in some industries the closed shop exists in practice without express agreement, the employers preferring that employees be union members.

Check-off is likewise exceptional, and ordinarily requires individual authorizations from the members of the union.

Arbitration in which the parties are bound either by law or contract to accept the award is rare and is favored by neither employers nor unions.

Panel of Government arbitrators is available for service in labor disputes, although both sides usually stipulate that the award will not be accepted if unsatisfactory.

Stability in industrial relations is believed to be promoted by social programs subsidized by the Government, including old-age pensions, unemployment compensation, medical aid with sickness compensation, and low-rent housing projects. Consumer cooperatives also are held to tend in the same direction.

Labor standards have improved in the past 20 years. Hours have decreased from 54 weekly to 48 or less; "real" wages have risen by 16 percent in manufacturing and railroads.

Mr. President, I wish to say a few words about the effectiveness of the United States Conciliation Service of the Department of Labor. It is an impartial agency established to encourage and promote harmonious labor-management relations. Its Commissioners of Conciliation aid in the prevention, as well as in the settlement, of all types of labor disputes. The Conciliation Service handles all types of cases including strikes, lock-outs, threatened strikes, and various other disputes. The Commissioners endeavor to settle such disputes through voluntary methods of conciliation, arbitration, or technical surveys.

The Conciliation Service is not a new agency. It was established in 1913 by the act creating the Department of Labor. I regret that the Conciliation Service has been so badly neglected by the Congress and by the successive administrations. The pamphlet which I hold in my hand, which describes what the Conciliation Service is, what its functions are, what types of cases it handles, and gives a brief summation of its history, I should like to have inserted at this point in the RECORD, as a part of my remarks.

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

EXHIBIT 1

WHAT IS THE CONCILIATION SERVICE?

WHAT IS THE FUNCTION OF THE CONCILIATION SERVICE?

The United States Conciliation Service is an impartial agency established to encourage and promote harmonious labor-management relations. Its Commissioners of Conciliation aid in the prevention as well as settlement of all types of labor disputes.

WHO ARE THE COMMISSIONERS OF CONCILIATION?

Commissioners of Conciliation are the trouble shooters and strike doctors for labor-management ills. It is their job to help the disputing parties find their own solution to their problems.

The Service now has a staff of 275 Commissioners of Conciliation. Some of these men have been personnel managers, employers, lawyers, labor leaders, and Government representatives. In all instances, however, they are chosen for their knowledge and experience in the field of labor-management relations. They are stationed in the important industrial and commercial centers of the country.

WHAT TYPES OF CASES DOES THE CONCILIATION SERVICE HANDLE?

The Conciliation Service handles all types of cases—strikes, lock-outs, threatened strikes, and various other disputes. Commissioners endeavor to settle these disputes through voluntary methods of conciliation, arbitration, or technical surveys.

During the fiscal year from July 1, 1944, through June 30, 1945, the Service handled almost 26,000 cases, including more than 5,000 strikes and threatened strikes. Of the 75,653 cases handled by the Conciliation Service from Pearl Harbor to VJ-day, 76.1 percent were settled by the Service and 23.2 percent were certified to the War Labor Board for further action.

IS THE CONCILIATION SERVICE A NEW AGENCY?

No, it was established in 1913 by the act creating the Department of Labor.

HOW CAN THE AID OF THE CONCILIATION SERVICE BE SECURED?

Any representative of labor, management, or the public can secure the services of a Commissioner of Conciliation by writing, wiring, or phoning the regional director of the Service in the region in which the dispute occurs (see attached list of names, addresses, and areas) or by contacting Edgar L. Warren, Director of the Service, Washington, D. C.

ARE THE QUALIFICATIONS OF COMMISSIONERS CONSIDERED WHEN ASSIGNING THEM TO CASES?

When assigning a Commissioner to a case, the regional director selects the Commissioner whose qualifications and background best fit him for the particular case to be handled.

Commissioners are chosen for their knowledge and experience in labor-management relations. Before they are permitted to handle cases, they are put through an intensive training program in Washington which emphasizes the voluntary and impartial character of the work done by the Service. This training is then supplemented by a field-training program during which the Commissioner has an opportunity to work with various experienced Commissioners. No Commissioner is permitted to handle a case until he is thoroughly prepared.

WHAT TECHNIQUES ARE USED TO SETTLE CASES THROUGH CONCILIATION?

When a Commissioner of Conciliation enters a case, his first efforts are directed toward getting a clear picture of the whole situation. He interviews both parties and then attempts at the appropriate time to plan a joint conference, knowing that the most lasting settlements are made through the meeting of minds of the parties directly concerned.

The Commissioner keeps in mind that the environment of the conference table must be as far removed from the scene of conflict as possible. He endeavors to discharge or siphon off any feelings of animosity or ill will and to create an atmosphere of fair dealing and open consideration of the issues involved. Every effort is made to establish an off-the-record feeling of confidence in which informal conversations may take place. This requires the utmost tact and ingenuity on the part of the Conciliator in addition to the mutual desire of the conflicting parties to reach an agreement. Points of mutuality are then established as quickly as possible while points of difference are set aside for special consideration at a later time. Throughout the negotiations the feeling of voluntary action is encouraged, and the mind of peace within the lines of difference is gradually and quietly developed.

The Commissioner, above all, must be impartial and resourceful. He is not here to dictate a settlement or to recommend provisions. Rather, he must be the "idea man" or the "suggestion person." He must know the entire gamut that each different type of provision may run. He must be able to suggest a new idea or a new version of an old idea at precisely the moment both labor and management are groping for his suggestion. He must do this not only once with every case, but countless times—always finding the answer both parties desire—always being impartial. When the end comes the conflicting parties will have worked out their own solution to their problems with the Conciliator directing the progress.

HOW ARE ARBITRATION CASES HANDLED BY THE SERVICE?

The Service has a staff of Commissioners with special arbitration training who hear cases and make awards when jointly requested by the parties. This is, of course, voluntary arbitration, as such cases are accepted only when the parties have voluntarily agreed to accept the decision of the arbitrator. The decision of the arbitrator is final and binding upon the parties.

From time to time the Service appoints outside arbitrators—that is, arbitrators who are not on the staff of the Service. Such appointments are often made where the contracts provide that the expense and compensation of arbitration shall be jointly borne by the parties. These outside arbitrators are carefully selected as to training and experience. Most of them are either lawyers or educators.

During the past fiscal year the Service appointed arbitrators in 1,151 cases. The awards rendered were impartial and on the basis of evidence presented. Almost all of these awards were well received by both labor and management.

The services of these arbitrators may be invoked in the following ways: By a joint request from the parties directed to the Washington office of the Service; by a joint stipulation to arbitrate which is signed by the parties while a Commissioner of Conciliation is on the scene; or by a request from labor and management (or either if the contract so provides) when a contract exists providing for arbitration by the Service.

WHAT TYPE OF TECHNICAL SURVEYS ARE MADE BY THE SERVICE?

The Conciliation Service has a staff of Commissioners with technical training who make studies and findings of fact upon the joint request of the parties. Such findings are not presented to the parties as final and binding, but, rather, for their use for further bargaining.

The type of study or finding of fact made by the technical staff, of course, depends upon the question involved. If the problem involves work load a time study may be made or the incentive plan reviewed. Various other problems may require these technically trained men to assist in preparing job descriptions to be used as the basis of classifying employees or to help the parties with a job-evaluation project.

The requests for services of the Technical Division often grow out of conciliation conferences when an agreement has not been reached on particular points of a technical nature. Parties, of course, often request technical assistance on problems which have not been presented for conciliation by writing directly to the Washington office of the Service. Last year the Technical Division extended its work into a total of 35 industries.

UNDER WHAT LAW DOES THE SERVICE OPERATE

The act creating the Department of Labor in 1913 stated that: "The Secretary of Labor shall have power to act as mediator and to appoint Commissioners of Conciliation in labor disputes whenever in his judgment the interests of industrial peace may require it to be done."

Mr. MEAD. Mr. President, I hold in my hand a copy of a speech delivered on March 28, 1946, by Edgar L. Warren, Director of the United States Conciliation Service, Department of Labor. In his speech he points out the effectiveness of conciliation and mediation. I quote from his speech:

Conciliation or mediation, by definition, is noncoercive. Not only does the mediator have no authority to impose his ideas on either party but his intervention in a dispute must be wholly voluntary. Either party may reject his services.

It is significant that nearly all labor disputes are settled by conciliation or mediation. Even during the war approximately 75 percent of all labor disputes were settled without intervention of the War Labor Board with its extraordinary wartime authority. During the fiscal year ending June 30, 1945, the Conciliation Service handled 19,537 labor disputes, including 2,868 threatened strikes and 3,085 actual strikes or lock-outs. Of all of these disputes only 5,691 were referred or certified to the War Labor Board.

The mediator can work to obtain a settlement of the dispute either on a substantive basis, in terms of particular conditions of employment, or on the basis of agreed-to procedures which will be followed by both parties in finally resolving the dispute.

If the mediator fails to arrive at a settlement of the dispute, he may recommend that the parties accept some other procedure rather than resort to strike or lock-out. During the war about one-fourth of all the cases to which conciliators were assigned were referred to the War Labor Board for decision by what was in effect compulsory arbitration. Since the war many difficult cases have been finally resolved by the agreement of the parties to submit some or all of the issues in dispute to final and binding arbitration; that is, voluntary arbitration.

For example, during the week ending February 16, 1946, except for the steel and General Motors disputes, the three strikes which attained the greatest Nation-wide attention were those involving the New York tugboat operators affiliated with the International Longshoremen's Association of America, AFL, the strike of the Transport Workers Union, CIO, Philadelphia, and the strike of the Independent Union of the Duquesne Light & Associated Companies, in Pittsburgh, Pa. These strikes vitally affected the lives of all the inhabitants in three of the country's largest industrial centers. All three strikes were settled during the week by voluntary means, and while they undoubtedly resulted in some hardship no instance of loss of life or serious damage was reported as due to these work stoppages. The New York tugboat strike and the Philadelphia transit strike were settled by the employers and the unions agreeing to submit the issues in dispute to final and binding arbitration. Thus, while the parties were not able to agree on the provisions to be included in their contract, they did agree to a procedure by which the contract provisions could be modified without further strike action. In the Pittsburgh situation the union agreed to go back to work without a final resolution of its demands, merely on the basis of the appointment of a three-man mediation board. Subsequently, the efforts of this mediation board were unsuccessful and the union again threatened strike action to take place on February 26. On February 25, however, the Secretary of Labor and other public officials were able to persuade both parties to submit the issues in dispute to arbitration and the strike was averted.

Mr. President, I have before me an address delivered by Edgar L. Warren, Director of the United States Conciliation Service, Department of Labor, before the Chicago Association of Commerce, on January 9, 1946.

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

Mr. MEAD. I shall yield for an observation.

Mr. OVERTON. Mr. President, the railroad strike is on. The coal strike continues. Other great strikes are in the brewing, I understand. What I wish to know is this: Is the Congress of the United States to remain here helpless, supinely inactive, when our country is face to face with such a terrific disaster?

Mr. MEAD. Mr. President, I hope the Congress will take cognizance of the seriousness of the situation and I hope it will join with me and with others who are interested in bringing about permanent industrial peace, to the end that we shall put into operation legislation which, according to the experience of this Nation and other nations in the emergency of the war and prior to the war, will assure that there will be a minimum of industrial paralysis. No one objects to industrial paralysis any more strenuously than I do. Both sides in the present controversy are striving to bring about industrial peace. I am a believer in what has been the proven experience of the industrial nations of the world in the voluntary method.

If we were talking now about the instant strike, if we were going to have a resolution which could be passed in this

Chamber today and in the other House of Congress tomorrow, that would be another matter.

But we are talking about a permanent law which probably will take days and days to be enacted by the Congress, a law which will be permanent, a law which will be on our statute books for a long period of time. Every one of us wants, we are all agreed, to have a law which will bring about the maximum of industrial peace.

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

Mr. MEAD. I am glad to yield for a question.

Mr. CAPEHART. Mr. President, at this moment the transportation facilities of America are paralyzed. The Nation will become hour by hour more paralyzed as the coal strike continues. Our Government has taken over both the railroads and the coal mines. At this moment it seems as though the railroad unions are refusing to operate the trains for the Government, and that possibly thousands of miners are refusing to work for the Government. Will the Senator yield in order that I may, with unanimous consent, introduce a bill which would insure the operation of the railroads and the mines, and then, with further unanimous consent, have the bill passed?

Mr. MEAD. Mr. President, I shall finish my remarks within a few minutes. However, I congratulate the able Senator for having such a bill as the one to which he refers.

Mr. CAPEHART. Mr. President, I have such a bill.

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

Mr. MEAD. Mr. President, if I may, I should like first to answer the Senator from Indiana. Within a few minutes I shall have finished my remarks.

I say to the Senator from Indiana that I congratulate him on his optimism. If he has a bill which will settle the present dispute, and it can be passed by the Congress without delay, it is one which is really worthy of consideration. I have been informed, however, that the representatives of the employees and the representatives of the employers are in conference at this moment, and have hopes that it will be possible to work out a settlement on a voluntary basis within a very short period of time. They have, of course, a deep interest in the management and operation of the railroads. I am sure that they are cognizant of their responsibilities to the American people. I would leave with them the message that the responsibility for the present stoppage is in their hands. I hope that they fully realize that fact, and that there is sufficient leadership among them to effectuate a settlement of the dispute before any hardships result from the strike.

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

Mr. MEAD. I yield for a question.

Mr. BREWSTER. I appreciate what the Senator has said with regard to the economic paralysis with which the country is now threatened, and the responsibility which rests on all who are concerned with the adjustment of the situation. We in the Senate are concerned with what has seemed to be almost a legislative paralysis which I believe to be a matter of increasing concern to the country. I wonder whether the Senator would be agreeable to indicating when this body may be permitted to take action of some character which will deal with the situation in accordance with the suggestion of the Senator from Louisiana?

Mr. MEAD. Mr. President, so far as I am concerned, I am ready at any time to begin voting on the amendments. I would suggest that the Senator take up the matter with his able leader and also with the able majority leader. If we can have unanimous consent, I am sure we can arrive at a vote without much delay. If I had thought for a moment that we could vote this afternoon, I would not have taken the floor. But we have not yet been able to achieve a unanimous consent agreement, and Members of the Senate have endeavored to secure such agreement for the past 3 or 4 days. I merely wish to bring to the attention of my colleague the fact that when we do arrive at a vote on the amendments we should not be actuated by emotion and feeling to the extent that we will make a mistake by passing legislation which will not be effective. If we should delay a little longer the vote to be taken, it might result in better legislation. However, I am not a party to the delay which has taken place, because I have not yet objected to meeting earlier in the day, to holding night sessions, or to a limitation of debate.

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

Mr. MEAD. I yield for a question.

Mr. KNOWLAND. In view of the statement which has been made by my distinguished colleague from New York, I wonder if he would be willing to join with some of us on this side of the Chamber who are soon to circulate a cloture petition, and would sign the petition and support it when it comes before the Senate for consideration.

Mr. MEAD. Mr. President, I may say that there is a very high degree of cooperation on the part of the junior Senator from New York, but whether it carries so far as to join with my able colleague from California, I would have to make that decision when the cloture petition is brought to my attention. However, I repeat that I have not, and will not object to any agreement which may be arrived at between the leaders of the minority party and the leaders of the majority party.

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

Mr. MEAD. Mr. President, I am afraid that my speech will be prolonged if I continue to yield, and that I may be charged with filibustering. The questions which have been and which are being directed to me might intimate that I am holding the floor altogether too long. In view of the fact that I am about to complete my remarks, I wish to continue without interruption.

Mr. President, I desire to read from a statement of Edgar L. Warren, Chief of the United States Conciliation Service.

Mr. REED. Mr. President, I merely wish to ask one question which could be answered immediately.

Mr. MEAD. Mr. President, I think that I shall, of necessity, be required to insist that I be not interrupted. I deeply regret doing so. I shall extend my apologies privately later on.

Says Mr. Edgar L. Warren:

> Even before the end of the war, and its recent prominence in the news, the Conciliation Service had grown into an agency which had an important influence on the country's industrial-relations problems. During the fiscal year from July 1, 1944, through June 30, 1945, the Service handled almost 26,000 cases, including more than 5,000 strikes and threatened strikes. About 7,500 of those cases, or a little more than one-fourth, were of the type that could not be settled by normal mediation and conciliation processes and were referred or certified to the War Labor Board for final determination under its extraordinary wartime authority.

Mr. President, I have before me a statement issued by the National Wage Stabilization Board, which reads as follows:

> The National Wage Stabilization Board which was established as a part of the Department of Labor by Executive order dated December 31, 1945 (E. O. 9672) has all of the powers, functions, and responsibilities relating to the stabilization of wages and salaries which were vested in the National War Labor Board. It has responsibility for the settlement of labor disputes for the following purposes:
>
> 1. The operation of tripartite commissions formerly set up by the National War Labor Board to carry out its directive orders relating to steel, textile, and meat-packing industries.
>
> 2. Appointment of arbitrators under War Labor Board orders or collective bargaining agreements.
>
> 3. Disposition of applications under section 5 of the War Labor Disputes Act and receipt of strike notices under the act. The Board is empowered under the provisions of the act to set "terms and conditions of employment" upon application by the Government agency operating the plant, mine, or facility or by a majority of the employees through their representative.
>
> The Conciliation Service works closely with the National W. S. B. in order to expedite action on applications for approval of wage increases in situations where delay might aggravate labor unrest. It also notifies the Board when any important dispute is settled in order that the Board may be preparing economic data in readiness for action on the case.

Mr. President, we not only have the conciliation and mediation services of the Department of Labor, the War Stabilization Board with its broad powers, the War Powers Act which authorizes the President to seize the railroads, the mines, and any similar industry affected by a strike, but we have the restraining influence which the responsible leadership of American industry possesses, and which the responsible leadership of the American people must certainly also possess. I believe, Mr. President, that if we were to devote our time and our attention, in view of the fact that we are deliberating now upon a proposal which is to become a law of the United States, to the perfection of legislation which would bring about maximum industrial peace, the vast majority of the Members of the United States Senate would par-

ticipate favorably in effecting a solution of our labor troubles.

Now, Mr. President, as I conclude I wish to leave with my colleagues the thought that no Senator in this Chamber seeks and hopes and prays for industrial peace more than I do, and no one will be more enthusiastic to embrace legislation which will effectuate industrial peace than I shall be.

But, Mr. President, I fear that by destroying the house we have built over a period of years, and by drifting far afield along another highway, we will be making the same mistake we made when we passed the Smith-Connally bill. We will be aggravating the situation rather than correcting a condition we all hope will be corrected.

I am not asking that we continue this debate until it becomes a filibuster. I am only seeking the serious consideration of my colleagues in the enactment of a law of which we will be proud and which will be just in its dealings with the employees, the employers, and the Government of the United States.

I hope for industrial peace, and I will join with my colleagues in any reasonable, justifiable effort which has logic and experience on its side, in bringing about industrial peace.

Mr. TYDINGS. Mr. President, the industrial paralysis which is sweeping over this country not only as a result of the coal strike, but as a result of the rail strike, can, if it is not soon checked, carry in its wake evils which might conceivably threaten our whole form of Government. This is one of the few countries on the face of the earth which has the ability, after a devastating war, to contribute something to the rebuilding of a peaceful, a sound, and a reasonably self-sufficient world. Many of the countries of the world even if they were willing would be unable to contribute to an alleviation of the widespread misery and distress with which much of mankind is afflicted.

Without any criticism of anyone, or without debating the merits or demerits of this or that or some other industrial dispute, the naked fact remains that each hour, yes, each minute and second, that this country remains paralyzed, carries with it the threat of death and disease to thousands of people all over this earth.

Let me take one or two very simple illustrations. While the coal strike was on a few days ago, the railroads put an embargo on fertilizer. They refused to make cars available for the hauling of fertilizer. This is the season of the year when seed corn is being put into the ground, and the quality and quantity of the crop are directly dependent on the amount of fertilizer that is used. Thus if we have a period of 2 or 3 weeks, which is the planting time for the great corn crop of the country, without fertilizer being available, we may make up our minds that the volume of that crop, although the total efforts of the farmers is put into it, will be somewhere between 60 and perhaps 75 percent of what it would be if fertilizer were available.

On the eastern shore of my own native State, which is one of the great truck-gardening sections of the earth, crops are now coming to maturity, but the railroads again have put an embargo on cans and on containers with which to husband that food, to preserve it, and, in case it is perishable, to pack it so that it can be sent to market. If that embargo had stayed on a short while longer many farmers would have been ruined, and tons of food which the people of the world needs in order to survive would have been lost for all time. Luckily, the miners went back to work, and some of the extreme hardships were alleviated.

It is very difficult to remain temperate when one considers the ramifications of this paralysis, which is growing instead of stopping or lessening. Unfortunately—and I want to make no class appeal—the most previous thing we have on this earth today is food, for upon food depend law and order. The settlement of many of the international questions which the able Senator from Michigan [Mr. VANDENBERG] and the able Senator from Texas [Mr. CONNALLY] have lately been discussing with us, and the real hope of the avoidance of another war, depend as much on knitting the countries of the world together through the medium of food as on all the arguments and rights which any Congress in Christendom can fashion into law or legislation.

I say that the whole food program of America, if this strike proceeds much longer, will be in serious jeopardy; not temporarily because milk may not be delivered to the cities because of a lack of transportation; it goes further than that; it affects farm machinery, fertilizer, seed, and the whole operation of the production of food, both on the farm, and on the avenues which lead to and from it.

We could afford the luxury of a long discussion of the polemics involved in the particular measure pending before us if we did not have strikes on in this country, but there is one thing that is paramount to any particular group's interest, and that is the survival of government, the maintenance of law and order, particularly at a time when so many of this world's inhabitants depend upon this country for all hope of survival and for all hope of a world that may be fit to live in.

Therefore, Mr. President, I am going to request my colleagues, as one humble Member of the Senate, unless some better solution can be adduced, to stay in continual session 24 hours a day until we dispose of the pending measure, and at least do what we can on this floor to conclude it, and not have the spectacle go out to the people of America from this Chamber, and from the body at the other end of the hall, that at least most of us here are not trying with all the opportunities that are afforded to solve the particular problem before us.

I am told that this is not a filibuster. I am certainly not going to find fault with anyone because of his particular definition of a word in the English language, but from where I sit if this is not a filibuster there never has been one in any legislative body on the face of the earth.

Therefore, Mr. President, I say that we have come to the point where we should stay in session and meet the issue before us, remain here until we have fashioned some legislation which will prevent, if we can accomplish that, a recurrence of a situation such as the present one, for I state it as a fundamental concept of democracy that no group in this country has a right to threaten the integrity of the Government itself.

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

Mr. TYDINGS. I yield.

Mr. CAPEHART. I ask unanimous consent to send to the desk a bill to be immediately considered by this body.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred, unless unanimous consent is given for its immediate consideration.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the bill be immediately considered.

The ACTING PRESIDENT pro tempore. The bill will be received and stated by title.

The LEGISLATIVE CLERK. A bill to provide additional means for the settlement of labor disputes, and for other purposes.

Mr. OVERTON. Mr. President, may not the bill be read for the information of the Senate?

Mr. TYDINGS. Let me say, before we become committed to a course of action, that I know the motives of the Senator from Indiana are to help solve the impasse in which we now find ourselves, but if we do not take care we will have supplanted the pending business with some other business, and may lose time rather than save it.

Mr. CAPEHART. Mr. President, that is the purpose of the bill.

The ACTING PRESIDENT pro tempore. Request has been made that the bill be read.

Mr. KNOWLAND. Mr. President, reserving the right to object, let me ask if the bill will be read first?

The ACTING PRESIDENT pro tempore. The bill will be read, unless there is objection to the reading of it.

Mr. GUFFEY. I object to the immediate consideration of the bill. If it is desired that it be read, very well, but I object to consideration of the bill.

Mr. TYDINGS. I ask unanimous consent that the bill be read.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will read as requested.

The legislative clerk read, as follows:

A bill to provide additional means for the settlement of labor disputes, and for other purposes

Be it enacted, etc.—

SECTION 1. That with the development of an industrial civilization, citizens of the United States have become so dependent under the production of goods for commerce, the distribution of goods in commerce, and the continuous operation of the instrumentalities of commerce that substantial and continued stoppages of such production, distribution, or operation in the case of essential goods or services seriously impair the public health, safety, and security. Irrespective of the cause of such stoppages, it is

necessary for the protection of commerce and the national economy, for the preservation of life and health, and for the maintenance of the stability of Government that a means be provided for supplying essential goods and services when such stoppages occur.

(a) Whenever the President finds that a stoppage of work arising out of a labor dispute (including the expiration of a collective labor agreement) affecting commerce has resulted in interruptions to the supply of goods or services essential to the public health, safety, or security to such an extent as seriously to impair the public interest, he shall issue a proclamation to that effect, calling upon the parties to such dispute to resume work and operations in the public interest.

(b) If the parties to such dispute do not resume work and operations after the issuance of such proclamation, the President shall take possession of and operate any properties of any business enterprise where such stoppage of work has occurred if the President determines that it is necessary for him to take possession of and operate such properties in order to provide goods or services essential to the public health, safety, or security. While such properties are operated by the United States, they shall be operated under the terms and conditions of employment which prevailed therein when the stoppage of work began.

(c) Any properties of which possession has been taken under this section shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them or (2) the President finds that the continued possession and operation of such properties by the United States is not necessary to provide goods or services essential to the public health, safety, or security. The owners of any properties of which possession is taken under this section shall be entitled to receive just compensation for the use of such properties by the United States. In fixing such just compensation, due consideration shall be given to the fact that the United States took possession of such properties when their operations had been interrupted by a work stoppage, to the fact that the United States would have returned such properties to their owners at any time when an agreement was reached settling the issues involved in such work stoppage, and to the value the use of such properties would have had to their owners during the period they were in the possession of the United States in the light of the labor dispute prevailing.

(d) Whenever any properties are in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such properties are members, and of the officers of such labor organization, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such properties are in the possession of the United States.

Any such employee who fails to return to work (unless excused by the owner of the business or its agent, or unless prevented by illness, disability, or similar valid season) or who does engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such properties are in the possession of the United States, shall be deemed to have voluntarily terminated his employment in the operation of such properties, shall not be regarded as an employee of the owners or operators of such properties for the purposes of the National Labor Relations Act, as amended, and the Railway Labor Act, as amended, unless he is subsequently reemployed by such owners or operators, and if he is so reemployed shall not be entitled to any seniority rights based on his prior employment. Any provision of any contract inconsistent with the provisions of this subsection is hereby declared to be against public policy and to be null and void.

(e) Whenever any properties are in the possession of the United States under this section, it shall be unlawful for any person (1) to coerce, instigate, induce, conspire with, or encourage any person to interfere with or prevent, by lock-out, strike, slow-down, concerted refusal to work, or other interruption, the operation of such properties; or (2) to aid any such lock-out, strike, slow-down, refusal, or other interruption interfering with the operation of such properties by giving direction or guidance in the conduct of such interruption or by providing funds for the conduct or direction thereof or for the payment of any strike, unemployment, or other benefits to those participating therein. No individual shall be deemed to have violated the provisions of this subsection by reason only of his having ceased work or having refused to continue to work or to accept employment. Any individual who wilfully violates any provision of this subsection shall be subject to a fine of not more than $5,000, or to imprisonment for not more than 1 year, or both.

(f) The powers conferred on the President by this section may be exercised by him through such department or agency of the Government as he may designate.

(g) As used in this section, the terms "employee," "representative," "labor organization," "commerce," "affecting commerce," and "labor dispute" shall have the same meaning so far as they apply to labor disputes in an industry included in the scope of the National Labor Relations Act, as amended, and such words shall have the same meaning as if applied to the Railway Labor Act, as amended, so far as labor disputes involving employers or employees covered under the Railway Labor Act, as amended, are concerned.

SEC. 2. The provisions of this act shall apply to industries or facilities already in the possession of and being operated by the United States Government or any agency thereof, which governmental operation has been brought about as the result of a work stoppage or threatened work stoppage.

SEC. 3. Notwithstanding the provisions of any other law this act shall be in full force and effect from and after 12 o'clock meridian on the day following its approval.

Mr. CAPEHART. Mr. President, I ask unanimous consent for consideration of the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

Mr. BARKLEY. Mr. President, I think under the circumstances it would be preposterous to give unanimous consent for the consideration of a bill which has just been introduced, which has not been referred to a committee. Therefore, I object.

The ACTING PRESIDENT pro tempore. Objection is heard. The regular order recurs.

Mr. WHITE. Mr. President, if the distinguished Senator from Kentucky had not objected, I should object.

The ACTING PRESIDENT pro tempore. The regular order has recurred.

Mr. WHITE. Mr. President, it is wholly unwise to offer now, at this stage of the consideration of the pending legislation, an entirely new bill which, as the distinguished Senator from Kentucky has said, has been to no committee, has been considered by no committee, has, so far as I know, been seen by no Senator of the United States, of which no Senator has any knowledge except what he could glean from its reading by the clerk.

Mr. President, I feel keenly about the situation. I think the only practical thing to do is to proceed with the legislation now before the Senate and bring it to the earliest possible conclusion, and we will then accomplish something. We will probably not have solved the problem, or brought forth perfect legislation here tonight, but we can make a step along the road which must be followed if there is to be a legislative contribution to orderly procedure in this country, to a lessening of interruptions by strikes, and to bringing to the American people and to those who constitute a part of the American people recognition that the public interest must be considered the paramount interest.

I desire to say just one word more. I want it known, so far as I am concerned, that I deplore the situation which exists in the country. I cannot help feeling, and I do not hesitate to say, that, in my opinion, these strikes are an outrage upon the American people, and that they smack of disloyalty to the Government itself.

Mr. President, I concur in the attitude of the majority leader in objecting to the consideration of the measure just read.

Mr. BARKLEY. Mr. President, I wish to express my appreciation of the sentiments which the Senator from Maine, the minority leader, has voiced. If this measure is offered as an amendment to or a substitute for the bill now under consideration, it may be printed and lie on the table and be offered at the proper time. But if it is offered, as I understand it is, as an entirely new proposition, an independent bill for legislation on the subject of labor, certainly a committee is entitled to consider it, and certainly the Senate is entitled to have the result of committee consideration of the bill. No Senator ever heard of it before. It comes at an hour and under circumstances, with a request for unanimous consent for the present consideration of the bill now introduced, which would automatically lay aside the pending legislation which the Senate has been considering now for some 10 days.

The ACTING PRESIDENT pro tempore. The Chair will state that unanimous consent was asked for the introduction of the bill and its immediate consideration; and the bill was read for the information of the Senate. Objection has been made, and the regular order of business recurs. The question is whether the Senator from Indiana wishes the bill to remain on the table, to be treated as an amendment or substitute, or referred to the appropriate committee.

Mr. CAPEHART. Mr. President, my wish in the matter is that it be offered as a substitute amendment.

The ACTING PRESIDENT pro tempore. The amendment will lie on the table and be printed.

Mr. CAPEHART. Mr. President, I introduced the bill for the sole purpose of bringing to the attention of the Congress of the United States and the people of

the Nation that it is necessary for this body to take some sort of action. It is just as deplorable to the people of the United States that their transportation system is paralyzed tonight and that they are unable to move from place to place, as it is deplorable to the majority leader that a junior Senator should stand up and introduce a bill out of order.

Mr. BARKLEY. Mr. President, I made no statement that it was deplorable that a junior Senator should stand up and offer something. I make no distinction between junior and senior Senators, as to their right to offer amendments or introduce bills. But the Senator from Indiana offered a new legislative bill on the subject of labor relations and asked for its immediate consideration. To that I objected, because I do not think it is in the interest of orderly legislation in the midst of the consideration of labor legislation reported by the Committee on Education and Labor, to which many amendments have been offered and are now pending, and upon which we hope to reach a final vote as soon as possible, to set aside that measure now and take up in this manner a new bill introduced by the Senator from Indiana. I would have objected if it had been introduced by any senior Senator.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. Have I the right to ask for the immediate consideration of the bill, and that a vote be taken?

The ACTING PRESIDENT pro tempore. The unanimous-consent request was put by the Chair, and objection was made. It is not in order to consider the bill except by unanimous consent.

Mr. KNOWLAND. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield if I have the floor.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. Who has the floor?

The ACTING PRESIDENT pro tempore. The Senator from Indiana has the floor.

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

Mr. CAPEHART. I am very happy to yield.

Mr. KNOWLAND. I should like to ask the distinguished and able majority leader if it is his intention to seek an agreement for the limitation of debate. I wish to state to the distinguished majority leader that I hold in my hand a cloture petition to which signatures have already been secured, and which will be filed in case it is not possible for the majority leader to obtain an agreement to limit debate.

Mr. BARKLEY. Mr. President, in the first place, I deny the right of any Senator to inquire of me what I intend to do in the future. I have made several efforts to secure a limitation of debate. Objection has been made in each case. Whether I shall make another request tonight or tomorrow, I am unable to say.

Mr. CAPEHART. Mr. President——

The ACTING PRESIDENT pro tempore. The Senator from Indiana has the floor.

Mr. BARKLEY. Mr. President, if the Senator will yield to me, I might say further that the Senator from California or any other Senator has the right to circulate and secure signatures to a cloture petition, and to file it at any time. It is a privileged matter.

Mr. OVERTON. Mr. President, will the Senator from Indiana yield to me for the purpose of submitting a parliamentary inquiry?

Mr. CAPEHART. I yield for that purpose.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. OVERTON. May not the Senator from Indiana offer his bill as an amendment in the nature of a substitute for the pending bill?

The ACTING PRESIDENT pro tempore. The Chair stated that it would be in order if offered as a substitute or as an amendment, at a time when no other amendment was pending. Of course it could not supersede a pending amendment.

Mr. OVERTON. And when so offered, may not the Senator from Indiana ask unanimous consent that the amendment in the nature of a substitute be immediately voted upon without debate?

The ACTING PRESIDENT pro tempore. He may, but the Chair does not know whether he would obtain consent.

Mr. CAPEHART. I do not care to do that.

Mr. OVERTON. I am asking whether the Senator has a right to do so.

The ACTING PRESIDENT pro tempore. Yes; the Chair states that he has the right.

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

Mr. CAPEHART. I yield to the Senator from Kentucky.

Mr. BARKLEY. Of course the Senator has the right to ask for immediate consideration of his proposal, or he has the right to offer it as a substitute for the pending legislation, or as an amendment to it. He has the right to ask unanimous consent that it be voted upon immediately without debate, but if he has no more success in securing unanimous consent to vote on it immediately than I have had in trying to obtain an agreement to limit debate on the pending measure, he will not get far with such a request. I myself would object to a request for unanimous consent to vote immediately upon an amendment such as that, without any discussion whatever.

Mr. PEPPER. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CAPEHART. I shall be glad to yield in a moment.

Mr. President, the President of the United States has taken over the railroads. He has taken over the coal mines. If I am reliably informed—and I believe I am—the railroad workers, or a certain segment of the railroad employees, have refused to work for the Government of the United States, and tonight our Nation is paralyzed as a result of their refusal to work. I tried sincerely to introduce and obtain action here tonight on a measure which I did not introduce because I thought it was entirely adequate; I introduced it because I feel it is necessary to take prompt action. I do not believe that the Congress of the United States, when our Government takes over an industry, should permit the employees of that industry to defy the Government of the United States. Perhaps I am wrong.

I believe that the American people are looking to us tonight to do something that will stop one segment of our people from defying the Government of the United States. If I am correctly informed, today the railroad workers have defied the United States Government. They have defied our President. They have told him that they will not work for him. I understand that the coal miners have taken the same position.

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

Mr. CAPEHART. Just a moment.

I care not whether we pass the bill which I sent to the desk. I have no pride of authorship. I do not care what we do, so long as we maintain law and order.

I am very happy to yield to the Senator from Kentucky.

Mr. BARKLEY. Are there enough copies of the Senator's bill so that each Senator may have a copy to study?

Mr. CAPEHART. There are not. I shall be very glad to supply each Senator with a copy.

Mr. BARKLEY. In the absence of any copies of the Senator's bill, may I ask him what he proposes in his bill which would put the two railway labor organizations back on the trains to operate them, in view of the news which we have received?

Mr. CAPEHART. Let me say that my bill is a feeble effort to do something; and I fail to see much of an effort on the part of the majority leader——

Mr. BARKLEY. I do not care what the Senator's opinion is of my actions as majority leader. I am utterly indifferent about it. But in the absence of any copy of the bill from which we can draw our own conclusions, what does the Senator's bill propose that would put those men back on the trains?

Mr. CAPEHART. The Senator listened to the reading of the bill. He knows what is in the bill. He is trying to ask me a question the answer to which he knows as well as I do.

Mr. BARKLEY. Had the Senator read the bill before he introduced it?

Mr. CAPEHART. I certainly have read the bill.

Mr. BARKLEY. What does it propose?

Mr. CAPEHART. I again say that I for one have made a feeble effort to protect the interests of the American people tonight, when certain people in this Nation are defying our Government. Feeble as it is, it is still an effort.

Mr. BARKLEY. However small it is, and however feeble it is, what is it that

the Senator proposes? Will he tell me the physical effort that he makes in his bill to put the men back to work?

Mr. CAPEHART. There is no physical effort.

Mr. BARKLEY. What is the proposal? Is there a mental effort, or a spiritual or moral effort?

Mr. CAPEHART. There is no mental or spiritual effort.

Mr. BARKLEY. How does the Senator propose to get them back?

Mr. CAPEHART. May I say to the majority leader that he listened to the bill——

Mr. BARKLEY. I listened to it. All I could get out of it was that the Senator from Indiana wished that they go back.

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

Mr. CAPEHART. Is it impossible for the Senate or the Congress to do anything but wish in respect to the situation which is paralyzing the American economy tonight?

Mr. BARKLEY. The Senator has introduced a bill which undoubtedly he thinks is a remedy for the critical situation which now exists because at 4 o'clock today——

The ACTING PRESIDENT pro tempore. The Chair insists that the Senate be in order. The Senator from Indiana has the floor. If there is to be any interruption of the Senator from Indiana, the Chair should be addressed, and the consent of the Senator from Indiana obtained. There is no other way to conduct a decent debate, as contemplated by the rules of the Senate.

Mr. BARKLEY. Mr. President, I wish to say that I complied with that rule by addressing the Chair. The Senator from Indiana yielded to me, and we are now engaged in a colloquy.

The ACTING PRESIDENT pro tempore. Does the Senator from Indiana yield, and if so, to whom?

Mr. CAPEHART. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I merely wish to ask the Senator from Indiana what there is in his bill, for the consideration of which he has asked unanimous consent, which would put the men back on the trains in the United States; and if he does not know what is in his bill that will do that, I should inquire, who does know?

Mr. CAPEHART. Mr. President, I ask that the clerk reread the bill.

Mr. HATCH. Mr. President, before that is done, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. HATCH. I wish to ask the Senator from Indiana, because I listened rather carefully to the reading of his bill, if it is not true that he proposes that the President shall issue a proclamation, in effect, requiring the persons who have gone on strike to return to work?

Mr. CAPEHART. That is correct.

Mr. HATCH. And in the event they do not return to work, then they shall be denied the privileges of the National Labor Relations Act?

Mr. CAPEHART. That is exactly correct.

Mr. HATCH. I listened to all of the Senator's bill, and I was struck by the strangely familiar language. I ask the Senator whether the language of his bill is not what the Senator from Illinois [Mr. LUCAS] has proposed by way of an amendment?

Mr. CAPEHART. It is very similar.

Mr. HATCH. It is almost identical, is it not?

Mr. CAPEHART. Yes; it is similar in many respects.

Mr. HATCH. I thought it was almost identical.

Mr. CAPEHART. It is similar. I think the amendment the Senator from Illinois has offered is a good amendment, and I have intended to vote for it.

Mr. HATCH. I understand that, in substance, the Senator from Indiana is proposing——

Mr. CAPEHART. Mr. President, let me say that what I am trying to do is to obtain some action. I care not whether it comes from the bill I have sent to the desk or whether it comes from the amendment offered by the able Senator from Illinois. I care not who sponsors the bill or the amendment. I am trying to get some action, because, in my opinion, the American people are looking to the Senate of the United States for action.

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

Mr. CAPEHART. I am happy to yield to the Senator from Minnesota.

Mr. BALL. Let me respectfully suggest to the Senator from Indiana, since his request for unanimous consent for immediate consideration of his bill has been refused, that he will achieve his objective, which is action by the Senate, which many of us here desire, more quickly if we can stop this debate, which is accomplishing nothing, and return to the regular order and begin to vote on the amendments to the committee bill and dispose of them.

Mr. CAPEHART. Mr. President, I very graciously accepted the denial of my request for unanimous consent. The fact that I have been on my feet since then has not been because I have had anything further to say, but, rather, because I have been asked questions.

Therefore, I shall be very happy to yield the floor and to abide by the decision of the Senate in the hope that we may proceed to write and pass some legislation that will help in the present situation.

Mr. BARKLEY. Mr. President, for the information of the Senator from Indiana and the Senate, it might be appropriate at this time to read subsection (2) of section 2 of the National Labor Relations Act. It provides:

> The term "employer" includes any person acting in the interest of an employer directly or indirectly, but shall not include the United States or any State or political subdivision thereof or any person subject to the Railway Labor Act as amended from time to time—

And so forth. So the Railway Labor Act is excluded from the operations of the National Labor Relations Act. Therefore, legislation amending the National Labor Relations Act could have no effect whatever on the Railway Labor Act, even if it were passed without debate.

The ACTING PRESIDENT pro tempore. The bill introduced by the Senator from Indiana, which now is offered as an amendment to the pending bill, will be received, printed, and lie on the table.

The question now is on the amendment offered by the Senator from Rhode Island [Mr. GREEN] for himself and the Senator from Florida [Mr. PEPPER] in the nature of a substitute for the modified amendment of the Senator from Virginia [Mr. BYRD].

Mr. ELLENDER. Mr. President, on behalf of myself and several of my colleagues, I send to the desk an amendment which we offer to the pending measure.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. REVERCOMB. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. REVERCOMB. Do I correctly understand that the pending question is upon the amendment in the nature of a substitute offered by the Senator from Rhode Island [Mr. GREEN]; and, if so, is that amendment open to amendment?

The ACTING PRESIDENT pro tempore. That amendment is now pending, and it would not be open to amendment, so the parliamentary clerk advises the Chair.

Mr. REVERCOMB. Mr. President, let me say for the RECORD that I have studied the amendment offered by the able Senator from Rhode Island. It appeals to me because it confirms the right of the employees to have established a fund for welfare purposes. But, Mr. President, it provides that the administration of the fund may be by the employees or by the employer. I had hoped to have that amendment amended by offering to it an amendment providing that the fund shall be administered jointly by the employees and the employer. One of the very strong features of the amendment offered by the Senator from Rhode Island is its provision that the supervision shall be under the Federal Security Administrator. If we are going to proceed toward the passage of legislation to bring about industrial peace, it seems to me, Mr. President, that the thing to do is to remove the causes which prevent industrial peace. One of the very causes and issues which have arisen here is as to who shall administer the fund. Let me say that I am thinking about the worker himself, who should be the real beneficiary of the fund. Under the amendment offered by the Senator from Rhode Island, we have an opportunity to require that the fund shall be administered jointly by the employees and the employer, and under the direction of the Federal Security Administrator. It has been ruled that an amendment to that effect cannot be offered. Without such an amendment to the amendment of the Senator from Rhode Island, the question is left just as it is—unsettled, open to debate, a cause for friction and dispute. That is not the way to bring about industrial peace. If we are going to legislate, let us reach the cause of disputes directly, and let us remove, insofar as we

can do so upon a fair basis, the causes for disputes.

The ACTING PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Rhode Island, on behalf of himself and the Senator from Florida, in the nature of a substitute for the amendment of the Senator from Virginia, as modified.

Mr. PEPPER. Mr. President, I am quite pleased to hear that the able Senator from West Virginia has found this amendment of interest to him. It was drafted and offered in an earnest spirit and hope that it might be found to be acceptable. It was the purpose of the amendment to throw around the administration of health and welfare funds an adequate safeguard in case the funds were to be administered either by the employer exclusively or exclusively by the employees.

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

Mr. PEPPER. I gladly yield.

Mr. REVERCOMB. The point I wish to make is that that is one of the very bases of dispute today. On the one hand, the employer says, "I want to administer this fund." On the other hand, the employee or his representative says, "I desire exclusively to administer the fund." That is one of the bases of industrial disputes.

If we are going to legislate, let me ask the able Senator from Florida why not take out that issue forever, by saying, upon a fair basis, that the fund shall be jointly administered by both, under the supervision of the United States Government?

Mr. PEPPER. Mr. President, I cannot agree that the principal objection to the administration of the fund by the employees is the mere fact that the employees administer the fund. There is a strong feeling on the part of a great many persons that if the employees administer the fund, although there is much to be said in favor of their having that right, they will administer the fund in such a way as will not always carry out the purpose for which the fund was provided. I have heard Senators say on this floor, privately, that they felt that some safeguard should be thrown around the administration of these funds, because, for example, a labor leader might use the funds for a political purpose, which would be inconsistent with the objects for which the funds were established.

Mr. President, in case funds are appropriated and made available for a particular purpose, for example, a health and welfare purpose—Senators have a perfect right to require that they shall be administered for that purpose, and for that purpose alone.

As I have said, we have tried to provide an adequate and fair safeguard in the case of administration of a health and welfare fund either exclusively by the employer or exclusively by the employee. That is the essential difference between this amendment in respect to the health and welfare fund and the amendment of the able Senator from Virginia.

However, this amendment leaves open to employer and employee the processes and the privileges of collective bargaining as to who shall administer the fund. That is not true in the case of the amendment of the able Senator from Virginia. In the case of his amendment, the administration is to be by the employer and the employees jointly. They would be denied the right, even by collective bargaining, to agree that the employer should exclusively administer the fund. They would be denied the right, even by voluntary agreement, to provide that the employees shall administer the fund, as has been done in the case of more than 200,000 working men and women in the United States. This amendment would leave it open to the parties to arrive at any kind of an agreement as to the administration of the fund which they might choose to adopt. However, they would make their decision as to who must administer the fund with an awareness of the law, and would know that if they choose a joint administration of employer and employee, instead of a single administration on the part of the employer, or an exclusive administration on the part of the employee, in either case the rules and regulations of the Federal Security Agency would actually govern the administration of the fund, and the Federal Security Agency would have authority to require a public audit of such fund.

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

Mr. PEPPER. I yield.

Mr. REVERCOMB. The Senator has argued that in the amendment there is left open to collective bargaining the question of whether the employees shall control the fund or the employer.

Mr. PEPPER. Or, whether the fund shall be jointly administered.

Mr. REVERCOMB. That is not provided for in the amendment.

Mr. PEPPER. Oh, yes, it is. The amendment offered by the distinguished Senator from Rhode Island and myself provides nothing whatever which would interfere with an employer and his employees, by collective bargaining, in arriving at an agreement concerning the joint administration of the fund. It is not prohibited. It is not provided for but it is permissible. In case they should choose, through collective bargaining, to have a joint administration of the fund, no public agency would have anything to do with the fund because it is assumed that each party would exercise an adequate check on the other. It is only in the case that, through collective bargaining, the employer and the employee agree to exclusive administration on the part of the employer, or to exclusive administration on the part of the employee, that the authors of the amendment, as well as other Senators who had something to do with its preparation, felt that a public agency which is informed on the subject, namely, the Federal Security Agency, should safeguard the administration of the fund.

Mr. REVERCOMB. Be that as it may, Mr. President, the amendment still leaves open for dispute the question as to exclusive administration by the employer or exclusive administration by the employees, which is the very basis of the turmoil and unrest now taking place in connection with the pending proposal. In other words, there cannot be collective bargaining so long as the dispute to which I have referred continues to exist. What I am asking the Senate to do is to remove, by legislation, every basis of the dispute. Let us say, by law, that upon the fair basis of a joint administration under the supervision of the Government, this fund shall be administered for the well-being of the workers themselves. When that has been done, Mr. President, we shall have removed much of the cause of the dispute.

Mr. PEPPER. Mr. President, it is the opinion of many of us on this side of the Chamber that it is not necessary that the administration of the fund be shared in by the employer in order to assure that the fund shall be fairly and equitably administered. It is the belief of many of that if a safeguard is provided in the form of the Federal Security Agency, which has authority by rules and regulations to supervise the administration of the fund, and may require a public audit of the fund, every adequate safeguard will be afforded.

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

Mr. PEPPER. I yield.

Mr. LUCAS. Assuming that the employers and the employees have no success through collective bargaining in arriving at a decision as to who should administer the fund, what then would take place?

Mr. PEPPER. According to the way the amendment of the able Senator from Virginia is worded——

Mr. LUCAS. No; I am speaking of the amendment which has been offered by the Senator from Rhode Island.

Mr. PEPPER. That amendment says nothing whatever about who shall administer the fund. If the fund is raised, it is to be assumed that the employer and the employees will have an equal voice, and will make some provision for the administration of the fund.

Mr. LUCAS. The point I raise, I may say to my good friend, is that if, through collective bargaining, the parties are unable to agree on who shall administer the fund after the fund has been raised, what then takes place? The absence of any provision in that regard strikes me as being an important defect in the Senator's amendment. There is no provision whatsoever in the amendment to take care of the situation in the event the two parties are unable to agree on who shall administer the fund.

Mr. PEPPER. If the able Senator were to offer a suggested perfection of the amendment which would provide that in the event the employer and the employee were not able to agree on the administration of the fund, the administration of the fund should be under the Federal Security Administration, we would gladly accept such a proposal. I am speaking for myself in making that statement, but I am confident that the Senator from Rhode Island [Mr. GREEN] would agree to such a perfection of the amendment.

Mr. LUCAS. The Senator will agree, I am sure, that something should be done in order to make the amendment effective. There would be no point in raising a welfare fund and then not agreeing on who should administer it. I only make that statement by way of constructive criticism.

Mr. PEPPER. I thank the able Senator. He has made a constructive suggestion. I believe the situation would be entirely different if this were the law of the land in respect to its influence upon collective bargaining in connection with this subject. In other words, at the present time, when the employer and the employee bargain collectively, and decide that the administration of the fund shall be in the hands of the employees, such administration would be utterly uncontrolled. If, in that case, the employees administer the fund improperly, the employer, as such, has no right to complain and criticize.

Mr. LUCAS. And there are such funds as the kind to which the Senator refers.

Mr. PEPPER. There undoubtedly may be. There are funds which are administered by the employees, and there are some funds which are improperly administered by them. However, I dare say, Mr. President, that if the law had been such that the coal operators had known that if they granted Mr. Lewis' request that the health and welfare fund should be administered exclusively by the employees, and that there would be a constant and close supervision of the funds under the administration of the Federal Security Agency, including the right of the agency to require a public audit of the funds, the employers would have felt differently about Mr. Lewis' request. I am sure they would if their disposition was not merely to oppose a fund of this character.

In other words, if the employees are going to administer the fund, why should an employer complain if he is assured that a public agency will lay down the rules and regulations governing the administration of the fund, and be empowered to require a public audit being made of the fund? Why should not that kind of an arrangement satisfy any employer who had a conscientious desire to see to it that the employees received the benefit of the fund in the way in which the money was intended to be used?

Mr. President, the Senator from West Virginia [Mr. REVERCOMB] asked the question, Why do the employees object to a joint administration of the fund?

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

Mr. PEPPER. Yes.

Mr. REVERCOMB. I ask the question, Why would either the employees or the employers object when they could both be present and see at first hand what was being done with the money, and have it supervised by a representative of the Government of the United States? I assert that both the employers and the employees should be satisfied jointly.

Mr. PEPPER. Mr. President, I was about to explain to the able Senator from West Virginia why I understood that the employees in many cases do object to the joint administration of the fund, or to the employer having a part in its administration.

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

Mr. PEPPER. I yield.

Mr. TAFT. In looking at the Green amendment, as I see it, it does not make any provision along the line which has been suggested by the Senator. It would strike out the Byrd amendment and provide that it shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees to establish the kind of a fund to which reference has been made, and to supervise it. But it is not unlawful now, under any law of the United States, for a employer to set up a fund which is not supervised. The amendment offered by the Senator from Rhode Island accomplishes nothing except to say that it shall not be deemed to be unlawful under any law of the United States to do certain things. But, so far as outlawing any fund is concerned, that is entirely eliminated by the Green amendment, and if it were agreed to we would accomplish nothing so far as this entire subject is concerned.

Mr. PEPPER. Mr. President, I cannot agree with what has been said by the able Senator from Ohio, and I do not believe that a fair reading of the amendment would lead one to the conclusion which he has expressed. In respect to the question of whether it is necessary to make lawful the raising of such a fund, the Senator from Ohio is correct. Neither does the Byrd amendment forbid or legalize the raising of a fund. It does not interfere with the right which presently exists to raise a fund.

Mr. TAFT. The Byrd amendment outlaws some kinds of funds and authorizes other kinds of funds. The Green amendment does not outlaw any kind of a fund.

Mr. PEPPER. We are talking about a fund for health and welfare purposes, and the Byrd amendment does not outlaw any kind of a fund that is raised for health and welfare purposes.

Mr. TAFT. Yes; it does. The Byrd amendment——

Mr. PEPPER. If the Senator will allow me just a moment, I will yield to him. I say the Byrd amendment does not outlaw the raising of a health and welfare fund, provided it is administered according to the terms of the Byrd amendment. So in that sense the substantive law relating to the raising of a fund for health and welfare purposes is not altered by the Byrd amendment except in respect to administration.

Mr. TAFT. Will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator fails to appreciate the difference between a fund for health purposes clearly outlined in a collective-bargaining agreement and a fund for welfare purposes in general, which may be used for housing, or education, or government, or any other thing that may be provided in the agreement. The purpose of the Byrd amendment is to justify and legalize the kinds of health and welfare funds which are already in force in this country, but it prohibits other kinds of funds where wide-open discretion is given to the union to spend in any direction it may see fit to select. So that, so far as the Green amendment is concerned, it does not outlaw any kind of a payment to a union, it does not accomplish any of the main purposes of the Byrd amendment as originally drafted and as still drafted.

Mr. PEPPER. Mr. President, the criterion of this discussion depends upon what the real purpose of the Byrd amendment is. I thought we started out with the assumption that John L. Lewis, representing the mine employees, was making a condition to the reexecution of a work contract the agreement of the operators upon a health and welfare fund, and that Mr. Lewis was insisting that that fund not only had to be made available, but had to be administered exclusively by the employees, without the employer having any part in its administration.

Mr. TAFT. There is one other thing, and an important thing, which the Senator seems to omit, that Mr. Lewis insisted that it be for other benefits, he to determine what kind of use the fund was to be put to, which is absolutely and completely a different thing. He proposed that he could use it for education, which might easily include propaganda. He proposed that he have absolute discretion not only in the administration of the fund, which does not bother me at all, frankly, as I said yesterday, but as to the kind of thing for which the fund could be used. The Byrd amendment carefully defines the recognized forms of health and welfare benefits which such funds have been used for, and which have been legislated about in the Internal Revenue Code, which are found to be funds for beneficial purposes, which should receive special tax exemption, and should have special consideration from the Government. That is what the Byrd amendment does.

Mr. PEPPER. Mr. President, the Byrd amendment permits the fund to be raised and to be used for certain purposes and the purposes are generally specified in the Byrd amendment. For example:

> Such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families, and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance.

Those purposes are enumerated. Now I will ask the Senator to listen to a statement of the only purposes for which the fund can be raised under the Green-Pepper amendment.

> It shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees engaged in an industry affecting commerce, separately or jointly to establish and maintain a fund for the provision of hospital, medical, and home nursing care and services, vocational rehabilitation, and other benefits to promote the welfare of such employee.

Mr. President, the distinguished Senator from Ohio is well acquainted with

the doctrine in law of ejusdem generis, that if there is a list of things which may be done, and we say "and so forth," or use other similar words, the other things take the character of the things that are specified in the preceding sequence.

Mr. TAFT. Will the Senator yield?

Mr. PEPPER. I should be perfectly willing, and I am sure the Senator from Rhode Island would be, to have it understood that primarily the other things to promote the welfare of such employees are things associated with their health and welfare.

Mr. TAFT. Will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. Then I take it that the Senator does not outlaw in any way a fund for propaganda, a fund for any general dispensation, education, or housing, which may be set up. The trouble with the Senator's amendment is that it does not make anything unlawful. It simply says it shall not be unlawful to do these things. It is the most extraordinary piece of draftsmanship to attempt to accomplish a purpose I have ever seen.

Mr. PEPPER. Mr. President, the Senator from Rhode Island and the Senator from Florida, who admit full responsibility for this draftsmanship, may not be as distinguished lawyers as is the able Senator from Ohio, but assuredly he can see the two ways of stating exactly the same thing. One is to prohibit a fund except for a given purpose, and another way to state it is to authorize the fund and limit the purposes. The use of the second or alternative way does not seem to me to convict a lawyer of exactly the stupidity and the incompetence which have just been attributed to the Senator from Rhode Island and the Senator from Florida by the Senator from Ohio.

Mr. TAFT. Surely the Senator does not think it is the same to say that it shall be lawful to do this and to say that it shall not be deemed unlawful to do that. The two things are entirely different. They do not accomplish the same purpose in any way.

Mr. PEPPER. Mr. President, the amendment offered and now pending makes permissible the raising of a fund for limited purposes, and it would authorize the raising of a fund for no other than the mentioned purposes. If the fund is raised for any other purpose, it does not get the protection of the amendment. That is just as clear as the English language can be stated.

Mr. TAFT. In the absence of any other law, it does not need the protection of this amendment or any other amendment.

Mr. PEPPER. The Senator means the Byrd amendment?

Mr. TAFT. No; a fund does not need the protection of any law. The Senator says unless it is thus and so it does not get the protection of the amendment.

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

Mr. PEPPER. In just a moment. At the present time an employer or group of employees, or the two jointly, can raise a fund without any governmental permission from either State, local, or Federal Government. The Senator is correct in the sense that express statutory permission is not needed in order to raise a fund, except possibly in respect to the National Labor Relations Act, and so far as the early language of the amendment is concerned, it might have been deleted, but the intent was to make it clear, in that language, that the fund could lawfully be raised only for these purposes, and the purposes are set out. Then, when the fund is raised, it is made clear that it has to be administered either jointly by the employer and the employees, or has to be administered exclusively by the employer or the employees, subject to the rules and regulations of the Federal Security Agency.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to say to the distinguished Senator from Florida that to me the difference seems to be simply this: The Byrd amendment provides that no money shall be given by an employer to a representative of the employees except for a health fund. Then, when it is given for the health fund, it is regulated in a certain way. The Green amendment says that if money is given for a health fund, it shall be regulated in a certain way. But the Green amendment does not prevent, by agreement or otherwise, the setting up of another fund which will not be subject to any regulation of any character. My question is——

Mr. PEPPER. Will the Senator repeat the last sentence? I did not quite hear it.

Mr. SALTONSTALL. The Green amendment states, in substance, that if the money is given for a health fund, then it is subject to regulation, but if it is agreed that money is to be paid to a representative of the employees for any other purposes except the health purposes, then it is not subject to any regulation. My question to the Senator is this, Would he be willing to say that no money shall be given by an employer to the representative of an employee unless it is subject to regulation by the Federal Security Administrator?

Mr. PEPPER. No, Mr. President; the Senator from Florida would not be agreeable to that. That brings up the question, as I said a moment ago, as to what the real intent of the Byrd amendment is. If the real intent of the Byrd amendment is not to assure the fair and equitable administration of a health and welfare fund, but is for some other purpose principally in addition to that, then the vice of it becomes all the more obvious to me on its face.

Mr. President, we brought out here the other day in debate, by the suggestions of other Senators, a number of imaginable cases which might be affected by the broad language of the Byrd amendment, which the Senator from Massachusetts now speaks of as one of its virtues. Who of us can anticipate the proper cases that might be prohibited if the general prohibition in the Byrd amendment is carried into law? Why should we be charged with the necessity of anticipating every case that might possibly arise? The case which brought this matter into the forefront of discussion was the case of John L. Lewis. He was asking only a health and welfare fund, and the question arose as to whether he should be allowed a health and welfare fund or not. The next question was: If he were allowed it, who should administer it? He insisted the employees should administer it. Then the suggestion was made that that was a wrongful power; that it could be abused; that the money could be used for politics or propaganda or for something else. Senators said they wanted assurance, they wanted safeguards so the money could not be used for any improper purposes.

If the real purpose of the Byrd amendment is to hamstring—as I have said from the beginning I thought it was—really to hamstring collective bargaining, not merely to assure the proper administration of a health and welfare fund, but to hamstring the privilege and the freedom of the employees in collective bargaining, I am all the more strenuously opposed to it, because I do not think that is the kind of legislation that experience has shown we should adopt, I will say to my friend, the Senator from Massachusetts.

Mr. President, one of the virtues of the Green-Pepper amendment is that it does not have in it the prohibitions contained in the first part of the Byrd amendment. I thought that the real purpose of the Byrd amendment was to provide that the health and welfare fund cannot be used for political purposes, it cannot be used for propaganda, it cannot be squandered, it cannot be mismanaged, and that the only way to assure that it will be properly administered is to give the employer a joint voice in the administration of the fund.

So now the Senator from Rhode Island and I and others who favor this amendment say, "Very well, we will put safeguards around the administration of the fund by placing it under the scrutiny of the Federal security agency, a responsible and experienced Federal agency in this field." If all that the able Senator from Virginia and all that the able Senator from Massachusetts and the other able Senators who share their point of view want is the protection of the health and welfare fund, they will find, I respectfully submit, the assurance that it will be properly administered under the Green-Pepper amendment, because every administrative act will be subject to the rule and regulation and the fund will be subject to the audit of the Federal Security Agency.

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

Mr. PEPPER. I yield.

Mr. McMAHON. Is it the Senator's contention that his amendment, as it is now drawn, prohibits John L. Lewis or anybody else from collectively bargaining for a fund that is other than a health and welfare fund?

Mr. PEPPER. It does not prohibit that. It would permit John L. Lewis, William Green, John Smith, or anybody else to bargain collectively with his employer for any fund other than a health and welfare fund, and it would not be subject to this amendment.

Mr. McMAHON. Even if he wanted to set up a fund for other purposes he could go ahead and bargain for that?

Mr. PEPPER. I will say to the Senator it is just the same as if he were to say, "You will have to give me a fund for other purposes or my men will not go back to work for so many cents an hour." One can always attach improper conditions, but we have not had any experience of that sort. The only experience we have had is with the check-off system, and that is permitted by the Byrd amendment, although it used to be fought very bitterly by many employers. The only other experience—and that is what provoked this controversy—was what I assume to be the objectionable experience between the United Mine Workers and management when Mr. Lewis insisted upon the exclusive management of the fund by the workers, without any safeguard that would assure its proper use. The Green-Pepper amendment does assure the proper use of the fund.

Mr. President, if the able Senator from Virginia and other Senators are going to try to have adopted an amendment which will anticipate every possibility of what a union leader or representative of workers may submit as a condition for the execution of a contract, I should like to ask the able Senators how many pages of amendments do they think that the exercise of imagination would require or would demand that they submit to their colleagues for their consideration? That shows the essential vice and folly and fallacy of some of these amendments, and particularly the amendment to which the Green-Pepper amendment is addressed, that is, the Byrd amendment. It shows that Senators are not really merely trying to protect a health and welfare fund; they are not really merely frightened about the proper use of a health and welfare fund by the employees. They are not satisfied that that can be answered, no matter how securely the answer may come to them. What they want, what they think they can do, Mr. President, and which will prove so disappointing to them is to enact into law by way of amendment a prohibition that will prevent any disagreements in collective bargaining between employees and employers. That is really what they are getting. They are afraid that Mr. Lewis or somebody else might make some other request to which management might not subscribe, and that might produce a disagreement, and the disagreement might bring about a failure of collective bargaining, and the failure of collective bargaining might lead to a work stoppage or to a strike, and we would be in such a critical situation as we are in at the present time.

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

Mr. PEPPER. I yield.

Mr. MORSE. I think a very fundamental issue has come to light here in the recent discussion, and I think it ought to be made crystal clear in the RECORD. If I understood the Senator from Massachusetts [Mr. SALTONSTALL] correctly, and if I understood the Senator from Ohio [Mr. TAFT] correctly, what some of the proponents of the Byrd amendment are seeking to do is to say that the Government by law should prohibit certain agreements which labor and management can enter into by way of a collective-bargaining contract; and they are now, as I understand the Senators, purporting to say that "We, the Government, are going to tell unions and employers what they can agree to." Not how they can administer their agreement once they have agreed to it.

Mr. PEPPER. Exactly.

Mr. MORSE. Not whether we, the Government, are going to see to it that after they enter into their agreement, we will check any abuse in its administration.

Certainly it is sound public policy in my judgment—and I think that is what the distinguished Senator from Rhode Island is seeking to carry out in this amendment—for the Government to say there is sufficient public interest in these collective-bargaining agreements to see to it when a health and welfare agreement is entered into, that such agreement is administered in accordance with its purposes and objectives. And he seeks to do it by authorizing the Administrator of the Federal Security Agency, in accordance with regulations which he shall issue, to guarantee to all parties to the agreement, including the public, because of the public interest in the matter, that the fund will be administered in accordance with the objective of the agreement. I think that is a proper thing for the Government to do.

But, if I understand the Senator correctly, they now want to say, "There are certain subject matters over which you cannot agree." Let me give one example. In some collective-bargaining agreements provision is made for nursery schools and nursery care of the children of the women employees in the factory. The money for the support of that type of social service to the employees is contributed solely by the employers. There are some far-sighted employers in America who are also carrying on in connection with the employer-union relationships some night schools, offering classes to better the education of their workers. They are given vocational training. Multitudes of enterprises, which the employers are seeking to support with their own money, are authorized in collective bargaining agreements.

I say to the Senator from Florida that I think we should be very careful not to vote for an amendment such as the Byrd amendment, which contains language which, in my opinion, will result in great confusion as to the legality of such collective bargaining agreements, and, as I said earlier this afternoon, in a multiplicity of litigation over the matter.

I think we ought to welcome the broadening of collective-bargaining agreements so that many things will be done voluntarily by the employers and the union in agreement with each other in order to improve the lot of the workers, not only from the standpoint of wages and working conditions within the plant of the employer, but within the community in which the plant is located and the employees live.

It seems to me that the Green amendment gives us adequate protection of the public interest involved, and guarantees to the parties to the agreement that the funds will be administered in accordance with the provisions of the agreement and in keeping with such regulations as the Administrator of the Federal Security Agency may set forth.

I share the view of the Senator from Florida, if I correctly understand him. I think it would be a most unwise policy for the Government to say, "Now we are going to tell you what you can put in your collective-bargaining agreement, in regard to what it shall cover by way of a welfare or hospital fund, or educational fund, or a fund to provide other cultural and health services for the employee."

Mr. PEPPER. Mr. President, I warmly thank the able Senator from Oregon for his valuable contribution.

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

Mr. PEPPER. I yield.

Mr. TUNNELL. I think it is coming out now that what I was protesting about yesterday is correct. If the Senator will remember, at that time I stated that the amendment was sloppily drawn. I think it is now acutely drawn, and that very much that appeared at that time to be a disregard of rights was in effect——

Mr. REED. Mr. President, a point of order.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. REED. The point of order is that the Senator from Florida has been farming out his time to Senators to make speeches, in violation of the rules of the Senate.

The ACTING PRESIDENT pro tempore. The point of order is well taken. The Chair does not feel disposed to object in his legislative capacity, but the point of order is well taken.

The Senator from Florida may not yield except for a question.

Mr. PEPPER. I yield to the Senator from Delaware for a question.

Mr. TUNNELL. I ask if this language in the Byrd amendment is not exactly in line with what was stated by the Senator from Ohio. He says that there is nothing prohibited in the so-called Green bill. Is it not true that there is a distinction? The Byrd amendment provides as follows:

> It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Does not that prohibit all sorts of contributions?

Mr. PEPPER. Exactly.

Mr. TUNNELL. With the exception of what is found in item (3) on page 2. That is all that is excepted from the prohibition.

Mr. PEPPER. Except for items (1) and (2) preceding.

Mr. TUNNELL. Those were in the original amendment.

Mr. PEPPER. The Senator is absolutely correct.

Mr. TUNNELL. Is not the Senator from Ohio correct when he says that

there is nothing prohibited in the so-called Green amendment, while everything is prohibited in the Byrd amendment with the exceptions which have been stated?

Mr. PEPPER. The Senator is absolutely correct.

I wish to say, relative to the objection of the able Senator from Kansas, that last week the Senator from Florida yielded to Senators to make speeches—not merely comments such as have recently been made by the able Senator from Oregon and the able Senator from Delaware, directly in line with the debate, but separate speeches. Objection was made to that, and the Senator from Florida agreed that it was certainly a technical violation of the rule, and probably he was overgenerous in yielding to Senators to make such addresses.

But I respectfully protest to my able friend from Kansas that he would not wish to charge that the remarks which were made this evening by the Senator from Oregon and the Senator from Delaware were extraneous to the discussion, or made for the purpose of delay, or as in any sense intended to be obstructive or in bad faith.

As I stated the other day, I am sure that Senators wish to be fair to other Senators, and to all measures alike. I am sure the able Senator from Kansas wishes to be fair to all Senators, and to all measures alike.

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

Mr. PEPPER. Just a moment. The Senator from Florida is agreeable to any observance of the rules of the Senate which is customary. I realize that it is a technical matter, a technical violation of the rule, if a Senator does more than ask a question. But at least until something like bad faith is involved. I wonder if the Senator wishes to apply that rule to this particular discussion, which was in dead earnest, without feeling that perhaps it might be applied in other cases when he would not feel that it was proper to apply it.

Mr. REED. I will ask the Senator a question, to keep within the ruling. Does not the Senator believe that the Senator from Oregon, who occupied 3 hours on this floor today on this question, had ample opportunity to discuss the question without making another speech in the Senator's time?

Mr. PEPPER. I would not call what the able Senator from Oregon said a speech. The total elapsed time occupied by him was certainly less than 5 minutes. I am sure that the remarks of the able Senator from Delaware did not exceed 2 or 3 minutes. The Senator from Florida was on his feet. The comments were directly pertinent to the issue. I wonder if the Senator wishes to invoke the rule, so long as the discussion is carried on in that pertinent and germane way, and in such good faith as I believe would be admitted with respect to the discussion between the Senator from Florida, the Senator from Oregon, and the Senator from Delaware.

Mr. REED. I have never raised that point of order before in the Senate, but I think this filibuster has gone far enough. I agree with the Senator from Maryland that it is time to cut off unnecessary debate.

Mr. TUNNELL. Mr. President, I object. The Senator is making a speech on another Senator's time.

The ACTING PRESIDENT pro tempore. The point of order is sustained.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. I can assure the Chair that the Senator from Oregon has no desire at any time to violate any rule of the Senate; but I wish to explain the situation to the Chair, and I should like to have a ruling on it——

The ACTING PRESIDENT pro tempore. The Chair does not believe that the Senator is presenting a parliamentary inquiry. If there is a parliamentary inquiry the Chair will be glad to hear it.

Mr. MORSE. Will the Chair advise the Senator from Oregon how he can find out unless it be through the Chair, how he can clarify a point being made in debate on a pending amendment, when he believes that that point has been left in utter confusion in the RECORD?

The ACTING PRESIDENT pro tempore. The Chair will say to the distinguished Senator from Oregon that that is not a parliamentary inquiry. The Senator from Oregon has the right to take the floor in his own right, and he has the right to ask another Senator a question, with his permission. The Chair has not felt disposed to invoke any rule. The Chair does not know that he has any authority to invoke a rule of that kind; but the rule has been invoked, and any violation of the rule will result in the Senator who permits it, while he is speaking, losing the floor.

Mr. PEPPER. Mr. President——

Mr. MORSE. Mr. President, will the Senator from Florida yield for a question?

Mr. PEPPER. I yield.

Mr. MORSE. I should like to ask the distinguished Senator from Florida if in his judgment the Byrd amendment seeks to restrict the type of agreement which can be made by the parties to a collective-bargaining contract, insofar as the use that can be made of the money for a welfare fund is concerned.

Mr. PEPPER. I am not quite sure that I understand the question. Will the Senator repeat the question?

Mr. MORSE. I will put it in question form again. I ask the distinguished Senator from Florida if it is his opinion that the Byrd amendment seeks to limit the use to which parties to a collective-bargaining agreement may put the funds contributed by the employer, to a so-called health and welfare fund.

Mr. PEPPER. Absolutely; and the able Senator from Oregon has made it very clear as to just what a vice that is in the amendment.

Before I address myself further to that point, I cannot refrain from protesting and denying that any Senator who has the same point of view as the Senator from Florida relative to this legislation has been engaged or is engaged in a filibuster. I have no power to prevent another Senator from having his own opinion about anything he wishes to have an opinion about; but I will say to the Senator from Kansas that Senators will recall that in the beginning, when this question was taken up, there was no objection. Substantially all the debate which has been had could have been had on a motion to take up the bill, as Senators well know. At every phase in this discussion the discussion has been pertinent to the issue, and not extraneous to it. I protest that any fair observer can read the RECORD and he will not find any debate on the part of the Senator from Florida, the Senator from Montana [Mr. MURRAY.] the Senator from Delaware [Mr. TUNNELL], or other Senators who have spoken and who share the opinion of those Senators, which was not pertinent and germane to the particular issue which the Senate has had before it from time to time.

Moreover, Mr. President, yesterday evening when the question arose as to whether there should be a vote the Senator from Florida stated that so far as he was concerned he agreed to the vote. when the vote could have been delayed without any difficulty whatever.

Not only that. Mr. President, but the CONGRESSIONAL RECORD is the best evidence as to how many times the Byrd amendment has been amended in the Senate since the debate has been in progress. The various forms which the amendment has taken will show for themselves. The RECORD will show how different the Byrd amendment is at the present time compared to the Byrd amendment which was originally presented to the Senate. I think it is fair to say that a considerable part of the change—some of us think the improvement—in the Byrd amendment is attributable to the debate which has been had in the Senate.

So, Mr. President, on behalf of myself and other Senators with whom I have been associated, I vigorously protest the designation that the debate in which we have engaged has been or is a filibuster. I will say to my colleagues that if the Senator from Florida were engaged in a filibuster, I can assure Senators that he would have spoken longer than he has spoken; and he is thoroughly able to do it even now.

Mr. MORSE. Mr. President, a parliamentary inquiry.

Mr. PEPPER. If the Senator from Kansas wishes to test the ability of the Senator from Florida, the Senator from Florida is willing.

The ACTING PRESIDENT pro tempore. Will the Senator from Florida yield for a parliamentary inquiry.

Mr. PEPPER. Let me finish the sentence and then I shall be glad to yield.

The Senator from Florida will be very glad to give an exhibition of his physical strength. When I rose, the Senator from Louisiana [Mr. OVERTON] walked by and asked how long I intended to speak. I told him for only a few minutes, not more than 30 minutes. I had told the Senator from Montana [Mr. MURRAY] that I thought he would have time to go downstairs and get his

dinner. When the Senator from Florida rose to discus this amendment, he had told others of his colleagues that he wished to discuss this amendment, and that so far as he was concerned, when the discussion was over, there could be a vote.

Now I wish to protest again that our good faith not be further impugned. I think we are entitled not to have our good faith impunged, so long as we are making an intelligent discussion of an amendment which is now being discussed for the first time; I mean to say that the middle of this afternoon, or near it, was the first time it was discussed by the able Senator from Rhode Island. The discussion which has been had on this proposed substitute cannot be considered by anyone to be other than germane and, if I may respectfully say so as a participant, intelligent debate on a proposal which is earnestly presented to the Senate and which will be criterion of exactly what really are the purposes of Senators who are proposing other amendments.

Mr. MORSE. Mr. President——

Mr. PEPPER. I yield.

Mr. MORSE. I wish to ask a parliamentary question of the Chair, namely, whether the junior Senator from Oregon has a right as a matter of personal privilege to protest the statement of the Senator from Kansas [Mr. REED], which I think on the RECORD tends to implicate the Senator from Oregon.

The ACTING PRESIDENT pro tempore. It is not in order for the Senator from Oregon to do so in the time of the Senator from Florida. The Senator from Oregon has a right to take the floor and protest or to make another speech. Only two speeches on the same subject are in order in the course of the same day, under the rule of the Senate. That rule has not been invoked.

Mr. REED. Mr. President, I rise to another point of order: Methinks the ladies do protest too much! [Laughter.]

Mr. MORSE. Mr. President, I wish to ask one more question.

The ACTING PRESIDENT pro tempore. The Chair will entertain a point of order.

Mr. MORSE. I wish to ask this question in order to clarify the Chair's ruling, because I do not entirely understand it: If a Member of the Senate in the course of his remarks, in interrupting another Senator who has the floor at the time, makes a comment which in the opinion of a colleague reflects upon that colleague, do I correctly understand that a Member of the Senate does not have the right to rise at that time and protest the reference? I think that the——

The ACTING PRESIDENT pro tempore. The present occupant of the Chair is of the opinion that a Senator cannot make a protest in the time of a Senator who has the floor.

Mr. PEPPER. Mr. President, a few days ago I stated that, although we were not filibustering this legislation, some of us gave up the power of filibuster or of unlimited debate with very great reluctance in this particular controversy, because some of the Senators who are so ardent and so diligent and so insistent upon the disposition of this legislation, which we believe vitally to affect the rights of millions of people who happen to be among our most honorable citizens—the working men and women of this country—are the first to take advantage of the power of unlimited debate when legislation which they consider unwise is pending on this floor or is proposed here. I think we have a right to discuss that matter with some candor. Able Senators know very well that there is on the calendar of the Senate legislation which, if brought up, will provoke an unyielding filibuster, and little bones will be made of the fact that it is being opposed by a filibuster. Yet, Mr. President, when a measure such as this labor legislation, which many of us think will deprive the working men and women of this country of many of their essential economic and political rights, is before the Senate, then some Senators can hardly too quickly have the Senate pass it, or in the second week of its discussion—as they began last week to do—hurl the charge of "Filibuster!"

Mr. President, it is an old saying that those who live in glass houses ought not to throw stones. I am one Senator, as I have said previously, who has not participated in a filibuster since 1937; and so far as I know, I do not expect to participate in a filibuster. I will say, Mr. President, that I will join any Senator on this floor in supporting the introduction or the passage of an amendment to the rules of the Senate which will give a majority of this body authority at any time, even when a Senator is on his feet and speaking, to determine upon a limitation of debate. I think that is a fair proposal, and I invite the acceptance of that invitation by any other Senator.

A few days ago I said that I had been talking with other Senators and that I contemplated offering three proposed amendments to the rules of the Senate: One, to permit a majority to invoke the rule of relevancy of debate, because oftentimes the basis of a filibuster is irrelevant to the pending business; second, to allow a majority at any time to determine what is the pending business. That would prevent a filibuster on a motion to take up a bill, and it would prevent a filibuster on a question of having the Chaplain's prayer included in the Journal or on a question of correction of the Journal or on some other question which might be the subject of debate, but to which the rule of cloture is not applicable. The third amendment to the rules of the Senate would be to permit a majority of the Senate at any time, even when a Senator is on his feet and speaking, to determine when a final vote upon any measure or amendment shall be had.

Mr. President, I shall gladly yield to any Senator who wishes to make a unanimous-consent request now or at any other time to bring about those amendments to the rules of the Senate—amendments which are necessary to be made if we are to have the capacity to dispatch the public business as the public need may require.

Mr. President, as I have said, many of us have been faced with the knowledge of the frequent and threatened use of the filibuster to prevent the enactment of such legislation as the anti-poll-tax bill and other legislation which is on the calendar. Yet, when we are confronted with a proposal which vitally affects thousands and millions of the workingmen of this country, when a measure is proposed which we believe robs them of their rights, if we undertake to go into a second week of debate on such a measure, we are charged with carrying on a filibuster, and the technical rules of the Senate are invoked, even to see to it that there cannot be a pertinent and germane discussion of the issues involved in such legislation here upon the floor of the Senate.

Mr. President, I ask Senators whether that is a fair application of the rule of the Senate. I ask Senators why, if they wish to complain about the length of debate in the present case, they are not willing to admit the possibility of abuse in other cases, and why they are not willing to yield their power to filibuster a proposal to change the rules and to allow the Senate to debate and honestly discuss what should be the rules of the Senate.

I do not wish to charge any moral turpitude or bad faith; but I think that here in the Senate we are entitled to indulge in the presumptions in which reasonable men may indulge. I ask Senators whether they consider that there is any reasonable legislative possibility or probability that a rule to allow a majority to limit debate at any time would ever be voted upon by the Senate. If Senators think there is a free and fair opportunity in the Senate to debate and adopt an honestly proposed change in the rules, I should like to hear from any Senator who believes that to be a possibility as a practical legislative matter.

So, Mr. President, I think that not only do all of us know that we have no power to limit debate on a legislative matter, but we know we have no power to change the rule which permits filibusters, because some Senators who are opposed to the adoption of a motion to take up a certain measure would no doubt filibuster against a proposed change of the rule regarding filibuster itself.

So, Mr. President, that is the state of the rules of the Senate of the United States. As I have said, I have seriously considered and I have appraised in my own mind which course in the long run would be the better one in the public interest, and whether it would be better for us to filibuster, uncompromisingly filibuster, as long as we had the power to engage in it here in the Senate, until we forced from a majority or two-thirds of the Senate, or from the necessary committees, an admission that there was a power of abusive filibuster. That would be a demonstration of it in a national crisis, and then perhaps we would be able to amend the rules of the Senate as they should be amended in the interest of the speedy dispatch of public business.

Mr. President, I think my record in that regard has been consistent since 1937. As the able Senator from Virginia said, the Senator from Florida proposed, 2 or 3 years ago, a change in the filibuster rule. Frankly, the Senator from Florida never pushed for a hearing on that proposal, because he was never gullible enough to believe that he would ever get

it out of the Rules Committee, if he did obtain a hearing on it. Again I say with no imputation of bad faith that Senators simply would not vote to report it from the Rules Committee. I doubt if anyone believes that the Senator from Florida, or any other Senator, is naive enough to think it would be reported. If there is any suggestion of it, we will try at any early date to see what will happen in the Rules Committee and in the Senate with respect to the needed and necessary change in the rules of the Senate.

Mr. President, all I am saying is that I do not believe it to be fair to able Senators on this floor repeatedly to hear charges of filibustering aimed against some of us who are opposing amendments which we believe to be harmful to the public interest, when the rules of the Senate do not permit actual filibustering, and when the record in this case does not, I submit, justify the charge of filibustering.

Mr. President, I wish now to return to a discussion of the amendments, and endeavor to bring my discussion to a close within a short time.

It is very clear that the able Senator from Oregon was correct when he said that we cannot imagine all the things which would be forbidden if the Byrd amendment were agreed to in its present form. The amendment forbids the payment of money by an employer to the representatives of employees upon any except three grounds; first, as wages or salaries, compensation for services; second, as a check-off payment; and third, to be used as a health and welfare fund for the specifically enumerated purposes set forth in the amendment.

As the Senator from Oregon pointed out, Mr. President, the amendment would forbid an employer and an employee, through collective bargaining, from agreeing to erect a nursery to house babies of women who worked at a factory, because that would not be one of the specified objectives of the health and welfare fund provided for on page 2 of the Byrd amendment.

Mr. President, as I construe the Byrd amendment, and as the Senator from Montana [Mr. WHEELER] pointed out the other day, it would forbid an employer from contributing to any representative of employees $100, for example, for use in organizing and equipping a baseball team for entertainment and recreation purposes. As the Senator from Montana, who is the chairman of the Interstate Commerce Committee, further pointed out, the amendment would prevent the railroads from giving a pass to a representative of employees of the railroad, although under the law as it now stands the railroad is permitted to do so.

The amendment would forbid management from contributing a sum of money to any representative of its employees for the purpose of improving the housing conditions of the workers of a given institution. It would forbid management from making a contribution to a representative of its employees for the purpose of establishing a playground which the children of working mothers might use for their entertainment and for their wholesome recreation. The amendment contains a flat unequivocal and unrestrained prohibition against the payment of any sum of money by an employer, or an employer agreeing to pay or deliver any sum of money to a representative of employees, for other than three purposes which are set out as permissive in the Byrd amendment.

Mr. President, on the contary, what the Senator from Rhode Island and the Senator from Florida, as well as other Senators, have attempted to do is to accomplish what we originally thought was the purpose of the Byrd amendment, namely, to secure a safeguard for the health and welfare of the workers.

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

Mr. PEPPER. I yield.

Mr. KNOWLAND. Mr. President, I send to the desk a motion under rule XXII and ask that it be read.

The ACTING PRESIDENT pro tempore. Without objection, the Chair will designate the clerk to read the motion.

The Chief Clerk read as follows:

PETITION FOR CLOTURE

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill (H. R. 4908) entitled "An act to provide additional facilities for the medi tion of labor disputes, and for other purposes."

JOSEPH H. BALL.
W. A. STANFILL.
WILLIAM F. KNOWLAND.
LEVERETT SALTONSTALL.
B. B. HICKENLOOPER.
CLYDE M. REED.
ALEXANDER WILEY.
CHAN GURNEY.
MILLARD E. TYDINGS.
A. W. HAWKES.
WALLACE H. WHITE, Jr.
ARTHUR CAPPER.
CHAS. W. TOBEY.
WAYNE MORSE.
MILTON R. YOUNG.
ROBT. A. TAFT.
THOS. C. HART.
KENNETH S. WHERRY.
H. ALEXANDER SMITH.
JOSEPH F. GUFFEY.
SCOTT W. LUCAS.
CARL A. HATCH.
BRIEN MCMAHON.
HOMER E. CAPEHART.
OWEN BREWSTER.
HOMER FERGUSON.
WARREN R. AUSTIN.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. PEPPER. Is it permissible, without unanimous consent, and while a Senator has the floor, for such a motion to be presented?

The ACTING PRESIDENT pro tempore. Such a motion is in order at any time.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. PEPPER. What are the limitations henceforth upon debate of, for example, the Senator from Florida?

The ACTING PRESIDENT pro tempore. Does the Senator mean to ask when a vote may be taken on the motion?

Mr. PEPPER. I make the parliamentary inquiry of the Chair, What are the limitations henceforth of debate, if any, upon the Senator from Florida so long as he occupies the floor?

The ACTING PRESIDENT pro tempore. There is no limitation on debate until 1 hour after the Senate meets next Saturday, at which time the motion will be laid before the Senate.

Mr. PEPPER. The time when the motion shall be laid before the Senate for a two-thirds vote is 1 hour after the Senate meets next Saturday?

The ACTING PRESIDENT pro tempore. Yes; under rule XXII.

Mr. PEPPER. Mr. President, the motion for cloture was filed at the time the Senator from Florida was on his feet discussing the pending amendment, after an announcement had been made by him that he intended to address the Senate for only a relatively short period of time. The Senate has exhibited from the beginning of this discussion considerable haste in an effort to dispose of what I believe to be one of the most vital measures which this body has considered for a long time. It has not exhibited the haste which is incident to the invocation of the rule pertaining to cloture, not in connection with a bill such as that which the able Senator from Indiana attempted to offer, whether it might have been the answer to the present problem or not, but which at least endeavored to reach the heart of it. However, Mr. President, cloture has been invoked with reference to a bill which, I respectfully submit, no advocate could claim contains power to prevent a single one of the strikes which are now taking place. I ask whether the Byrd amendment could, in the opinion of Senator, prevent either the mine strike, if it be called a strike, or the railroad strike. The Byrd amendment would forbid the employer from paying a sum of money to an employee except for three specific purposes, and only then in the event that the health and welfare fund were administered in a certain way. What would that do to stop the coal or the rail strike now in progress? Has anyone claimed that John L. Lewis was submitting other than what was essentially a demand for a health and welfare fund?

I submit, Mr. President, so far as the Senator from Florida recalls what Mr. Lewis proposed with respect to money which might be used out of the fund for recreation and education, the Byrd amendment permits practically every use of the fund which John L. Lewis ever contended for in his application to the mine operators.

At least, if nothing were involved in the controversy between Lewis and the mine operators except the difference between the permissible subjects for the raising of funds for health and welfare purposes in the Byrd amendment and in the Lewis proposal, I dare say there would not have been any disagreement between management and employees in the coal-mine case.

If the Byrd amendment were law today it would not stop the coal strike and it would not stop the rail strike. As a matter of fact, it would be more likely to prolong the strikes than to curtail them,

for working men and women are not so stupid, they are not so dull, as not to know why legislation is passed in Congress. They are not so naive or so credulous that Senators can aim legislation at them and have in mind the hamstringing of their powers and their rights without their knowing the motives behind the enactment of such legislation.

Mr. President, the Byrd amendment would have nothing to do with the railroad strike. The railway employees have not asked any health and welfare fund. They have not struck because management of the railroads would not give them a sum of money, or give their representatives a sum of money. They have ceased working for the railroad employers, and now for the Government, because the compensation they are receiving in their opinion is inadequate for the services they render. What would the Byrd amendment do with that? How would the Byrd amendment affect that? What good could the Byrd amendment do with regard to the subject of dispute between management and labor, or Government and labor, in the case of the railroads which now are not in operation?

So, Mr. President, as I have said before, these amendments which are offered are not really intended to stop strikes. At least, no one claims they will stop strikes. What, then, is the purpose?

Let us take one of the amendments which will come along a little later, and which, I believe, has been drawn by the able Senator from Virginia, an amendment requiring that labor unions shall register with the Securities and Exchange Commission and become incorporated. What would that do to put the miners back into the mines? What would that do to put the railroad men back at their jobs? Every Senator knows it would accomplish nothing at all except to embitter labor, because for the first time in American history, if that were the law, they would be deprived of the right of being an unincorporated, non-profit association. They would be further embittered because they would know that we had applied a rule to labor—I do not mean merely organized labor, but all working men and women—that we had not applied to members of trade associations, the National Association of Manufacturers, the United States Chamber of Commerce, the mine owners, the industries which might be associated in any other trade association. Knowing that, knowing that we were discriminating against labor, how could they feel other than that prejudice actuated us in our action in passing such discriminatory legislation?

Mr. AIKEN. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Vermont?

Mr. PEPPER. I yield for a question.

Mr. AIKEN. Is the Senator from Florida aware of the fact that the Senator from Oregon [Mr. MORSE] and I have offered an amendment which would bring all trade organizations, such as the National Association of Manufacturers, and associated industries, the American railroad associations, and all similar associations which have funds running into the millions of dollars to spend, under the same requirements as to incorporation, registration, and the making of reports, as is proposed for labor unions in the Byrd amendment? It seems to me that this is going to be a chance——

The ACTING PRESIDENT pro tempore. The Chair will have to warn the Senator from Florida that, the rule having been invoked, only a question is in order.

Mr. AIKEN. I asked the Senator from Florida if he was aware of this amendment and its provisions.

The ACTING PRESIDENT pro tempore. The Chair heard that, but with all due respect to the Senator, the Chair thinks the Senator was proceeding to make a speech.

Mr. PEPPER. Before answering the inquiry of the able Senator from Vermont, I want to appeal to the Chair for his characteristic fairness to the speaker. If the Senator from Florida yields, and states that he yields for a question, and the Senator interrupting transcends the permission given, should the Senator from Florida be held responsible for the violation of the rule?

The ACTING PRESIDENT pro tempore. The Senator from Florida has control of the time when he has the floor, but the Chair was intervening in behalf of the Senator from Florida.

Mr. PEPPER. I appreciate that.

The ACTING PRESIDENT pro tempore. The Chair ruled with all deference to the Senator from Vermont, who was not here when the question was raised.

Mr. AIKEN. May I address the Chair? I merely wish to make it clear that I was not trying to take the Senator from Florida from the floor or to make a speech. I was asking him if he was aware of the provisions of the amendment which was offered by the Senator from Oregon and myself, and I did not see how he could answer the question unless he knew what the provisions were.

The ACTING PRESIDENT pro tempore. That seems to be a perfectly legitimate question.

Mr. PEPPER. The Senator from Florida wishes to thank the Chair for the precautionary notice that was given in the matter, and to assure the Chair that he does not want inadvertently to lose the floor, and is grateful to the Chair for his kind intervention. Hereafter the Senator from Florida will have to exercise careful restraint upon kindly disposed Senators who ask questions, to see that they do not exceed, in their zeal, the good motives which prompted the beginning of their inquiries.

I shall gladly answer the inquiry of the able Senator from Vermont. Yes; the Senator from Florida is aware of the fact that the Senators from Vermont and Oregon have offered the amendment to the Byrd amendment mentioned by the Senator. Yet I would like to ask the able Senator from Vermont a question, if I may do so, at least in a rhetorical sense. Are the Senators from Vermont and Oregon sanguine enough to believe there is any chance in the Senate, with its present temper and attitude, of the amendment being adopted?

Mr. AIKEN. I do not know whether I may answer that or not——

Mr. PEPPER. Mr. President, I would not risk the response of the Senator from Vermont, with the possibility of violating the rule laid down by the Chair. If the Senate were inclined to impose upon employers the same obligation which the Byrd amendment would impose upon employees, the Senate would adopt the amendment just described by the able Senator from Vermont.

Mr. President, I have before me a statement which shows that in 1944 the bituminous coal industry produced 620,000,000 tons of coal, and I wish to show what the bituminous coal operators were permitted to charge the public on this tonnage. Instead of referring to the statement before me, I shall refer to information which I obtained on the telephone from Mr. Kemp, of the Solid Fuels Administration of the OPA, this afternoon. Mr. Kemp advised me that the coal operators had collected, as a part of the cost of producing the coal, between five and six million dollars, and used the money for the purposes of the Coal Operators' Trade Association. Between five and six million dollars were collected from the public as an increased item in the cost of coal, yet it was spent by the employers' trade association for purposes over which neither the employees nor the public had the slightest control.

Mr. President, that shows the need for subjecting the funds expended by employers to public scrutiny and restraint. But the Byrd amendment does not say anything about making trade associations incorporate, making them file reports giving all sorts of information to the Securities and Exchange Commission. No; it applies only to the employees, because, Mr. President, Senators wish to impose restraints and curbs upon the working men and women, but not upon the employers who may happen to be a part of these many trade associations.

There is another amendment somewhat similar to the amendment spoken of by the Senator from Vermont as being offered by him and the Senator from Oregon, an amendment offered by the Senator from Rhode Island [Mr. GREEN] and myself, which also proposes that if employers receive any such funds, those funds, and their appropriation and expenditure, shall be subject to the rule and regulation of the Department of Commerce. So that if the public has to pay money into the pockets of management for business purposes, then, Mr. President, the public will also have some voice in observing and scrutinizing the administration of those funds by management.

Mr. President, I was saying that the amendments which are now offered do not in the opinion of any Senator, so far as I know, offer any hope of stopping the coal strike or the rail strike. They obviously have some other purpose in view. I mentioned that the Byrd amendment would not have any influence in stopping the coal strike or the rail strike. I also mentioned the other Byrd amendment which is now on our desks requiring the registration with the Securities and Exchange Commission of all labor organizations and requiring all labor organizations to become legal corporate bodies.

There is another amendment on our desks, an amendment to outlaw the secondary boycott, regardless of whether the secondary boycott should be outlawed, and there is a good argument that can be made for it. I am not saying that I shall vote for it. I might. It is one of those powers which is capable of abuse, and I think has been abused. But did John L. Lewis call his miners out under the secondary boycott? Would the passage of a law against secondary boycotts put the miners back in the mines? Did the railway employees leave their jobs with the railroads under a secondary boycott? Do they remain out of employment with the Government because of a secondary boycott? Of course not. No Senator would contend that they do. Then what good would it do to adopt that amendment for which Senators are clamoring so much tonight that they have already filed a petition for cloture?

Then there is another amendment proposed by some of the strenuous advocates and supporters of these restrictive amendments. That amendment would require a cooling-off period, and would provide that labor could not strike or stop until the lapse of a 30- or 60-day cooling-off period. Mr. President, a few days ago we heard Senators saying that if we only had a law like that applicable to the coal miners it would perhaps stop the coal strike. Yet in the first place we had the Smith-Connally law upon the statute books, passed in 1943, and the Smith-Connally Act forbade work stoppage until there had been a 30-day cooling-off period. Did it stop the coal strike? No, Mr. President. The miners merely complied with the machinery provided by the Smith-Connally Act in calling the strike and bringing about the work stoppage.

In addition to that, for many years there has been on the statute books the Railroad Labor Disputes Act, one of the most elaborate, one of the most comprehensive, one of the fullest pieces of legal machinery the purpose of which was to stop strikes, that has ever been enacted in the United States.

That, Mr. President, is still the law. That was the law when the railroad employees stopped work. There was not only a 30-day cooling-off period but there was a great deal longer period than a 30-day cooling-off period. There was mediation machinery. There was conciliation machinery. There was arbitration machinery. There was a national mediation board. All were provided by the Railway Labor Disputes Act. But did they prevent the railway employees from stopping work when they thought they had been greviously injured by railway management? No, Mr. President; they did not.

So if the amendments which I have described requiring a cooling-off period were adopted, what efficacy would they have with respect to putting the miners back in the mines or the railway employees back at their jobs on railroad trains and shops and facilities?

Mr. President, I have before me the Railroad Trainman, issue of February 1946, and this magazine tells of all the long period of negotiations, of the many efforts, of all the long and strenuous struggles engaged in by railway employees to improve their working conditions on the railroads and to get better compensation for their services. It starts with the early summer of 1944, and then goes on to November 2, 1944. Then November 22, 1944; December 7, 1944; December 11 to 16, 1944; December 14, 1944; December 27, 1944; again December 27, 1944. And so on, Mr. President.

The recital of the chronology since 1944 of the efforts of railroad workers to get economic justice is set forth on pages 44, 45, 46, 47, 48, 49, 50, 51, 53, 54, and 56 of this publication which I now exhibit. Since January 1944, these railway workers have been begging and pleading with railroad management to give them economic justice, to give them a fair deal. But, Mr. President, their petitions have been denied, their entreaties have been scorned, as Patrick Henry said, and, finally, as Patrick Henry counseled his countrymen to do, they petitioned no more, they entreated no more, they defied management, and availed themselves of the right that Americans, thank God, still have, to stop work.

Mr. President, no Senator in this body feels a deeper regret that we experience today the work stoppage in the mines and upon the railroads than does the Senator from Florida. We have fresh fruit, we have vegetables, we have many other commodities in my great State which will grievously suffer if the rail movement is stopped for any appreciable length of time. Management, labor, and the public will all suffer losses that cannot even be calculated in dollars, however enormous the sums computable may eventually prove to be, because we know that stopping the work in the mines, depriving the Nation's economy of coal, stopping the railroad movement and depriving the citizenry of transportation service is immeasurable in the detriment it inflicts upon the economy of the Nation.

Mr. President, I hope Senators will not attribute to those of us who do not think this legislation will stop strikes, who think it will do more harm than good, any lack of concern for that grievous situation. On the contrary, we want to see those work stoppage terminated, and the Senator from Florida has at least twice proposed upon the Senate floor a method which he honestly thought would bring about a cessation of work stoppages and start again the coal mines and the trains and the various facilities of the railroads.

What is that method, Mr. President? It is for the President of the United States, exercising his authority under existing law, to negotiate agreements with the employees in the mines and upon the railroads, which the employees will deem fair and equitable and just. In other words, the President of the United States, acting as a sort of a mediator between the two groups and with the authority of management to execute the agreements, would give to the employees in both cases what they deem to be economic justice, equity, fair compensation for their labor and fair conditions under which their labor may be performed. And, Mr. President, I will have to see that method fail before I will agree that it will fail. The mines have been in the custody of the Government for only a few hours. The railroads have been in the custody of the Government for a very few hours. It is too much to hope that matters so complicated and complex can be settled in the course of a few minutes or even in the course of a few hours.

I respectfully submit that I think it might have been well if, in anticipation of the Government having to take over the mines and the railroads, negotiations with respect to the proper terms of agreement had been started long ago. I believe that with perfect propriety the President, in anticipation of the necessity of the Government taking over these facilities, might have begun negotiations which might have led to the ground already having been prepared for reaching agreements with employees in mines and upon railroads, within a very short time after the custody of those enterprises should come into the hands of the Government.

But I am not criticizing the Government in any way, or withholding approval of the course of the President, because I am not informed of the facts. I know that everyone will agree that the President has been grievously concerned about the work stoppages, the cessation of the output of the mines, and the stoppage of the railroads, and will credit him with having done everything in his power to remedy that situation and to prevent its occurrence.

But, Mr. President, in the humble opinion of the Senator from Florida, even the proposed new bill offered by the able Senator from Indiana [Mr. CAPEHART] is not the answer to industrial strife in the United States. It is not a panacea for that situation. The only way we can be assured of no interruption of work by the employees of this country, organized and unorganized, is for management to give them economic fair play. That is the only answer there is to that difficult problem. It is like most other questions. It is like the difficult subject of international peace at the present time. There is no assurance of world peace except through a proper spirit on behalf of the major nations of the world. One nation may have all the armaments and all the atomic bombs it may be possible to acquire; and yet if the spirit of another nation is not peaceful, there will be no peace. So, Mr. President, if the Congress really wants to do something that will bring about industrial peace and tranquillity in America, let the Congress of the United States seriously and effectively attack the question of bringing about economic justice in America between employer and employee, instead of trying to weaken the hand of the workingman reaching up for a few crumbs from his employer's table.

Mr. President, I pointed out the other day in the debate a comparison of the number of man-days lost from work in the United States through strikes and as the result of illness, accidents, and premature deaths. I pointed out to Senators the finding of a subcommittee

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of which I have the honor to be chairman, that every year we lose in this country 600,000,000 man-days from illness. I pointed out to the Senate from that report that, on the average every workingman in America loses 12 days a year from illness. Yet if we try to pass a national health bill in the Congress of the United States as the able Senator from Montana [Mr. MURRAY] and the able Senator from New York [Mr. WAGNER] have been trying to do for nearly 10 years, we cannot accomplish any more than those able Senators have accomplished in their decade of effort.

If the workers themselves try to provide a health and welfare fund, in the absence of a national health act, what do they get? Encouragement? The amendment offered by the Senator from Florida, the Senator from Montana [Mr. MURRAY], and the Senator from Oregon [Mr. MORSE] proposed that we should encourage management and labor, by collective bargaining, to provide health and welfare funds. We could make it obligatory upon management to negotiate—not to agree, but to negotiate—with employees in the provision of such funds. What did we get? We got 12 votes in the Senate in our effort last night merely to get the United States Senate to say that it was the sense of the Senate that there should be, by collective bargaining between labor and management, health and welfare funds.

I pointed out in addition the number of counties in this country which did not even have a full-time health officer. I pointed out the number of counties that did not have a doctor, which should have one, and the number of counties in the United States that did not have any kind of a general hospital. On other occasions I have pointed out to the Senate and to the public reports showing that if all the States in the Union had the laws and provisions relative to child welfare that the State of Connecticut has, 3,000 children in America would live every year when at the present time they die. I have shown the number of mothers who would be saved if we had the kind of legislation which the great State of Minnesota has on its statute books for the protection of the mothers of that State.

Yet, Mr. President, have we been able to get Congress to pass any such legislation? If we bring up an adequate bill, how far can we get with it? I say, Mr. President, that if the United States Government, in all its great tradition and dignity, really wishes to bring about industrial peace in America, we should sit down together, deliberately, reasonably, and earnestly, and do what we can to guarantee social justice in America to the men and women who work. In that way we could make a great deal more progress in stopping strikes than we could by precipitately trying to cram down the throat of remonstrant labor legislation which labor cannot but regard as discriminatory to it and inimical to its interest.

Mr. President, the question has often been raised with respect to wages. Before I get away from the question of health, what was the reason for the Byrd amendment? The reason was that John L. Lewis demanded a health and welfare fund.

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

Mr. PEPPER. I yield.

Mr. TAYLOR. It is my understanding that the Senator from Indiana [Mr. CAPEHART] in his plant pays a bonus, in addition to wages, for each article produced. Does the Senator believe that this amendment would make it unlawful for him to give that extra thing of value for each item produced?

Mr. PEPPER. It would certainly be the possible subject of a lawsuit. To my knowledge the word "bonus" is not mentioned in the Byrd amendment as being permissible. I may be inaccurate, but I will look at the text and see if reference is made in the amendment to a bonus. I believe I have the latest version.

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

Mr. PEPPER. Excuse me just a moment. I am looking at the latest version, Mr. President. I have before me an amendment known as the Byrd amendment, with respect to which the Green substitute is offered. I read from the face of the printed amendment:

> May 10, proposed; May 15, modified and ordered to be printed; May 20, further modified and ordered to be printed; May 22, further modified and ordered to be printed.

So, Mr. President, I believe that the debate for which we have been responsible, instead of being obstructive, has led to at least three modifications of the Byrd amendment.

I now yield to the Senator from New Mexico.

Mr. HATCH. I merely wish to keep the RECORD straight. I am quite sure that the Senator from Florida wishes to keep the RECORD straight.

Mr. PEPPER. The Senator is correct.

Mr. HATCH. And I am sure the Senator from Idaho wishes to keep the RECORD straight.

There is nothing in the Byrd amendment which applies to the situation about which the Senator from Idaho was inquiring. The only prohibition is against payment of money or other thing of value to a representative of organized labor. I read from the amendment itself:

> The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer.

There is clearly nothing in the amendment which would restrict or prevent any incentive payment such as that about which the Senator from Idaho inquired.

Mr. PEPPER. I thank the able Senator from New Mexico. He is an able lawyer. I believe that he is correct in saying that the amendment would not prohibit the payment of a sum of money or other thing of value to the worker himself, if it were not paid to a representative of the worker. But Mr. President, I do not believe that that changes the observations made by the able Senator from Oregon [Mr. MORSE] or the Senator from Florida previously with respect to cases in which representatives might be forbidden to receive money for the laudable purposes which were enumerated in those statements. I thank the Senator for calling attention to the point.

I was saying that I thought that the original purpose of the Byrd amendment was to provide that the health and welfare fund, the controversy over which had arisen in connection with the coal strike, should be safeguarded by appropriate legislation. I now find that it is intended to accomplish far more than the safeguarding of a health and welfare fund.

Why did Mr. John L. Lewis, who was not a pioneer in this field, ask for a health and welfare fund for the miners of this country? Because of the pitiful health and welfare conditions existing among the miners of this country. To my knowledge, no Senator in the debate on this floor has denied the pitiable plight of the miners. Why did Mr. John L. Lewis have that weapon that he could employ even to bring his workers out of the mines? Because the States and the United States Government had been remiss in their obligation to provide such facilities.

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

Mr. PEPPER. I yield for a question. The Chair has ruled that I can yield only for a question.

Mr. HATCH. Does not the Senator believe that both the employers and the employees, represented by Mr. Lewis, have been remiss? Why should not this have been requested some 15 years ago?

Mr. PEPPER. Mr. President, I will say to the Senator——

Mr. HATCH. Mr. President, if the Senator will permit me to ask another question——

Mr. PEPPER. Yes.

Mr. HATCH. Why place on the Government the responsibility for doing things which should have been done by the parties themselves in private agreement and private transaction?

Mr. PEPPER. Mr. President, I will say that my witnesses, perhaps my best witnesses, that it is a matter which should be the subject of public legislation are the mine operators themselves. As the able Senator and his colleagues will recall, a few days ago the mine operators themselves said that this proposal of John L. Lewis was a new social theory and that it should not come up in a conference between management and labor, but should be acted upon by public legislative bodies, and then only after the most considerate care was given to it. So the mine operators themselves were unwilling to consider, as their statement shows, anything except unusual hardship cases.

If the Senator wishes me to do so, I can go back and read the record of the statement of the mine operators, and I think it will be found to be in substantial accord with what the Senator from Florida has just said. I realize that is the reason why the Senator from Florida, the Senator from Montana [Mr. MURRAY], and the Senator from Oregon [Mr. MORSE] offered the amendment which was voted on yesterday. I wish to read that amendment. In the amendment we stated that operators and employees should be encouraged to get together and

to provide health and welfare funds. Although I think it is proper that such a matter should, in the long run, be covered by a general health bill, because I think it is better for everyone to be covered by a national health insurance act so that we could all help one another and keep the rates down for all of us, and I think that is the preferable system as a matter of long-range policy, yet, until we obtain that, until the Senate finally enacts the Wagner-Murray-Dingell bill, the only things we have to rely upon are the few voluntary associations which have been formed, which today give complete coverage to less than 4 percent of the people of the United States. Mr. President, I say that until we obtain that kind of a national health act, we shall have to rely upon the voluntary health associations, such as the Blue Cross and the various industrial health plans which today are in existence.

I now read the amendment which the Senate rejected last night by a vote of 40 to 12. I simply wish to remind Senators what they voted on last night and how they voted:

SEC. —. (a) It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home-nursing care and services, insurance, vocational rehabilitation, and other benefits for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise.

Then the amendment provides:

No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice under the National Labor Relations Act.

The amendment further provides:

The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

Now, Mr. President, listen further:

(b) As used in this section, the term "approved plan" means a plan which has been approved, or which is to take effect only upon its approval, by the Surgeon General of the United States insofar as such plan provides for hospital, medical, and home nursing care and services and by the Secretary of Labor insofar as such plan provides other benefits. The Surgeon General and the Secretary of Labor shall approve any plan submitted to them for the purposes of this section if they find that such plan is a bona fide plan for providing benefits for employees and that a fair and equitable method of administering such plan is provided.

Mr. President, is there anything wrong with that amendment? Yet what did it receive in the Senate last night? It received 12 votes in its favor. As the newspapers correctly stated, it was "snowed under" by the Senate of the United States. Yet now the able Senator from New Mexico says that the right way to raise these funds is by having the employers and employees get together. But the Senate was not willing to provide for that.

Mr. President, the record will convict the Senate of the United States—and I say this with kindness—of not having, in many, many instances, given social justice to the people of the United States. I am not impeaching or impugning the integrity or the good motives of any Senator, but I say that we have not done what we should have done.

However, Mr. President, it is possible to get the Senate very excited about an antilabor bill. Although there have been less than 2 weeks of debate and although the debate has provoked at least three admitted changes in the Byrd amendment, it is possible to get the Senate to call that kind of debate a filibuster. It is possible to get the Senate to begin its session at 11 o'clock in the morning, as we did today, and it is possible to keep the Senate in session until the evening, as was the case yesterday and as we are doing now, and I suppose an effort will be made to keep the Senate in session all night if the Senator from Florida does not quit.

Mr. President, it is possible to get the Senate to invoke cloture to hasten action on some legislation to outlaw for all practical purposes a health and welfare fund, by providing that it must be administered in a certain way which employees will never wholeheartedly accept. It is possible to do that without any trouble. If the subject of the Senate's excitement is labor, it is possible to do a great many things and it is possible to get a great many votes to obtain cloture or to have long sessions.

But when eventually we dispose of this antilabor bill, I wonder how fast other measures which it is necessary to place upon the statute books will progress in the Senate. I wonder how fast the Senate will progress in regard to the Selective Service Act which today should be upon the statute books of the United States, but, on the contrary, is lingering upon the calendar of the Senate of the United States. How fast have we moved by means of a proper Selective Service Act to provide in a fair way for the security of the United States, to keep our obligations to our allies, and to keep our debt to our dead who lie upon foreign battlefields? Mr. President, what did the Senate do with that measure? The House passed it. The Chairman of the House Committee on Military Affairs, the able Representative MAY, told me here in the Senate only a few days ago that the Senate let the measure lie upon its calendar week after week, and did not take it up.

Then what happened? The British loan came along, and upon this floor we debated the British loan for more than a month, without cloture, without the exacting demands upon our time that are being required in connection with the pending measure, although that measure perhaps also affected the peace as well as the discharging of our obligation to one of our principal allies. Some of the very Senators who are so diligent and so earnest and, if I may say so, so hasty in their efforts to dispose of the pending antilabor legislation were not at all hasty in their efforts to dispose of the British loan measure.

No, Mr. President; although the Senate debated the British loan joint resolution for more than a month, sometimes meeting only 3 days a week, if my recollection is not faulty, although the Senate did not have any night sessions to speak of, and did not meet for long hours, and did not invoke cloture, the selective-service law came within hours of expiration. The emergency became so great that, finally, in action which I must submit was unseemly, the Senate temporarily, and without a word of debate or a word of discussion, passed a stop-gap-until-July-the-first selective-service law.

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

Mr. PEPPER. I yield.

Mr. BREWSTER. Is the Senator from Florida aware that the RECORD shows that that matter was before the Senate for 6½ hours, during which it was explored?

Mr. PEPPER. Mr. President, is the Senator from Maine aware of the length of time which elapsed from the time a motion was made to pass that measure until the time when it actually passed the Senate?

Mr. BREWSTER. Mr. President, I only know the time when it was presented to the Senate for action and I know there was discussion for hour after hour in the Senate on the measure, contrary to the statement just made by the Senator from Florida.

Mr. PEPPER. Mr. President, the RECORD will speak for itself, and hereafter I shall rely to a considerable extent upon the RECORD. It is the recollection of the Senator from Florida and I believe it is within the memory of many Senators on this floor that what actually occurred was this—and I am not talking about the effort to set aside the British loan measure, which was a preliminary discussion and controversy. I speak of the time devoted to consideration of the merits of the joint resolution the Senate passed. What happened, if I remember correctly, is that the Senator from Colorado [Mr. JOHNSON] first sought to get up a continuing resolution; and objection was made.

Then the Senator from South Dakota [Mr. GURNEY] asked unanimous consent that the Senate consider a joint resolution which was not yet on the calendar, or even pending before any committee. He received unanimous consent. The joint resolution proposed that the life of the then existing law be extended to June 15. There was about to be some discussion with regard to the matter, and the Senator from Colorado offered a substitute to the effect that the date be changed to July 1. Then the Senator from South Dakota withdrew his proposal of June 15, and without debate or discussion, and in a minute's time, and without a record vote, the Senate passed the stop-gap joint resolution which had to be sent to the House and made law by midnight last night in order to prevent the expiration of the Selective Service Act.

Mr. President, what did that joint resolution provide? It was announced by

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the able Senator from Alabama, a distinguished member of the Committee on Military Affairs, that the joint resolution which the Senate had passed, without first considering the selective service law measure which had been reported by the Committee on Military Affairs, would have the practical effect of keeping in the serivce a great many—I believe he said 100,000 or 200,000—fathers then in the Army when they should be discharged, and men of 18 and 19 years of age taken into the Army in their places.

The able Senator from Alabama also pointed out that the effect of the way in which the Senate acted or did not act with regard to the selective service law, would be that many men who had had longer service than they should be required to have, would be compelled to continue in the Army instead of being discharged, because of the fact that other men would not be available to take their places. Because we did not take up the selective service measure, except in the way in which it was taken up, the able Senator pointed out to the Senate the effect of our action.

Mr. President, a selective-service measure is still on the Senate calender awaiting the action of the Senate. Yet, Senators insisted that the pending anti-labor legislation be taken up because there were many persons in the country, and many Members of the Congress who felt that something would be done through such legislation to curb the power of labor to strike, or in some way compel the miners to return to the mines and the railroad workers to return to the railroads.

What I am saying, Mr. President, is that when the Senate is ready to act, it can act with remarkable celerity. However, I am lamenting the fact that most of the time when the business before the Senate pertains to national welfare, or, perhaps, social justice to workers, it is a long and exceedingly arduous row which the proposed legislation has to travel in the Senate of the United States.

So, Mr. President, had we encouraged management and labor to set up adequate welfare funds, or had we adopted proper legislation to provide for the health and care of all of the working people of this country, John L. Lewis would not have the weapon which he has today and which he has used in bringing about the stoppage of work in the mines.

Mr. President, who is really at fault? Is it John L. Lewis, whose demands for a health and welfare fund have long been neglected? He has finally said, in effect, "We will work no longer until provision is made for a health and welfare fund for my miners." He has said, "We will not return to work nor execute a new contract until you give us such a fund." Is he at fault, or are the mine operators at fault? The mine operators have said, "We will not discuss that issue with you because it is a new social principle, and it is not a proper subject of collective bargaining. It is not a proper subject of negotiation between you and us." Is Lewis at fault in asking for a health and welfare fund, or are the mine operators at fault who have said that they do not believe in this new social principle, and have refused to negotiate with Lewis and his miners upon that subject?

Mr. President, I ask again, Who is at fault? I have mentioned John L. Lewis because he is the man who started most of the present controversy. Every time John L. Lewis strikes, or does not send his miners into the mines without a new contract, we pass new legislation in the Senate of the United States. When the pending bill is passed, we will wait until John L. Lewis again stops work, and then we will try once more to pass another law. That is the way we legislate in the United States Congress on the subject of labor. That is what the record convicts us of having done, Mr. President.

I repeat, Who is at fault? Is it John L. Lewis who asks for a health and welfare fund for his workers and others who have asked and received health and welfare funds for their workers? Are they at fault or is the United States Congress at fault for not seeing to it long ago that the workers, through plans worked out beween management and labor, were provided with an adequate health and welfare fund in order to take care of home nursing, dental necessities, clinical services, and so forth, in connection with all the people of this great and rich United States of America?

Yet, Mr. President, if John L. Lewis says to the operators, "I will not go back into the mines with my men unless you, at long last, let me get rid of the country doctor, let me get rid of the tyranny of company domination over the health care for which workers now pay good money out of their own pockets, and for which, incidentally, they do not receive any consideration from the standpoint of tax reductions," censure is heaped upon him. I need not remind Senators that when the workers have paid a fee out of their wages in order to receive only partial health care from the operators, they are not able to deduct it from their income taxes.

However, Mr. President, as I pointed out a while ago, in 1944 the coal mining operators received between five million and six million dollars out of the pockets of the people of this country to spend as they wanted to spend it in connection with their trade associations, but it did not cost them one penny. It did not come out of their pockets; it did not come out of the salaries of executives; it did not come out of the dividends declared by the companies; it did not come out of reserves; and it did not come out of surpluses. Oh, no, Mr. President. It was given to them tax free by the people of the United States. It amounted to five million or six million dollars.

Mr. President, I will tell you something else, if I may refer to it. I think it is still germane to the question of social justice.

Some time ago the Congress passed a bill which has since been called the carry-forward and carry-backward tax law. What has been the effect of that law, Mr. President? It provides that if a corporation has lean years during the postwar period it may draw back from the United States Treasury a sum of money equal to that which it paid in excess profits taxes during the war. The law which had already been enacted was changed. If the law had not been changed the corporation which had made money and paid taxes on it would not have been allowed to receive money from the United States Treasury for a subsequent loss. Yes, Mr. President, we permit a corporation which has experienced a lean year after the rich harvest of the war years to go to the United States Treasury and receive money from it which it has previously paid to help the country during the war.

Mr. President, many white-collar workers and many women, boys, and girls also paid taxes during the war for the support of their Government in its war efforts. Some of them made high wages. They received one dollar, and perhaps two or three dollars an hour for their services or, as one good old friend of mine down in Florida used to say, they were eating high up on the hog. But they were not being satisfied merely with pig's feet, they were away up on the ham part of the hog in those days. Some say the best part of the hog is not always the ham. I am reminded of the man walking down the street one day who met a stranger and thought he would introduce himself. He said, "My name is the best part of the hog." The man said, "How do you do, Mr. Chitterling?"

Those people were making good wages, and they paid high taxes on their good wages. Many of them have lost the good jobs they had. But has the Congress passed a law to let them get back some of the money they paid in as taxes during the war? No, Mr. President; I do not know of such legislation being passed. Does any Senator think we could get such legislation through? No; we could not.

The legislation for refund of taxes was passed by Senators who thought, and they were conscientious about thinking, that they were helping the business life of the country. Again, Mr. President, I am always saying, as William Jennings Bryan said better than anyone else ever will say it, a great many public men make the definition of a businessman too narrow. If it is a large corporation, it is a business, but if it is merely the labor of a poor man or a humble woman, in the opinion of many people it is not business. If we help that poor devil or the humble woman we are not statesmen, we are radicals, as bad as MURRAY, and PEPPER, and GREEN, and a lot of others around here. We are radicals, we are almost Communists. They often think it when they do not say it, and they say it often enough.

Mr. President, what we have to learn before we ever give social justice to the people of this country is what is serving the business interests of America. Yet when we come along with a minimum-wage bill, a little bill to provide 65 cents an hour to men and women who work, as a statutory minimum, could we get it passed? We could not, except with an emasculating amendment which the President of the United States advised us, through our able leader, would cause him to veto the bill before we ever put it in. We cannot even give the workers of this country who make less than 65

cents an hour a decent wage through the action of the United States Senate.

Have we given social justice, therefore, to the people of this country? Have we made labor feel we have done for them all they should get, that we tried to be fair? I am afraid many of them do not think so. So, when we try to pass some remedial legislation, which will actually help the people, all of us know all too sadly what the results are in the Congress of our country.

I wish to say, Mr. President, and I say it in no sense of the word with bad motives, I say it in no sense of the word as a threat, I state it out of my heart, as a prophet, there will never be industrial peace in this country until Congress and the employers of this Nation actually and honestly give social justice to the men and women who carry upon their backs the burdens of this great land.

We may try a lot of expedients, we may become rash and angry and drive a few Senators off the floor, defeat them ignominiously for their efforts: but that will not stop strikes; it will not change the attitude of the working men and women to one of confidence instead of lack of confidence; it will not provide purchasing power; and it will not bring about the production which would be attained if we would soften the stubborn necks of many of the employers, make them try to be fair to their employees, and pass in the Congress the legislation which would assure social justice to the people of this country.

I mentioned a case here the other day of one of the great companies of this country, the General Electric Co., as I recall. I stated that I was informed that that company drew $10,000,000 from the United States Treasury during a time when the workers of the company were out on strike and not getting a dime for the time they were not at work. Is that social justice? Is that fairness on the part of the employer?

Oh, no, Mr. President. We all knew, it was commonly stated here in the Congress, that when the General Motors strike was on General Motors did not care whether they settled the strike or not, they were drawing back money from the Government while men were idle.

Not only that, but General Motors had reserves, General Motors had great storehouses of capital. Does anyone suppose that any General Motors executive went hungry while the workers were out on strike? Does anyone suppose that any executive of General Motors was unable, during the time its employees—men and women—were out on strike, to send his family to a hospital? Yet, I am going to repeat, at the risk of boring my colleagues, that I was in Detroit, Mich., during the General Motors strike, and I talked to a private doctor there. The doctor told me that private physicians could get all the patients in hospitals they wanted to have taken in because the hospitals had many vacant beds, which the workers in the General Motors plant could not pay for for their families because they were not earning any money during the time they were not working.

Have we given social justice to the workers of this country? Ah, no, Mr. President. Many of us knew that there were many corporations waiting for the end of the war to break the labor unions. Many of us knew it. It was easy to see it. They had become alarmed and embittered by the great increase in organized labor in the United States during the war. If I am not incorrect, the number of organized workers in the labor unions had jumped to 12,000,000 during the war, 12,000,000 men and women, a mighty working army marching shoulder to shoulder. They had found in the principle of unity a new strength, guaranteed the right of collective bargaining by that great man whom I have so often been glad to honor, and whose deserts I have so often praised, the able senior Senator from New York [Mr. WAGNER]. Under the protection of the law for which the Senator from New York is responsible, the workers were granted the right of collective bargaining. Management could not interfere with them in the exercise of that right. Management could no longer intimidate them in the enjoyment of that right. Management could no longer discharge a man because he belonged to a union, as he had a right to, just as he had a right to belong to a church or to a lodge.

Social justice was not granted to the working men and women in this country until just a few years ago, with BOB WAGNER and Franklin D. Roosevelt, who used to fight for social justice together in the senate of the great State of New York, not until they and other far-sighted Senators and Representatives joined in getting through the legislation to which I have referred. Not until that legislation had been enacted did the working men and women receive the protection of collective bargaining.

What happened when it was enacted, although enacted overwhelmingly in the Congress? It was subjected to the most bitter legal attack in the courts. Great corporation lawyers, many of them officials of bar associations, issued solemn statements that it was unconstitutional.

It was all right for management to be organized, it was all right for management to represent organized dollars, it was all right for management to be members of organized trade associations, but all wrong for men and women who worked to organize into an association of their own which they freely would form. So, Mr. President, the enemies of social justice and collective bargaining first fought it in the Congress, then they fought it in the courts, and they have been trying to destroy it in one way or another ever since, and Senators on this floor know what I am saying is true.

There have been employers, and, I regret to say, Members of Congress, whose actions have indicated an enmity to collective bargaining ever since it has been on the statute books. We cannot go to an ordinary chamber of commerce meeting in most cities of this country, in most of our States, we cannot go to a meeting of manufacturers, we cannot ordinarily hear a group of so-called big businessmen talk, but that one of the first things that is said is, "Why don't you correct the iniquities and inequalities and the shortcomings and the defects of the collective-bargaining law and the National Labor Relations Act?"

Mr. President, some of the very amendments pending to the bill before us have for their purpose the curtailment of workers' rights under the National Labor Relations Act, and some other amendments which will be proposed to the bill have for their purpose the curtailment of another remedial statute which gave a measure of social justice, the Norris-La Guardia Act.

Mr. TOBEY. Mr. President, will the Senator yield to me so I may ask unanimous consent to speak briefly?

Mr. PEPPER. I will gladly yield, if the Senator wishes to ask a question.

Mr. TOBEY. Mr. President, I ask unanimous consent to take a few moments to read a telegram to the President of the United States.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Is there objection? The Chair hears none.

Mr. TOBEY. Mr. President, I have a duty to perform, and I rise to do the best I can toward that great objective. I speak in behalf of hundreds of poultrymen of the State of New Hampshire, whom I have the honor to represent here tonight and who find themselves in a tragic situation. What I am about to say is by the evidence which has come to me in the form of letters, telegrams, and telephone calls, which set forth the dire situation now existing in my State. The emergency is extreme and immediate relief must be had. Growing stock is dying on range and flocks have been reduced to a sad extent because grain cannot be obtained for their food. I have in my hand a copy of a telegram which I am sending to the President, which I read to the Senate:

MAY 23, 1946

THE PRESIDENT,
White House, Washington, D. C.:

This is a Macedonian cry.

I appeal to you in behalf of our New Hampshire poultrymen, who are sick at heart and discouraged at the tragedy which confronts them. Their entire and exclusive business is the production of poultry and eggs for food and breeding stock. They are without grain for their flocks. Growing stock on range are dying of starvation.

That is actually true.

Laying and breeding fowl have been thrown on the market in great numbers, because grain cannot be obtained to feed them. A certain result of this will be scarcity of poultry and eggs this fall and winter.

The tragic situation has been accentuated by the Government's raising the price it is paying for grain for foreign shipment. Let the Government purchase grain to save our farmers, the while it does this for the needy abroad. The situation demands heroic action.

Will you not issue a proclamation citing the dire situation confronting poultrymen, and call upon those withholding grain from market for anticipated speculative profits, to meet this need, and create a reservoir of grain supply to be prorated according to needs?

Our people have the right to expect of and to plea to their President to exercise the great powers of his office under the War Powers Acts and instruct the proper officials in the Government to take this immediate and unusual step to alleviate the most serious situation which ever confronted our poultry raisers.

I suggest the raising of the ceiling on grain at once to help care for the needs of the emergency.

Sincerely yours,

Senator CHARLES W. TOBEY.

I thank the Senator from Florida for yielding to me.

Mr. PEPPER. I thank the Senator for the interesting information contained in his telegram.

Mr. President, I stated a moment ago that there were many employers in this country who I felt were waiting for the end of the war to try to break the labor unions because they resisted their power, and they knew that if collective bargaining remained unhampered it would mean that the workers would demand and receive social justice from them.

I have in my hand a news letter sent out by the John O. Munn Co. of Toledo, 4, Ohio, under date of September 18, 1945. It is called "Market Service for Automobile Dealers." At the top we find the designation "Munn Automobile News letter." Here is a passage which I shall read from a photostatic copy of that letter:

Perhaps the only solution is a policy of sitting tight and waiting until the economic pinch forces workers to realize they must stay on the job or starve. At the moment there is no disposition on the part of management to become frantic over labor unrest. A watching and waiting policy is the general rule.

Mr. President, according to that, many men in management would not care if a few workers starved or if those who always bear the brunt of a worker's poverty, their wives and children, starved, if it would accomplish their purpose of beating and coercing the workers into subservience. That is what the letter says. I think, Mr. President, it is too probable not to be untrue in case of a great many executives and a great many corporations.

Mr. President, I will proclaim it that there is evidence of the fact that the mine operators feel the same way; that they are willing to let miners go for weeks or months without a penny of compensation, if they can beat them into subservience.

There is evidence, Mr. President, that the mine owners have deliberately let this strike occur in order to break the power of the mine workers of the Nation. There is evidence that the railroad management is willing to let the country go through the agony of a transportation stoppage if, Mr. President, they can keep unimpaired their great wartime profits, or if public animosity toward the workers, or legislation that Congress might enact, would weaken the collective bargaining power of the railway employers. Yet, Mr. President, we are condemning these employees without a Senator on this floor, I dare say, being able to tell his colleagues how many hours a month they now have to work. I imagine that we are condemning these railway employees without a Senator on this floor knowing what the wage scale is under which they presently have to labor. I dare say, Mr. President, that we are willing to have long sessions and invoke cloture against our amendments and in favor of the restrictive amendments, without a Senator on the floor really knowing what the controversy is between railroad management and labor except what we read in the newspapers every day.

Mr. HAWKES. Mr. President, will the Senator yield to me for a moment? I wish to ask a question.

Mr. PEPPER. I will have to yield only for a question.

Mr. HAWKES. That is what I want the Senator to yield for. I want to ask the Senator from Florida if he has any confidence in the President of the United States who has made a proposal to the railroad men in order to try to solve the problem and keep the Nation going. Does the Senator think the President had any justice on his side when he made the proposition to these men which they turned down today? I ask the Senator that question with a very deep conviction in my heart and mind that the railroad brotherhoods have been a magnificent set of unions, but I want the Senator to——

Mr. PEPPER. I cannot allow the Senator to make a statement without yielding the floor.

The PRESIDING OFFICER. The Senator refuses to yield.

Mr. HAWKES. I simply wish to ask the question: Does the Senator think the President of the United States has given consideration to the justice of the demands of the railway men, and does the Senator have confidence in what the President is doing?

Mr. PEPPER. Of course, Mr. President, I have confidence in the President of the United States. I do not know what the terms of the offer were which was made to the workers on the railroads. That does not necessarily mean that the workers would not have the right to reject the offer even though the President proposed it. But I will say that in my opinion, if fair proposals had earlier been presented by management we never would have had the work stoppage that is keeping this country in travail tonight.

Mr. HAWKES. I do not want to go into that question. I want to know whether the Senator now thinks that the President and his group, who have analyzed this situation for weeks, and have known it was coming on, have any justice in the proposition they have made to the workers, and if the President's proposition furnishes justification enough to enable them to continue at work and keep the Nation going while the problem is being solved?

Mr. PEPPER. Mr. President, I would, if I were a worker, yield every possible conviction and feeling of my own in the national interest and toward cooperation with the President in this case. But the Senator will also have to remember that the President is acting only in a limited capacity, with a limited power. I do not know but that the President of the United States had to offer less than he felt was right because of the insistence that management would not continue that contribution or that wage when it got the railroads back, and the President knew he had no authority to continue an indefinite operation of the railroads. I will say that if they will leave the dispute completely to the President of the United States, to grant social justice in both the mine case and in the railroad case, he will grant it, and there will be work in the mines and on the railroads within 10 hours.

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

Mr. PEPPER. I yield.

Mr. BARKLEY. It might be of interest to the Senator from Florida and to the Senator from New Jersey and the Senate as a whole to know that, notwithstanding the fact that under the terms of truce or postponement of the railway strike for 5 days, which ended at 4 o'clock today, the parties are still in session under the call of the President. The management and the representatives of the railway organizations are still in session in an effort to compose the difference, and resume transportation facilities in the United States, and we all hope that before they shall adjourn they may reach a conclusion that will result in the resumption of transportation.

Mr. PEPPER. Mr. President, I thank the able Senator from Kentucky.

Mr. BARKLEY. I think it ought to be said that the President is doing everything within his power to bring this difficulty to a conclusion so that our transportation facilities may not be for a very long period, or any longer, if possible, interrupted.

Mr. HAWKES. Mr. President, will the Senator again yield, because I do not want to be misunderstood.

Mr. PEPPER. Mr. President, I am subject to losing the floor if a point of order should be raised, according to the announcement previously made, although in good faith I have yielded heretofore. However, I may lose the floor if the rule should be invoked.

Mr. HAWKES. I will ask unanimous consent to ask a question of the Senator from Florida.

Mr. BARKLEY. I asked the Senator a question. The question was if he knew that this was the situation.

Mr. PEPPER. I thank the Senator. He has always been a good lawyer.

Mr. HAWKES. All I want to say is this, so that none of us will misunderstand each other, that I have not intimated that the President of the United States is not doing everything within his power to bring about a solution of this problem. The point I had in mind was, Does the Senator from Florida feel that these people should have put this Nation in the state in which it is, when the conference referred to by the majority leader was going on? Can we not all be a little more patient with one another than this thing seems to indicate?

Mr. PEPPER. Mr. President, when two men disagree I am not going to pass judgment on the one responsible for the disagreement unless I know what the controversy is and everything that occurred. I will say that in my opinion management, on the whole, has been more responsible for both these strikes than labor has been; and I challenge a fair and impartial inquiry to ascertain the facts.

I go further than that. I would welcome tomorrow morning—or tonight if Senators wish to do it—the Senate of the United States appointing a joint committee headed by the able majority

leader, the able minority leader, and such other Senators as the Senate might authorize to serve, to call the representatives of management and labor in this controversy to the Capitol and let us find out from them first hand what each one of them has to say about the controversy, rather than legislate upon the basis of newspaper reports or second-hand accounts of what may have happened.

The interesting thing, Mr. President, is that not one single committee, either special or general, has made an investigation of either one of these controversies to ascertain what legislation, if any, we should adopt, what changes, if any, these two strikes should cause us to make in either the National Railway Labor Act or the Smith-Connally Act. Yet here we are, with the public believing that tonight, or tomorrow, or by noon Saturday, when the cloture petition has worked its effect, we shall have enacted a law which, if the House will concur and the President will sign it, will immediately be the panacea both for these situations and for other industrial strife in the United States.

Every Senator knows that that is not so. If this proposal were law today, it would not affect one iota the negotiations going on at the White House now, as we are told by the able Senator from Kentucky. We know that. Yet we assume, as I said the other day, that because the men are finally provoked to quit work, it is all their fault; and public contumely is heaped upon them and their dependents because they have been finally provoked into stopping work, as they have a right as American citizens to do. Their injuries have become, in their opinion, so grievous that they will not longer countenance their continuation.

Yet Senators unconsciously say that the worker who quits is at fault, instead of the employer who will not give him a decent wage, a health and welfare fund, or decent working conditions. The Bible says, "He that is without sin among you, let him first cast a stone." I should like to hear this controversy before I adjudicate that the working men and women are at fault. The public is inconvenienced, but I will say that neither the owners of railroads or coal mines experience anything like the public prejudice, the public disfavor, and the personal loss which the workers themselves experience when they quit work. Would they do it unless they had some serious reason for it? Would they stop work, stop the Nation's mines, stop the Nation's railroads, unless they felt that they had come to the end of their rope in trying to obtain redress by remonstrance?

As I stated a while ago, Patrick Henry counseled us somewhat in these terms: There comes a time in the life of every self-respecting man and women when he ceases to beg, petition, and plead. He demands his rights, and he enforces them to the best of his ability. So the miners stopped work. As I stated a while ago, we all lament these work stoppages; yet we are not doing anything that would prevent them, and we are not assuring the social justice which would make the workers wish not to stop work; and we shall not do so in the future if we do not change our policy as related to the past.

Awhile ago I was talking about how the mine workers had suffered disabilities and injuries. In the bituminous coal-mining industry in 1939 the average number of disabling injuries for each 1,000,000 hours of work was 71; in 1943, 67.2; in 1944, 64.4. In anthracite mining the figure for 1939 was 127.3; for 1944, 81.3, whereas in all manufacturing other than mining the rate in 1939 was 14.9, as compared with 71 for mining in the bituminous mines.

The number of injuries for each million hours worked in 1943 was 20 in all manufacturing industries and 67.2 in all bituminous coal mines. In 1944 the number of injuries for each million hours of work in all manufacturing was 18.4 and in bituminous coal mining the figure was 64.4.

Mr. President, have we assured Mr. Lewis, on behalf of those disabled miners, a health and welfare fund if he does not get it from the operators? I do not know of any assurance of it. If they had had it they would not be out of work today.

I should like to cite a few more facts for the information of Senators. I read from the United Mine Workers' Journal:

> Miner forced to take his own chances. Work in the anthracite mines is hard, dirty, and dangerous. According to the available records of the State department of mines, 29,709 men were killed while working in the mines. The number of casualties from all causes from 1930 to 1944, a 14-year period, was 221,815—nearly three times the number now employed in the industry. Statistically, every mine worker was injured two and a half times during the last 14 years. And he took his own chances, whether his injury was one that enabled him to return to work in a few days, a few weeks, or whether he was crippled for life and permanently incapacitated, with his back broken or his eyes shot out, or his limbs gone.
>
> In the year 1944, 38 men were brought home to their loved ones dead as a result of being crushed in the chest; 42 with their heads crushed; 11 with broken legs; 7 dead with broken backs; 5 dead from loss of eyes, fingers, and arms; 72 more were killed from injuries to the body that could not be classified; 13,601 men were brought hom injured; 1,322 men injured in the eyes; 1,657 injured in the head; 1,082 injured in the chest; 1,418 injured in the back; 667 with injured arms; 1,012 with injured hands; 1,973 with injured fingers; 1,596 injured in the legs; 1,483 with injured feet; 486 with crushed toes; 328 injured in the abdomen; 577 whose injuries could not be classified.

Yet, Mr. President, our sympathies do not go out to those poor people because we do not see the corpse when it comes home under a canvas. We do not see the weeping widow and the clinging children. No; we are not that close to those tragedies. When a man comes home with his back broken and cannot work any more the rest of his life, and he has to lie in squalor, we do not see the pitiable and lamentable plight which he and his family experience, because we are far removed from the pathos and the tragedy of what happened to him.

I have frequently stated that I am no friend of John L. Lewis. So far as I know, I have never been politically on the side of Mr. Lewis, except when he used good judgment and supported President Roosevelt in 1932 and 1936. I certainly was not with him when he used bad judgment in 1940 and 1944 and forsook the best friend the miners ever had, Franklin D. Roosevelt, and voted with a group of people who, very strangely in the Senate, are voting against him and his miners, as the cloture petition will show, and as the vote last night will show on the Pepper-Murray-Morse amendment, and no doubt as the next vote on this amendment and all the others will show.

I hope Mr. Lewis belongs to the same church to which I belong. I am a Baptist, and we believe in repentence. We even believe in death-bed repentence. I hope that Mr. Lewis will repent and say, "Never again shall I dwell in the house of the Republicans, because I have had too much experience with them. They are not really my friends. They are not really the friends of my miners. I can tell it by the way they vote." I hope he will come back into the house of democracy, and that he will be more persuasive in the future than he has been in the past in getting management and the Congress to give social justice to his miners. I believe they are entitled to it. I believe that with all his vices John L. Lewis is not as big a devil as many people make him out to be. I know that it is unpopular to say that. I really believe that he knows a great deal more about how the miners have to live than we in the Senate know. I never knew, for example, that so many of the mine workers had to live in houses such as those pictured in the newspapers. I have been to only one mine.

Until I saw this page in the Washington Times-Herald of Monday, May 13, I did not know that the privies for those houses were outdoors, that they had no bathtubs, no plumbing; and I did not know that the privies were just a few feet from their kitchens, the way these pictures show them to be. For example, I did not know that the six little boys who are shown in one of the pictures, who are good potential Americans, unless they live too long in bad areas such as the ones pictured, had to live within 300 or 600 feet of these dumps for outdoor privies, where dead cats, dead dogs, and other unseemly things are deposited as refuse. I did not know that such a dump was a mine boys' playground. I imagine that year in and year out John L. Lewis and his cohorts have known about such conditions and have pleaded with management to improve them, but have been turned down. Lewis said in his announcement that in 1945 he demanded a health fund like this, but he was turned down. He determined this time that he was not going to execute a contract unless they provided a health and welfare fund for the miners, to be administered by the miners. I think I remember that Abraham Lincoln said something about "government of the people, for the people, and by the people." I suppose John L. Lewis was thinking of a health and welfare fund for the people, administered by the people, so they would really get the benefit of it, and not have the mine operators, who go to private hospitals and have ample medical care, tell

the miners how much medical care they need, and have a company doctor there, snooping upon them while he treats them, making out a report which will determine whether the injured man shall receive compensation for the injuries he has sustained. Mr. President, how do you think you would feel if the doctor who came to treat you were looking at you out of the eyes of the company, getting paid by the company—not by you, answerable only to the company? Do you think you would want him to examine your injuries and to determine how severe they were, when you knew that he would make out the certificate and the doctor's statement which would determine whether you would be able to obtain any compensation for your injury or how much compensation you would be able to obtain?

My attention has been called to a certification of Mr. Lewis' loyalty to his miners—not a certification by some of us here who are trying to defend social justice for all workers, including Mr. John L. Lewis and including the miners, but a certification by the head of the National Association of Manufacturers. Here is the statement as it appears in the Washington Post of May 23:

LEWIS LOYAL, GETS WHAT HE WANTS, NAM CHIEF SAYS

CHICAGO, May 22—Robert R. Wason, president of the National Association of Manufacturers, today praised John L. Lewis for his record as a labor leader, his honesty, and his loyalty to America.

He predicted at a press conference that Lewis would get what he wanted.

Denouncing the administration for a "sell-out" to labor, Wason said management was now "helpless."

Discussing the CIO organizational drive in Southern States—

Then he went on to make some comment about that. [Laughter.]

Well, Mr. President, I am for it. I should be glad to read that, because I hope they get every worker in the South organized into the A. F. of L. or the CIO and that they all will have collective bargaining rights unimpaired. Then we shall have a better South and a more prosperous South and a healthier South, and we shall have in the South a higher standard of living for the working men and women, in my opinion.

Before I read about the CIO and the A. F. of L., let me say my attention has been called to a somewhat fuller statement, which I believe was carried in a Chicago newspaper, about Mr. Wason's statement. It reads in part as follows:

Asked why he preferred Mr. Lewis to Mr. Murray, Mr. Wason replied:

"When Lewis made a bargain, he kept it. He has always worked in the interest of the people he represents. He has improved the miners' conditions, not for political purposes but for welfare purposes. The loyalties of John L. Lewis are to America, first and foremost."

Mr. President, I do not subscribe to what Mr. Wason has said about Phil Murray. I think Philip Murray is one of the outstanding men in the United States. I think he is as fine a patriot as there is in this Nation. I think he is a loyal leader of labor and a man whose heart is really attuned to the plight of the working people of this country; and, I believe, to democracy and world peace. But I am impressed that the head of the National Association of Manufacturers, instead of calling John L. Lewis a skunk, as I have heard people called in my life [laughter]—a title which is not strange; and, Mr. President, let me say that, of course, you can never tell when a man calls you a bad name, whether he is seeing things or is looking into a mirror. It all depends on the circumstances.

But, Mr. President, instead of calling John L. Lewis all the bad names which Senators sometimes, when they forget themselves, apply to other people when perhaps they should not do so, the head of the National Association of Manufacturers said that John L. Lewis has improved the miners' conditions, not for political purposes, but for welfare purposes.

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

Mr. PEPPER. I yield for a question or for a unanimous-consent request.

Mr. BARKLEY. I should like to ask the Senator whether he does not know that, although the use of the word "skunk" is disagreeable, whenever the skunk appears on the scene he has the right-of-way. [Laughter.]

Mr. PEPPER. At least, everybody will have to admit that he is a gentleman of dignity and of power when he appears. [Laughter.]

As a matter of fact, Mr. President, it all depends on what part of the skunk a man might happen to be associated with. That would influence him a good bit in regard to how he felt about it. I think some people more readily attach themselves to the tail of the skunk than to any other parts of his anatomy. I am not calling any names; I am merely throwing that out as an observation. [Laughter.]

Mr. President, I simply wish to add one or two further things.

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

Mr. PEPPER. I yield for a question.

Mr. BARKLEY. I have been reading the amendment offered by the Senator from Rhode Island [Mr. GREEN], for himself and the Senator from Florida [Mr. PEPPER]. It strikes me that the amendment is not scientifically drawn, or, at least, it is rather crude in one respect. It provides:

That, wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be prescribed by the Federal Security Administrator to assure the equitable administration of the fund for the purposes of which it was established.

I think there should be a semicolon there. However, instead of the words "and to provide for a public audit of such fund," which it seems to me is a rather vague and indefinite provision for an audit, I wonder whether the Senator from Rhode Island and the Senator from Florida would accept, in lieu of that, the following language:

, including an audit of the administration of such fund under the jurisdiction of the Social Security Administrator.

Mr. PEPPER. Mr. President, I am sure that I can speak for the Senator from Rhode Island in saying that we gladly accept the suggestion made by the majority leader and proposed as a modification of our amendment.

Mr. BARKLEY. I believe the language in the amendment does not specify who shall direct or supervise the audit, or under what conditions the public audit shall be made. Inasmuch as the Social Security Administrator is to make the regulations under which the expenditure is to be made, it would be consistent to have the audit of the fund made under the jurisdiction of the Social Security Administrator.

The PRESIDING OFFICER. Does the Senator from Florida modify his amendment in accordance with the suggestion of the Senator from Kentucky?

Mr. PEPPER. I do, Mr. President. The Senator from Kentucky has clarified an ambiguity in the amendment, and we are very grateful to him.

Mr. President, I have already quoted what the president of the National Association of Manufacturers has said. In the Wall Street Journal of April 16, 1946, there is an editorial concerning proposed labor legislation. I ask the privilege of reading it. The caption of the editorial is "Untimely labor bills," and the editorial reads as follows:

Because wage disputes are the second most important factor in the general welfare just now—the first being the administration's idea that World War II is still going on—the report of a majority of the Senate Labor Committee on pending labor measures is a notable document.

Mr. President, I interrupt the reading of the editorial in order to say that the Wall Street Journal has said that the committee bill which we have been trying to have considered by the Senate, and which has been shunted aside in order that some amendments which the committee never heard of, let alone considered, could be proposed in the Senate, is a notable document.

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

Mr. PEPPER. I yield.

Mr. McMAHON. Mr. President, earlier in the day a colloquy ensued between the Senator from Illinois [Mr. LUCAS] and the Senator from Florida [Mr. PEPPER]. The Senator from Illinois pointed out that there was nothing in the amendment of the Senator from Florida which would provide for the administration of the fund in the event that the parties could not agree as to who should administer it. The Senator from Florida stated that he would accept an amendment correcting the situation. I ask the Senator from Florida if the following language, as a modification of his amendment, meets with his approval:

In the event that the employer and employees cannot agree through the process of collective bargaining on who shall administer such a fund and either party shall certify such fact to the Federal Security Administrator then the Federal Security Administrator may notify both parties to the controversy that he will administer such funder under such regulations as he may prescribe.

Would that language meet with the Senator's understanding of the point which was raised by the Senator from Illinois?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Connecticut?

Mr. PEPPER. I yield to the Senator from Connecticut to ask a question, and I invite the attention of the able Senator from Rhode Island to the question which the Senator from Connecticut has propounded.

Mr. GREEN. I am sorry, but I did not understand the Senator's question.

Mr. McMAHON. Perhaps I may refresh the recollection of the Senator from Rhode Island on the point. Earlier in the day in a colloquy which took place between the Senator from Illinois and the Senator from Florida, the Senator from Illinois said as follows:

The point I raise, I may say to my good friend, is that if, through collective bargaining, the parties are unable to agree on who shall administer the fund after the fund has been raised, what then takes place? The absence of any provision in that regard strikes me as being an important defect in the Senator's amendment. There is no provision whatsoever in the amendment to take care of the situation in the event the two parties are unable to agree on who shall administer the fund.

The Senator from Florida replied:

If the able Senator were to offer a suggested perfection of the amendment which would provide that in the event the employer and the employee were not able to agree on the administration of the fund, the administration of the fund should be under the Federal Security Administration, we should gladly accept such a proposal.

In line with that colloquy, and because I believe the Senator from Florida was wise in saying that he would accept such a provision, I have endeavored to draw one covering the situation. Does it meet with the approval of the Senator?

Mr. PEPPER. With the permission of my colleague, the able Senator from Rhode Island, I may say that I agree to the modification of the amendment and ask that the amendment be modified in that respect.

Mr. GREEN. May I ask to have the modification reread?

Mr. McMAHON. I will read it again:

In the event that the employer and employees cannot agree through the process of collective bargaining on who shall administer such a fund and either party shall certify such fact to the Federal Security Administrator then the Federal Security Administrator may notify both parties to the controversy that he will administer such fund under such regulations as he may prescribe.

Mr. GREEN. Does that language apply merely to the administration of the fund?

Mr. McMAHON. Yes. If the parties agree to the establishment of the fund and cannot agree on who shall administer it, either party shall notify the Federal Security Administrator and if he finds the facts to be true, as stated, he will notify both parties that he will administer the fund.

Mr. BARKLEY. May I ask the Senator from Florida to yield?

Mr. PEPPER. I yield.

Mr. BARKLEY. Where would that modification be placed in the amendment which has been offered? The Senator will see that there is a proviso in the amendment which reads:

Provided, That wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be prescribed by the Federal Security Administrator to assure the equitable distribution of the fund for the purposes for which it was established—

And so forth. That language, Mr. President, does not provide who shall administer the fund. Where should the Senator's provision be placed in the amendment?

Mr. McMAHON. It would come in after the word "employees."

Mr. BARKLEY. It would come in before the proviso.

Mr. McMAHON. The proviso takes care of the situation, as I understand it, where both parties have agreed that either one or the other shall administer the fund, and even in that event they shall administer the fund under regulations prescribed by the Administrator, but the Administrator would not, of course, in that situation, administer the fund inasmuch as the employer and the employee had agreed to administer the fund. If no agreement can be reached on who shall administer the fund, either party shall notify the Social Security Administrator, and he will administer the fund.

Mr. BARKLEY. And the language to which the Senator refers would come in before the proviso.

Mr. McMAHON. Yes.

Mr. GREEN. I doubt if such an unusual situation would ever occur, because, in establishing a fund one of the things which would be determined quite as readily as the size of the fund, would be the question as to who should administer it. I cannot believe that two parties would set up a fund and not agree on whether it would be administered by the employer, or the employee, or administered jointly. If it is considered proper to provide for such an improbable contingency, I see no objection to it.

Mr. McMAHON. Let me say to the Senator from Rhode Island that it might not be so improbable as he believes. Let us assume that the operators and the employees were unable to agree with reference to the administration of the fund of X millions of dollars. In that event the Federal Security Administrator would administer the fund. I believe the situation is not so unlikely as the Senator from Rhode Island believes it to be.

Mr. GREEN. I think that such a situation is a very unlikely one. However, I see no objection to modifying the amendment accordingly.

The PRESIDING OFFICER. Does the Senator from Florida modify his amendment in accordance with the suggestion of the Senator from Connecticut?

Mr. PEPPER. Yes, Mr. President. And we thank the Senator for his suggestion.

Mr. President, I was reading from an editorial published in the Wall Street Journal of April 16, 1946, concerning the basic bill which has been turned aside in the present haste to enact legislation which the committee never considered at all. I continue reading from the editorial:

Its significance lies in the realization of its authors—

That means the authors of the committee bill which was reported by a majority of the committee—

of the obvious fact that it is impossible for Congress to enact, in a hurry and under prevailing conditions, a labor relations statute which is comprehensive and so fairly and skillfully drawn that it will command respect on both sides of the bargaining table.

Mr. President, is it not somewhat interesting that the Wall Street Journal should lecture the United States Senate as to how it should legislate? And, yet, can any of us deny that what the Wall Street Journal has said is good advice?

I continue reading:

We surmise it is for that reason as well as because of its dissatisfaction with specific provisions of the House-passed Case bill that the committee rejects that measure. At any rate, the committee offers by way of substitute only a proposal to create a five-man Federal Mediation Board and to forbid union interference with interstate movement of perishable farm products. Having no power of compulsion, such a Board would differ little from the existing Conciliation Service of the Department of Labor. The almost negative character of the bill the committee favors is itself an indication of the committee's belief that this is no time to attempt sweeping labor legislation.

This newspaper agrees substantially with the committee's criticisms of the Case bill and of the President's fact-finding program. It holds that the former, by requiring "cooling-off periods" following notice of intention to strike, seriously abridges the right to strike and is therefore wrong in principle.

We think it might have added that because of radical differences between railroad men and employees in general industry, the cooling-off device which has been helpful to prevent strikes on the rails would probably be unworkable in most other basic industries. Its enforced extension into other fields, if feasible at all, should await a far clearer and wider understanding of the right functions of the Federal Government in respect to labor relations.

President Truman's statutory fact-finding boards, the committee fears with good reason, would prove to be a first step toward compulsory arbitration, to the injury and possible destruction of real collective bargaining. Neither employers nor employees are anywhere near ready to accept such a system of labor regulation.

I again interject to remark that, the Wall Street Journal is saying that employers, management, in the United States, are not ready to accept compulsory arbitration, to have the Government tell them how much they shall pay, the working conditions, the amount of the health fund, and all the other terms and conditions of employment in the United States today.

None of the labor measures recently brought forward deals at all thoroughly with the fundamentals of national labor legislation. Any one of them if enacted would leave Federal laws on the subject a patchwork

of inconsistent and partly conflicting provisions for the courts to struggle with. The real need is not of more law but of less.

That is not the Senator from Montana [Mr. MURRAY], that is not the Senator from Florida, that is not the Senator from Rhode Island [Mr. GREEN], or the Senator from Kentucky [Mr. BARKLEY], that is the Wall Street Jorunal saying that the answer to this situation is not more legislation.

The real need is not of more law, but of less, of simpler and more precisely expressed statutes designed first of all to render men and groups of men equal before the law.

Federal labor law should be thoroughly revised and codified. Until it is ready to tackle that job in an atmosphere of relative industrial peace, Congress would do well not to legislate on labor.

Mind you, Mr. President, what the Wall Street Journal counsels us to do. We legislated hastily in 1943. Senators are determined that we shall legislate hastily now. The Wall Street Journal is interested in business, it is interested in the welfare of management, it is interested in the point of view of the employer. It certainly is not a labor mouthpiece. It is not a Communist institution. It is not a radical sheet. It is the Wall Street Journal, and it is counseling us how to legislate in the difficult, complicated field of labor relations.

Mind you, Mr. President, not as a threat, but as a prophecy, as the Wall Street Journal has given one, I make the prediction that if we violate the advice given us by the Wall Street Journal we will regret it in the future, for we will provoke more strikes than we now have, we will stir up strife instead of stifling it and suppressing it, we will embitter labor leaders and working men and women instead of giving them confidence that will make possible effective cooperation with management.

Mr. President, I was reading from the Wall Street Journal. Now I wish to read a letter which voluntarily was sent by certain gentlemen to the Senator from Montana [Mr. MURRAY], the chairman of the Committee on Education and Labor. It is carried in the RECORD of May 22, and reads:

DEAR MR. MURRAY: I am attaching a copy of a letter addressed to you by 114 economists, political scientists, and other educators. This letter is an expression of approval of the Federal mediation bill as reported by the Senate Committee on Education and Labor, of which you are the chairman.

Not the Byrd amendment and the Ball amendment and the Taft amendment, but the bill reported by the Senate Committee on Education and Labor.

Other names will be added to this list in the next few days. The letter is sent to you at this time, as it seemed important to record our opinion while the bill was pending on the floor. We trust that you will find this expression of sufficient importance for introduction into the CONGRESSIONAL RECORD.

Sincerely,

COLSTON E. WARNE,
Professor of Economics, Amherst College.

Mr. President, I wish to read now a few of the comments made by this group of men, and then read to the Senate who the gentlemen are, and ask whether their standing and whether their counsel do not deserve the consideration of this honorable body. The statement reads:

The undersigned economists, political scientists, and other educators join in support of the bill establishing machinery for mediation and voluntary arbitration of industrial disputes, which the Senate Committee on Education and Labor has favorably reported. We believe that this bill reflects a sound approach to labor relations in that it establishes a Federal Mediation Board of five which will centralize Federal conciliation efforts and encourage the widespread use of mediation and voluntary arbitration. This Federal Mediation Act would not impair the work of the National Labor Relations Board or set aside the Norris-LaGuardia Act. Instead, it offers in its present form a distinct improvement in procedures for handling labor disputes.

We feel equally strongly that the Case bill (H. R. 4908), passed by the House of Representatives on February 7, 1946, and rejected in its entirety by the Senate Committee on Education and Labor, should not receive favorable consideration. The Case bill was a substitute measure passed by the House without hearings and during a wave of strikes which created an atmosphere which was not conducive to sound judgment. This bill seems designed to impose punitive measures upon organized labor rather than to foster the adjustment of industrial disputes.

It was perhaps inevitable that sharp disagreement would follow a wartime era, an era of strict controls of wage movements. The subsequent period of readjustment would almost certainly involve some labor-management conflict, some clash of interests requiring resolution and readjustment. It is not a new development in America that Americans reserve the right to disagree. It is a tradition inherent in the fabric of our institutions. By the same token, it is not a new development in American history that when a group of employees feel that they have reasonable grounds for dissatisfaction with their wages or working conditions, they have the right to refuse to work under those conditions, and acting in protection of their respective rights, to withhold from their employer their labor until mutually satisfactory conditions can be worked out across the collective-bargaining table.

I interpolate, Mr. President, to ask is that good Americanism? Is it good democratic doctrine? I quote again:

The postwar months have brought a sharp rise in Strikes. Labor and industry have disagreed as to the essential readjustments. Freed of the demands of all-out war, the workers have exercised their constitutional right to engage in a joint refusal to accept the employers' conditions and to bring their grievances to the American public. Voluntary arbitration of these disputes has been typically rejected, not by the unions but by the employers.

That is not my word, Mr. President, that is the word of the group of gentlemen whom I shall name in a few moments.

The time-honored procedures of give and take across the collective-bargaining table, assisted by voluntarily accepted mediation by Government or other disinterested parties and by voluntary arbitration, have already served to bring the parties together and to secure agreement in very large sectors of American industry. This process has already developed a pattern of higher wage standards which employers in other industries still on strike may be expected to find it increasingly difficult to resist.

I interpolate again to say that I have not seen that the railroad management has been willing to offer the amount the steel workers and the automobile workers got. My recollection is that the offer was 16 cents, not 18 or 18½ cents an hour, which the steel workers and General Motors workers got. So far as I am aware, the standard as yet in the other adjustments has not been afforded to the railway workers.

While this process has been going on, however, efforts have been made to rush legislation to restrain the activities of organized labor. The Case bill is an example of such legislation. The almost universal assumption of those Members of Congress who have participated in the rush to introduce restrictive legislation has been the very expressly stated assumption that legislative action is essential to outlaw strikes.

The bills have varied. The impact has been consistent.

Some bills have been blunt and direct in their attempt to outlaw strike action for greater or lesser periods. Some have been directed against internal policies of the labor unions. Some have been directed to the limitation of the political activities of labor unions.

Mr. President, these gentlemen are reflecting like a mirror the proposed legislation before the Senate today, and I am going to read their names in a moment.

Some—

Talking about bills; they might have referred to some amendments—

Some have offered new restrictions on picketing, on boycotts, and on other activities of labor organizations in the economic struggle.

All of these measures have, in one form or another, pointed the accusing finger in the direction of labor and have assumed that the prevention of strikes entails not the amelioration of the conditions which create dissatisfaction or the improvement of mediation machinery, but the repression of the organizations through which the employees seek rectification of those conditions.

Again, Mr. President, I interpolate to ask, Did you hear that? How many times have you heard, Mr. President, the very thing on the floor of the Senate which these professors told us about in this letter which they sent?

I read further:

We do not urge that the accusing finger be turned in the direction of the employer or indeed in the direction of any party or group.

We do urge that the situation is one which cannot be corrected by a vindictive attitude toward organized labor. Too many of those in Congress who have used the circumstances of today as an excuse for seeking repressive legislation are those who have used the circumstances of every period in our recent history as a pretext for efforts to repeal or modify the enlightened policy of the National Labor Relations Act and to seek repression of organized labor.

Mr. President, again I interpolate to say that I am not impugning any Senator's motives, but I have a right to refer to a Senator's written record, I believe, and I simply make the inquiry, and make it so that Senators may search the RECORD and search their memories: What has been the voting record generally of Senators advocating the amend-

ments which we call repressive, upon other labor measures? I am not denying the right of any Senator to vote as his conscience directs, but I say that a search of the RECORD will disclose that Senators who are generally offering or advocating what we call these repressive amendments—and Senators know the amendments I am referring to, the Byrd amendment and other amendments offered by other able Senators—generally speaking have not been known as particularly favorable to labor. Whereas generally speaking the Senators who are opposing these restrictive amendments have been sympathetic to the working men and women, and to the best of their ability have endeavored to aid them in securing helpful legislation and preventing the enactment of harmful legislation.

I read further:

We urge that the Members of the Senate, in considering the measures now before them, accept the Federal mediation bill and reject the ill-considered and dangerous notion that strikes can be eliminated from our economy by legislative fiat.

That is not what the Senator from Florida said. I am reading from these ladies and gentlemen, whose respectability and responsibility cannot be denied when I read their names and where they are located.

I continue to read from their statement:

We urge that free collective bargaining is the ultimate basis upon which sound labor relations must be built. Government facilitation of that process can best be advanced by the expansion and strengthening of our conciliation and mediation machinery to meet the difficult problems of the months ahead. Government intervention can destroy the process of free collective bargaining if it takes the form of a declaration to American workers that they are not free to take strike action, even if the prohibition is ostensibly for a limited period of time.

Those who contend that the decision to engage in a strike is normally one which is taken precipitately or irresponsibly fail to understand the American labor movement. Great as may be the inconvenience to the American public in any given strike, far greater is its direct impact on the union workers who by their voluntary action cut off their earnings in a joint effort to improve their working conditions. American workers do not take such action lightly, and they may not be expected to take lightly a declaration that governmental machinery will decide for them when they may or may not take such action.

Mr. President, before I give the names of these ladies and gentlemen I wish to say that I do not believe there could have been composed a finer statement of democratic American doctrine than they have composed in their letter to the able Senator from Montana. I believe if the Senate violates their admonition and their injunction and their counsel, that we are going to bring upon the country's head all the calamities these individuals have predicted.

So, Mr. President, when the Senator from Montana and the others of us ask our colleagues not to be hasty, when we ask them to give due consideration to this legislation, when we point out the danger of these repressive amendments, we are on the solid ground of advocating more peace instead of less. We are advocating the resolution of industrial strife rather than its precipitation. We are advocating harmony instead of disharmony in the economy of America.

Mr. President, we are not defending John L. Lewis. We are not upholding him in his wrongs. We are not advocating that he should be given immunity from committing wrong. We are not countenancing or approving strikes, work stoppages, or public inconvenience. We are advocating what we believe, as these writers believe, is the best policy for the American Congress to pursue in trying to meet and to overcome the problems which now present themselves to us.

Mr. President, I want to read the list of men and women who subscribed to the statement I have just read to my colleagues:

Mabel A. Magee, Wells College; Dr. Alice Hamilton, Harvard; Vera Reynolds Kilduff, New York State Department of Commerce; Alice E. Belcher, Milwaukee-Downer College; A. D. Beittel, Talladega College—

I believe that is in Alabama—

Dr. Eric A. Walker, Penn State; Michael Kraus, City College—

In New York—

Mabel A. Elliott, University of Kansas; Paul S. Pierce, Oberlin—

That is in Ohio—

Fred Eastman, Chicago Theological Seminary; Carroll W. Ford—

Listen, Mr. President, to who Mr. Ford is—

Babson Institute of Business Administration; W. Rolland Maddox, University of Kansas; Dr. Mary A. Eaton, University of North Carolina; Harold W. Guest, Baker University; Charles Cogen, Bronx High School of Science; Foster Rhea Fuller, Ohio State; W. Bayard Taylor, University of Wisconsin; Laurence S. Knappen, Rutgers University; C. Herman Pritchett, University of Chicago; George Hand, Fairmont State College; Davis W. Board, Northwestern College; Frank J. Bruno, Washington University; J. H. Coleman, Miami University; Meyer Kimkoff, Bucknell University; Elizabeth F. Baker, Barnard College, Columbia University.

William J. Wilkinson, Colby College; Abraham Kaufman, Board of Education, New York City; W. Brooke Graves, Bryn Mawr; Calvin S. Hall, Western Reserve University; Clarence A. Berdahl, University of Illinois; Horace B. English, Ohio State University; Howard White, Miami University; S. R. McGowan, Kenyon College; H. Gordon Hayes, Ohio State University; Paul E. Davies, McCormick Theological Seminary; Lee M. Brooks, University of North Carolina; Willystine Goodself, Columbia University; Esther Lucile Brown, Russell Sage Foundation; William D. Max, S. J. Tilden High School; Rev. Wilfred Parsons, Catholic University; Frank C. Pierson, Swarthmore; Robert D. Patton, Ohio State University; George W. Briggs, Drew University; W. Hadly Waters, Pennsylvania State College; John Hope II, Fisk University; Giles A. Hubert, Fisk University; E. Douglass Burdick, University of Pennsylvania; Emily C. Brown, Vassar; Willard H. Froehlich, Catholic University; Walter N. Breckenridge, Colby College; Eleanor H. Grady, Hunter College; D. O. Kinsman, the American University; Alva W. Taylor, Southern Conference for Human Welfare.

Marion Hathway, University of Pittsburgh; Dr. Theresa Wolfson, Brooklyn College; Edwin L. Clark, Rollins College; M. K. McKay, University of Pittsburgh; James E. Pate, William and Mary; Charles F. Marsh, William and Mary; Russell H. Mack, Temple University; Otto Nathan, New York University; Josephine Gleason, Vassar; Robert Rockafellow, Rhode Island State; Harry L. Lurie, Council of Jewish Federations; Harry M. Fife, Middlebury College; Charles C. Griffin, Vassar; T. W. Van Metre, Columbia University; Henry P. Jordan, New York University; Marjorie Dilley, Connecticut College; Ralph D. Fleming, Guidance Bureau, New York State Education Department; C. G. Gaum, Rutgers University; Julian Park, University of Buffalo; Theo. Lentz, Washington University; William Melcher, Rollins College; Ray Billington, Northwestern University; Selig Perlman, University of Wisconsin; Vell B. Chamberlin, Illinois Institute of Technology; William S. Schlauch, New York University; Gardner Murphy, City College, New York City; Harold Brenholtz, North Texas State Teachers College.

George B. L. Arner, United States Department of Agriculture; Harley F. MacNair, University of Chicago; J. Van der Lee, State University of Iowa; Henry S. Miller, Queens College; Bernard F. Riess, Hunter College; E. B. McNatt, University of Illinois; Hedley S. Dimock, George Williams College; Leland J. Gordon, Denison University; Ralph B. Tower, University of West Virginia; Warren B. Catlin, Bowdoin College; Morris Friedberg, Simmons College; Harry J. Carman, Columbia University; Albert S. Keister, University of North Carolina; Grace L. Coyle, Western Reserve University; Arnold J. Lien, Washington University; Nathaniel Cantor, University of Buffalo; Emily Brown, Vassar; Frank Carlton, Case School; Hartley W. Cross, Connecticut College; Dorothy Douglas, Smith College; George H. Groat, University of Vermont; Malcolm Keir, Dartmouth College; Gladys Palmer, University of Pennsylvania; Albion G. Taylor, College of William and Mary; Melvin J. Segal, Michigan State College; Roscoe Lewis Ashley, Pasadena Junior College; Eugene M. Kayden, University of the South; M. N. Chatterjee, Antioch College; Merle Curti, University of Wisconsin; Richard Landry, Beloit College; Bruno Lasker, Yonkers, N. Y.; Helen Herrmann, Freehold, N. J.; Colston E. Warne, Amherst College, secretary for the initiators of the letter.

Mr. President, I have gone to some pains and I have taken some time of the Senate to read the names of the authors of that letter because I wanted Senators to understand the character, the information, and the responsibility of the men and women who issued that clarion call to the Congress not to do their country a disservice in respect to antilabor legislation.

I should like to quote from another source—this time Mr. Wendell Berge. Senators will recall that Mr. Wendell Berge was formerly the head of the Criminal Division of the United States Department of Justice. This is what he said in an address entitled "Business Restrictions Upon the Markets," delivered on May 16 of this year before the American Marketing Association:

In the lifetime of the present generation, we have witnessed a profound and calculated increase in the rise of economic monopoly, the concentration of economic power, and the drive to eliminate competition as the organizing principle of the market. We have become sharply conscious of a revival of economic feudalism, of a renewal of the philosophy of privilege, and the reappearance of a whole array of monopolistic devices intended to destroy the free market.

Our national economy is not mature. Our capacity for economic growth is tremendous, but it will not take place without effort. Difficult and vexing situations incident to reconversion must not be permitted to warp the immense opportunities of the years ahead. If labor, government, and industry

cooperate wholeheartedly in utilizing the vitality and flexibility of our economic system, the American people will go forward to levels of production and abundance which we have only begun to glimpse. Abuses of economic power to limit and dominate the free market can jeopardize this future. It is among our first concerns to make certain that the opportunity and the promise within reach are given every aid to their realization. In this undertaking, enterprise is at stake, and with it the fate of economic freedom.

Mr. President, we are not legislating in this Congress today against John L. Lewis. We are legislating upon American civil rights. We are about to legislate, not against John L. Lewis; we are about to legislate against the honest and patriotic working men and women of America. We are about to legislate, not against those who have been the principal offenders in social wrongs, not those who have been primarily responsible, in my opinion, for most of the work stoppages—those who, by their avarice, greed, stubborness, or selfishness have been unwilling to give economic justice to the worker. No, Mr. President. If Senators who are the authors and advocates of these amendments have their way we shall simply add another stone upon the already overburdened backs of the humble men and women of America who toil, and each stone shall bear the craftsman's mark of legislators who do not look with sympathy or friendliness upon the plight of the working men and women of America.

No, Mr. President, we are not legislating against John L. Lewis. We are legislating against those men and women who have fought their way up from serfdom, whose forebears at one time were the serfs and slaves of the feudal lord with the great manor house and vast acres, and later of the man who owned a factory. It was slavery all the same. I say that we are legislating not to help men and women who have fought their way up from serfdom and slavery to some decent standard of dignity and economic independence, but in order to curb the power of those men and women to get a decent wage, to limit the power of those men and women to redress their old wrongs and grievances, to shackle the hands of those working men and women as they fight for an education for their children. Mr. President, we are closing down with a strangling grip upon their efforts to house their families, not in hovels, but in homes.

Instead of breaking the shackles of monopoly, instead of limiting the opportunity for the abuse of power in our economy of which Mr. Wendell Berge spoke, we are aiding that monopoly, adding to its capacity for abuse, because we are striking down the competitive hand of collective labor which might have diminished the wrongs that would be perpetrated by those who would use those abuses and those powers in a way that was harmful to our country and to its economy.

Mr. President, instead of this Congress endeavoring to make possible the leisure that would give working men and women an opportunity to refine their minds as well as to ennoble their spirits, we would chain them to the wheel or to the working block, and whenever they tried to get farther away we would say, "Thou shalt not," and herd them back into the pen of their slavery by this coercive and restrictive legislation.

No, Mr. President; in the ranks of the working men and women of this country no encomiums will be heaped upon the heads of those who lend their names to these amendments. There may be some in the ranks of corporate capital, living in their high offices, living in the pyramids which they have built upon the backs of the poor in many instances, in the rarified atmosphere of the citadels of those who are the favored few, of those who bask in the luxury of their air-conditioned offices, in their temples and towers. We may get some encomiums from them if we support these amendments, but I dare say that we will not get them from the masses of the working men and women. There may be joy, satisfaction, and smiles of approval in the corporate board room, but I dare say that we shall bring no message of joy to the homes of the working men and women of this country if we pass these restrictive and coercive amendments. We may perceptibly increase the profits of corporate enterprise. We may fatten the dividend check, and we may possibly increase the salary of the executive; but we shall not put any more calories in the diet of the child of a workingman.

Mr. President, Senators who vote for such amendments will not put a better dress on the workingman's wife, they will not improve the furniture in the workingman's home, they will not provide more medical care either for the workers or for the women and children of this country. They will not increase the funds for research which might open ever-widening horizons of opportunity for both management and labor. They will not send more boys and girls to high-school or college. They will not increase the earning capacity by means of vocational rehabilitation or education of the injured or the ignorant. No, Mr. President; they will not put up any pictures which will decorate and beautify the walls of the homes of the working people of this country. They will not enable them to enjoy better music or to learn more of the culture of the race of our land. They need not expect to accomplish such things by supporting these amendments, because they will not thereby make any of those contributions. Moreover, Mr. President, they will not thereby reduce industrial strife or bring about economic peace or establish comity in management and labor relations or inspire confidence either in business or in labor in regard to a stable economic future. They will not thereby stop strikes or cause coal to be mined or cause the railroads to be run. Even the Wall Street Journal knows that, and says it very courageously.

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

Mr. PEPPER. I yield for a question.

Mr. LANGER. Will the Senator state the date of the issue of the Wall Street Journal to which he refers?

Mr. PEPPER. I shall be glad to. I find that I have given that copy of the Wall Street Journal to the clerk. My recollection is that it was for May 16. It was published immediately after the committee bill and the accompanying report were reported to the Senate, and at that time the Wall Street Journal commended the committee report as a notable document.

Mr. President, I was about to say that Senators who vote for these amendments will receive temporary applause from certain segments of the press. They or their staff perhaps will want to cut out and put in their scrapbooks some of the laudatory editorials and articles which will be published regarding their courageous action, and will want to keep them for their memoirs. I do not know whether experience will justify their showing them to some of their descendants as some of their boasted accomplishments. It may be that in turning through the pages of such scrapbooks they will prefer to rather hastily fan through those laudatory editorials, because by that time experience may have demonstrated the wisdom of what the Wall Street Journal and some of the professors I have mentioned have said, rather than of what has been said by those who have a contrary point of view.

No, Mr. President; they will not solve any of these problems. But they will receive some laudatory comments from segments of the press that fight some Senators because they think the Children's Bureau should have jurisdiction over what some Members of Congress call "these noble little merchants," "these independent contractors," as the newsboys are called, who say that they should not even be given the protection of the Children's Bureau and should not be prevented from working during school hours or when they are too young and of too tender years to engage in a hazardous occupation. In all probability they wil receive encomiums and paeans of praise from some sections of the press who feel that way about what they call "the noble little contractors and independent merchants"—these boys whom they do not want to have the protection of the Children's Bureau.

Furthermore, Mr. President, they will truly be able in a good many cases to count upon having their mail flooded with correspondence from the National Association of Manufacturers and from members of the United States Chamber of Commerce. I know that in my State, if I were to vote that way, I would be deluged with messages of approval by the Associated Industries, who never have advocated a liberal principle in their lives. Senators who vote for these amendments will have organizations like that, in their States, praising them and saying, "Senator, thank God that in you we have a statesman. You stand up against these labor racketeers. You bravely stand up against the working men and women of America, and we want to commend you for saving the country." If they chance to say "for stopping the strikes," I am afraid they will find that they are mistaken about that. But, at any rate, they will send letters and telegrams praising you and telling you that they will surely support you in the next election; and no doubt many of them will make campaign contributions for you in the next election, too.

There is no doubt that if a Senator wishes to guarantee getting fat, luscious, ever-expanding campaign contributions in the next election, it is better for him to vote for these amendments and to complain about some of the amendments which others of us are offering here. No doubt if Senators do that they will have far better success in expanding their finance department, because if they do not vote with the employers they may have to take a contribution from a labor union; they may really be forced to that extremity. If they take it, my, how they will be denounced. They surely will be called Communists and radicals; and if your name is Pepper, they will certainly call you Red Pepper. [Laughter.] There is no doubt about that, I can testify from experience, Mr. President.

I started off as one of the most respectable Senators you ever saw. I ran in 1934, and I advocated what I thought was a liberal program. But they did not know whether I really meant it or not. I did not quite get elected. But in 1936, believe it or not, Mr. President, I was nominated in a Democratic primary without opposition. If I had had the good judgment to come up here and vote faithfully and constantly for amendments like the Byrd amendment and the Ball amendment and similar amendments which are offered by my good friends and colleagues here, I would hardly have had any political difficulty in the two campaigns which I have had to make since then.

I never would have had to sit and worry and scratch my head and stay up late at night, worrying about where I would get enough money to travel to the next town or to pay the telephone bills and the radio bills and the office rent and all that sort of thing. I never would have been subjected to the ignominy of having it said that the WPA workers, out of gratitude, actually supported me. No; I could have told jokes about the WPA workers; I could have castigated them for leaning on their shovels; I could have said that they were not much good, anyway; that $26 a month, which they were getting down South, was too much for them! that, after all, if they were any good, why were they not rich or a Senator or the head of some big enterprise; and that there must be some inherent weakness in them, for, if not, why were they not the heads of chambers of commerce or of Associated Industries or of the National Association of Manufacturers, or something of the sort.

But, Mr. President, I made a very grievous mistake. There was a man up here named Franklin D. Roosevelt, President of the United States. I thought he was advocating democracy in America. Pretty soon after I got here I started voting with him; and I did not quit, with very, very few exceptions, until he passed away; and I am proud of it. Voting with Franklin D. Roosevelt is not one of the things that I will have to pass over quickly if I ever have the honor to point out my record to my progeny. I shall be proud of that, and I shall be just as proud of some of the enemies I made in doing it, because I have found out that if a man really means his liberalism he will make enemies.

I am reminded of the character in a melodrama who, every Saturday night, was supposed to get shot by the villain. The villain would whack out his revolver and point it at the abdomen of the actor who was the hero, and would pull the trigger; and the gun would fire, and the hero would put his hands to his abdomen and would say, "My God! I am shot." Well, Mr. President, one night the villain got drunk; and, instead of having a pistol that was not loaded, he got hold of a pistol that had a bullet in it. With the usual flourish at the proper time he came down with his revolver with a grimace and gesture and pointed it at the abdomen of the hero and pulled the trigger. The gun was discharged and the hero put his hand to his abdomen and he said, "My God, I'm shot!" He looked down and saw the blood running from his hand, and he said, "My God, I am shot!" [Laughter.]

Mr. President, some persons merely make a showing of liberalism, and some will fight for it. But, Mr. President, if you do fight for it and do not make enemies, the law of action and reaction will have quit working in the physical and political world.

So, Mr. President, if you want to make friends and influence the right kind of people, you should vote for all of these repressive amendments, because they are being supported by the influential persons in our economy; for example, those who own practically all the newspapers. They will determine what is written about you in the newspapers, and they will determine whether anything is to be written about you. They will determine the character of the writer. Their boys will soon decide how far they may go in writing you up favorably. So, certainly the owners of newspapers are the most influential among our people. Then there are the heads of the great corporate enterprises. They have the money and the economic power. They can actually get things done in America. Moreover, Mr. President, they operate the banks. They loan the money. They buy the securities. They have directors on various boards. They are extremely influential. Then there are the lawyers. If a lawyer wishes to earn enough money to get along pretty well, he must represent mostly the corporations and the large enterprises.

Yet, I honor every lawyer who does those things. I assure you, Mr. President, that if I were practicing law, every time when one of those big fellows came into my office I would do everything I could to let him know that I welcomed his arrival. Such persons are obviously desirable clients. But, ordinarily a lawyer is very timid about denouncing his clients. Have you ever noticed that, Mr. President? He is extremely delicate in saying things unfavorable about his clients. When a lawyer has an office full of big corporate clients he does not go down into the park and make many denunciatory speeches about the sacredness of the capitalistic structure as his clients observe it in America. Yes; undoubtedly the influential people are on that side.

There is another snare which even Senators must sometimes fall into. I refer to the persons who seduce them by telling them what a great man they are. Such statements to a politician are what fur coats are to a lady. When one of the owners of big newspapers or magazines, or one of the large trade associations, or even only a few top-notch executives, in a very serious and solemn way pat you on the shoulder and tell you that you have a great future because you are the kind of man they need to run this country, beware. You stand on the threshold of difficulty. You are told that you understand the needs of business, and that you have its confidence. You are told that you understand the necessity of curbing the labor group. You are told that you understand the necessity of protecting private enterprise. Mr. President, they can say that to you in such a persuasive manner that if you do not hold on to yourself you will believe it to be true. How many a good politician has fallen among thieves unintentionally. Unlike the fellow who fell among them on the road to Jericho, it is too late to save him when any good Samaritan comes along.

Mr. President, I do want to say a word of encouragement to the gallant few who have the other point of view. Conditions in America are changing. The old saying is, "The old gray mare ain't what she used to be." For the first time, labor has not only become articulate, but powerful in America. Labor not only has the money, but it has the votes. If it raises only a dollar per member it can raise several million dollars and match many of the masters of money who have been accustomed to buy elections from the people.

And, Mr. President, all the king's horses and all the king's men, and all the acts of Congress—so long as we have a constitution in America—will never deprive a working man or woman of his or her rights to contribute a dollar through collective representation in a political campaign. That is my opinion. I am not talking about the labor unions doing what the corporations many times do by taking money out of the corporate assets and using it for political purposes. I am talking about raising money through contributions of the workers themselves.

So, Mr. President, the workers are organized. They are great in organizational strength. A moment ago I referred to the efforts being made in the South. I am proud of them. Saying so will not help me back home with many of my good constituents. Some of the constituents of my State are afraid that if labor ever becomes organized in that State they will have to pay higher wages. They are afraid that organized labor cannot be kicked around—to use a common term—in the way that labor can be kicked around when it is not organized. I do not mean that all of our people are taking such an attitude. I am proud of the fine labor record of many of our great employers in Florida. But I will say that I have known of peonage in my State; and it has existed, I venture to say, in other States as well. There is some enforced labor in many of our States even now, and there are many workers who do not receive the laborer's

hire, because they are merely individuals. If they are not liked by their employers they are fired. If an employee makes trouble his employers kick him out. However, if he becomes a member of a group who says to the employer, "Wait a minute; why did you fire that worker?" something else may take place. The employer may say, "Well, he did not do his work," and he will hem and haw about what is the real reason for firing the man. As I say, the employer may reply, "He did not do his work well." The group will say, "No; that is not the reason. Did you not hear him say that he thought we should be organized in this plant?" Then, if he is fired, the United States Government, because, thank God, we have a National Labor Relations Board which men like the Senator from New York [Mr. WAGNER] made possible by a law which was put on the statute books of this country, will make the employer put that man back to work.

Mr. President, I will tell you something else. The workers are not only organizing, but they have votes and money. An increasing number of persons have come to understand that to help them is not only good Christianity, and good religion, but it is good economics. Why did Henry Ford many years ago start paying $5 a day to his workers? It was not altogether an act of charity. I do not know whether any charity entered into the situation. He wanted the working men and women to be able to buy Ford cars. He knew that it was not possible to buy a Ford automobile on 75 cents a day.

There is nothing which would so help business in America as a prosperous working class. If there was ever any doubt about it, it was settled during the war. The thing which really brought prosperity to this country to an unprecedented degree was the fact that we had a Nation fully employed and at good wages. That is what brought about prosperity. That is the recipe for prosperity. Yet, when we try to have the Congress pass a measure which would guarantee a Nation fully employed, do we succeed in having such legislation enacted? No. It is held up for weeks, if not months, by controversy and conferences until it is watered down so that it means relatively little as a guaranty of employment to the working people.

Mr. President, I wish to speak a few words of encouragement to those who are going to make the gallant fight against legislation which would emasculate the National Labor Relations Act and the Norris-LaGuardia Act. I can assure you, Mr. President, that there will be more of these workers instead of less, that they will be stronger instead of weaker, that they will have more influence, more money, and more votes. Believe me, Mr. President, they are gaining a sense of social consciousness and political power.

There is in the United States today a man who will be remembered about twenty times longer than most of his traducers, a man named Henry Wallace. He used a phrase which caught the thought of a great many people. He said this was the century of the common man. The common man, Mr. President, is coming into his own.

I have seen some things in the last few weeks which have given me great encouragement, first, from this common man, second, from the veterans who have returned from the war. I do not mean that they are unanimous, but I have been very much encouraged by the way I have heard veterans talking since they have returned to this country. They were told they were fighting for democracy, then they came expecting to see it here. They are going to demand more of it instead of less. We will go forward, not backward; be sure of that.

Not only from the common man have I heard those comforting thoughts, but I witnessed the same encouragement in two universities a little while ago. One of them was Northwestern University, at Evanston, Ill. I spent an evening with a considerable portion of the student body at that institution. For a whole week they had been carrying on an imitation United Nations organization, with more than 200 students participating I got a chance to hear what they thought not only about international affairs, but about domestic affairs, and to have them ask me about legislation here.

Mr. President, a little while later I was at Princeton. I had a chance to hear a representative group of American young men talking and asking questions. I derived a great deal of encouragement from the talks they made and, the questions they asked. To those who make up a part of this gallant if not altogether hopeful little band I want to give a few words of encouragement, because they are going in the right direction, not only economically, but politically.

I desire to extend to my distinguished friends on the other side of the aisle some advice, although I am not a paid counselor of the Republican Party, and I am not altogether sure that my counsel will be accepted even though voluntarily and gratuitously given. We have some diffidence on our side, and I wish we did not have it. There are a few who have fallen from grace democratically, and a few who have back-slidden democratically, but, by and large, the spirit is still strong, although a few souls are a little weak. But my brethren on the other side of the aisle have for sometime been writing a party record, and that record is going to make many of the working people of this country believe that the Grand Old Party, the party of great moral ideas, the party of the full dinner pail, is no more; that there is a wedlock which not even adultery would sever, a bond which none could untie, between the Grand Old Party, the party of the great moral ideas, the old party of the full dinner pail, and corporate and financial privilege in the United States of America.

You have some encouragement over on the other side of the aisle, and there are bright lights you can see from afar, and not only we on this side, but the people generally, applaud them, and I predict that their tribe will increase in time.

As I said, we are all writing a record, and people are going to scrutinize it.

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

Mr. PEPPER. I yield.

Mr. TOBEY. The Senator was referring to the party to which I belong, and charging, or suggesting, that the party might be known because of the affinity between the Republican Party and great corporate interests. I do not accept that as a just charge or a true charge, but I point out that the present administration, and the present President of the United States, recently made an appointment to the Reconstruction Finance Corporation of a man named George Allen, whose chief claim to fame was the fact that he was a director of more corporations in this country, and some of the largest, than any other man in public life in Washington. Such corporate connections are not arguments to justify an appointment to such a post. I voted against the confirmation of the gentleman for the position to which he was appointed, and many other Senators did likewise.

Mr. PEPPER. Mr. President, I will say that the President, being a Baptist, which is my faith, may have back-slidden just a litle bit in some recent appointments, but, as I have said, ours is a faith which permits repentance, and when we err, it is never an intentional error, and I hope it will be corrected.

Mr. TOBEY. But let me point out to the Senator, as one Baptist to another, that the President and Senators should be careful not to sin away the day of grace.

Mr. PEPPER. The Senator is quite correct, but the Lord is a generous forgiver, and I think our wrongs in time can be remedied and corrected.

Mr. President, I do not know what else I can say that will have any particular influence with my brethren. I wish to thank them for their attention. I have given comfort where I thought comfort was possible, and issued warnings where I thought they might be appropriate. I have done it in good and kindly spirit, and I want to say that if in the heat of debate we say things which do not appear in that spirit, it is only a superficial aspect of the matter, which Senators must not remember, but they must remember the sentiments and motives and good will which prompt and actuate us all.

Mr. President, I should now like to ask the able leader if he has any plans about the remainder of the day or the beginning of the morrow.

Mr. BARKLEY. Mr. President, my plan, for the remainder of the day, so far as I can control it, is to get a vote on the amendment which is now pending, if we may. I hope the Senate will be willing to sit until we can accomplish that purpose.

The PRESIDING OFFICER (Mr. HOEY in the chair). The question now is——

Mr. BARKLEY. Has the Senator from Florida concluded?

Mr. PEPPER No, Mr. President; I had not quite concluded.

Mr. BARKLEY. I thought the Senator had. I wanted to speak briefly on his amendment, in support of it.

Mr. PEPPER. I shall be through in just a moment.

Mr. BARKLEY. But I shall desist if the Senator wishes to continue to speak.

Mr. PEPPER. Mr. President, the amendment which is now the pending question, we believe gives fair protection to health and welfare funds which may be provided by collective bargaining. Now that we have accepted the clarifying amendment of the Senator from Kentucky and the clarifying amendment of the Senator from Connecticut, the amendment covers every possibility.

First, management and labor are allowed to bargain collectively with freedom, and are not hampered by statutes in their bargaining process. If they agree that the employer shall administer the fund, then he shall administer it, subject to the rules and regulations and to the auditing of the Federal Security Administration. If they agree that the employees shall administer the fund, then the employees shall administer it, subject to rules and regulations of the Federal Security Administration. If they agree that the funds shall be jointly administered, no agency of the Government should be needed to supervise and check them, because they will check each other. If they cannot agree, thanks to the suggestion of the able Senators from Illinois and Connecticut, the fund will be subject to the administration of the Federal Security Agency.

If any Senator has had any fear in his mind that health and welfare funds without such protection might be misadministered and misappropriated, those safeguards should assuage that fear. If all Senators want is the safeguarding of the health and welfare funds, I respectfully submit that they have it in the pending amendment.

Now, Mr. President, I have a telegram from a man named Martin E. Segal of 17 East Forty-ninth Street, New York, which reads:

As health insurance consultant to more than 35 AFL and CIO unions and to the Blue Cross Hospital Commission governing more than 86 local plans covering more than 21,000,000 people, I want to submit the following statement in support of your stand on the legislation as proposed by Senator BYRD with respect to health insurance and welfare funds.

The telegram was addressed to me.

Today more than 900,000 members are covered by health insurance and welfare funds which are administered either by unions and employers jointly or by union trustees with employer advisory committees.

Most all of these plans are governed by trust agreements worked out by unions and employers without any Government participation. These agreements spell out the details of the benefits to be provided, etc.

These plans cover the following industries: Men's and women's clothing, textiles, food, hotel, and restaurant, electric products, painting, fur and leather, etc.

It's obvious that these plans which are already in effect need no legislation to govern them or establish new and conflicting procedures which would disturb present benefits and effiecient administration.

On the other hand the proposed legislation is impracticable in other industries where it is impossible to have any employers' representation because there are many independent employers involved in the collective-bargaining negotiations with the union. An excellent example of this category is the furniture industry. Here the United Furniture Workers of America, CIO, has a health insurance fund to which more than 550 employers make contributions. The Upholsterers International Union, AFL, has a fund to which more than 250 employers make contributions. It would be impossible in these situations to have representative employers. While the union operates on a national basis, many of the employers do not and are spread out in little cities throughout the country. In an industry such as this, therefore, it would be impracticable and unwieldy and costly to have employer representatives.

The peaceful collective bargaining which has obtained in the overwhelming majority of negotiations where health insurance funds were established proves the lack of necessity and inadvisability of legislating on this subject. Also, the legislation, if passed, would serve to block the voluntary agreement between employers and unions in industries like food and furniture. Additional supporting evidence being sent to you airmail special delivery today.

There is the testimony of a consultant in this field who says that it is impractical to have employer representation made obligatory. Mr. President, as I was saying, if Senators want to safeguard health and welfare funds, which is what it was represented we started out to do, here is the answer. Our amendment affects nothing but that. But if Senators want to prohibit any employer from doing anything else for his employees, then vote for the Byrd amendment. If Senators want to deny intelligent management the ability voluntarily and freely to work with and for its labor, as many hundreds have done already, if Senators want to prevent them from doing that, vote for the Byrd amendment. If Senators wish to stop setting up industrial health and welfare plans that will give workers fewer working hours and the country healthier and better citizenry—I say if Senators want to deter the creation of more and more of these plans, vote for the Byrd amendment.

If Senators want to make the employees shun these plans instead of welcoming them in many cases, and put the burden upon the public, instead of, as the able Senator from New Mexico said it should be, upon the industry which ought to pay for its own wreckage in human as well as steel machines, then vote for the Byrd amendment, because in our opinion it will contribute to these unhappy objectives.

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

Mr. PEPPER. I yield.

Mr. REVERCOMB. I want to ask the able Senator if he knows that an amendment cannot be offered to the amendment offered by the Senator from Rhode Island and the Senator from Florida, and I ask if he would consider and accept and adopt as part of his amendment a provision that any fund such as he describes for the welfare of the workers shall be administered jointly by such employer and such employees? So that we will forever eliminate as the basis of contention and debate between employer and employees the subject of who shall administer; and let the provision stand in the amendment that it shall be under the supervision of the Federal Security Administrator. Will the Senator accept such a modification?

Mr. PEPPER. Mr. President, the Senator from Florida, speaking for himself, regrets very much that he cannot accept the modification of the amendment in the manner suggested by the able Senator from West Virginia. I will tell the able Senator why we cannot accept it. It is because that would be doing what the Byrd amendment does—forcing the employees to accept management in the operation of the fund or their administration of it, whether they wanted to or not, and I do not want to coerce them to that requirement. That is what the amendment would do if the able Senator's suggestion were accepted. But as the amendment is now drawn we make the employees accept the Federal Security Administrator if they administer the fund themselves, and we make them accept the Federal Security Administrator if they do not agree with management upon who shall administer the fund. But we do not make them take the employer into partnership in the administration of the plan, because many of them are opposed to that, because they say the employer hamstrings the operation of the plan for the benefit of the workers. So many of them do not want to do that, and I do not want to force it upon them.

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

Mr. PEPPER. I yield.

Mr. REVERCOMB. Let me say that certainly I do not want the management of the fund hamstrung by the employer, but it seems to me that if it is under the direction and control of the Federal Security Administrator, neither the employer nor the employees can hamstring the other.

I put this question to the Senator in all earnestness. What is the good, and what is the purpose of legislating upon this subject in any way if we do not remove, by legislation, the basis of contention that causes this strife between employer and employee?

Mr. PEPPER. Mr. President, I want to say to my able friend from West Virginia that I cannot believe that most of the employers of this country, when their employees do not wish management to participate in the administration of these plans, would withhold their contribution to the fund if the Federal Security Administrator were to assure them that Federal Security Agency would supervise and audit the administration of the fund. I cannot believe, as the able Senator possibly fears, that not placing the Senator's suggestion in the amendment would in any appreciable number of cases prohibit the setting up of a health fund.

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

Mr. PEPPER. I yield.

Mr. BARKLEY. As I read the amendment now pending, provision is made that it shall not be unlawful to create the fund we are talking about. And it may be administered separately or jointly, as may be agreed upon, by the employer and employee. Then there is this provision:

In the event that the employer and employees cannot agree through the process of collective bargaining on who shall administer

such a fund and either party shall certify such fact—

That is, such inability to agree about the administrator—

the Federal Security Administrator may notify both parties to the controversy that he will administer such fund.

The effect of that is that where there is a disagreement or a failure to agree between the employer and employees, and either side certifies the disagreement to the administrator, he may notify them that he will administer it, but if he does not see fit to do it, there is nobody then to administer it.

Would the Senator consider changing the word "may" to "shall"?

Mr. PEPPER. Yes.

Mr. BARKLEY. So that if the two sides disagree, and that fact is certified to the administrator, then he shall notify the parties that he will administer it, and not leave it in his discretion, so that if he decided not to do it, nobody would administer it.

Mr. PEPPER. Mr. President, I again am indebted to the able Senator from Kentucky, and having already received the acquiescence of my colleague, the Senator from Rhode Island [Mr. GREEN], we ask leave to perfect the amendment in the respect suggested by the Senator from Kentucky. We had it in mind all the time that it would be mandatory.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. WHERRY. Mr. President, will the majority leader again point out what modification has been made? It is very difficult to hear on this side of the Chamber.

Mr. BARKLEY. Mr. President, may I ask the Senator from Florida another question? In one place in the amendment the term "Federal Security Administrator" is used, and in another place "Social Security Administrator."

Mr. PEPPER. It is intended in both cases to refer to the same individual—the Federal Security Administrator.

Mr. BARKLEY. Yes; it is intended to refer to the same person, so there is no point in referring to a different title.

Mr. PEPPER. I modify the amendment, with the acquiescence of the coauthor of the amendment, so as to have it in both cases "Federal Security Administrator."

Mr. BARKLEY. Originally it was the Social Security Administrator, but under the reorganizations and transfers of power the officer is now known as the Federal Security Administrator.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. PEPPER. I thank the Senator from Kentucky for his very helpful suggestion.

Mr. President, the Senator from Nebraska [Mr. WHERRY] was kind enough to ask what the amendment does, as it has been modified. It provides no mandate or no obligatory requirement that a health fund shall be provided. It legalizes one if the employer and the employees provide one in any way agreeable to them. It does not say how they shall provide it, if they provide it. But once there is one in existence, then the amendment, by permissive authority, says they may bargain collectively as to who shall administer the plan. If by collective bargaining they should decide that the plan should be jointly administered by employer and employees, then the Federal Security Administration would have nothing to do with the matter. It would be settled by voluntary agreement, as it should be, and the parties would have a check on each other. If they should agree, however, that the employer should administer the plan, or if the employer should make that a condition to providing the fund, and the employees should accept it on that condition, in that case the Federal Security Administration would have general administrative jurisdiction over the fund, including the right of auditing.

If they should agree, tacitly or otherwise, that the employees exclusively should operate and manage the fund, it would be subject to the supervisory rule, regulation, and auditing power of the Federal Security Administrator. But if they could not agree upon who should administer it, then upon the certification of either one that they had arrived at that disagreement, it would be the duty of the Federal Security Administrator to administer and audit the fund.

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

Mr. PEPPER. I yield.

Mr. TAFT. It seems to me an extraordinary provision that when two people get together and almost agree on something, when they cannot fully agree one of them can make the other take a fund administered by the Federal Security Administrator. That is not collective bargaining. That is a provision which we impose. We say, "If you agree on everything else and cannot agree on this, we impose the provision that it shall be administered by the Federal Security Administrator." It seems to me that the whole amendment is a denial of the process of collective bargaining.

Mr. PEPPER. Here is the essential difference—and I am glad the Senator from Ohio has given me an opportunity to emphasize it again: The essential difference is that the Byrd amendment requires the employee to share administration, not with the Federal Security Administration, but with the employer; and our amendment does not do that. Many unions do not want the fund if they must share the administration with employers. In order to meet that contention, we wished to provide some public agency which could assure proper administration of the fund.

Mr. President, we have presented this amendment in good faith. I think Senators will admit that it has merit. If we legislate on the particular administration or supervision of these health and welfare funds, which was the thing at which I thought the Senator from Virginia was originally striking, which was the John L. Lewis case, then it seems to me that we shall have made considerable progress, and yet not force one party into a relationship with another private party against his will. Then we can leave for future experience the necessity for the other prohibitions in the Byrd amendment which cover the unknown cases, which so far as I know, experience has not disclosed to us.

John L. Lewis' controversy was over a health fund; and although it was first called a royalty, every Senator knows that it is not a royalty. It is a health fund which in amount would be based upon an estimate of so many cents a ton. It is not a royalty to go into the pockets of John L. Lewis or any other labor leader. So if the Senate would be satisfied to go this far, I believe it would meet with the approval of the country, and I think make a very salutary contribution to a solution of this problem.

Mr. BARKLEY. Mr. President, I have no purpose to delay the Senate for more than a moment or two; but I wish to point out the difference between the proposals which are now before the Senate and give my reasons for supporting the substitute offered by the Senator from Rhode Island and the Senator from Florida.

The amendment offered by the Senator from Virginia [Mr. BYRD] starts with a prohibition which makes it unlawful for certain things to be done by way of contribution by the employer to the employee for any purpose except in payment of wages or in pursuance of a contract relationship entered into between the employer and the employee.

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

Mr. BARKLEY. I yield.

Mr. TAFT. I think the Senator is mistaken. He stated that the amendment would prohibit payments to employees. There is no prohibition of payments to employees—only to unions independently of the employees whom they happen to represent. It does not prohibit payments to employees.

Mr. BARKLEY. The amendment speaks for itself. It provides that—

(a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept—

And so forth. The difference is that the Byrd amendment makes it unlawful for the employer to pay to any representative—if the Senator must have it that way—which is another way of paying it to the employee.

Mr. TAFT. The Senator misses the entire point of the amendment.

Mr. BARKLEY. No; I do not miss it. If the Senator will give me time I shall try to develop my idea of the difference between the two amendments.

The main point is that the Byrd amendment prohibits a certain thing, and the Green-Pepper amendment makes it lawful; that is, it provides that it shall not be unlawful. The amendment offered by the distinguished Senator from Virginia has been modified several times.

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

Mr. BARKLEY. I yield.

Mr. TOBEY. Has the Senator been reading seed catalogs lately? He speaks about "GREEN-PEPPER." [Laughter.]

Mr. BARKLEY. I have not. I have been so busy lately that I have not been able to do any garden planning, and therefore I have not been able to read seed catalogs. I have not been interested physically or horticulturally in the question of either green peppers or red peppers.

Mr. TOBEY. The Senator has some hot stuff now. [Laughter.]

Mr. BARKLEY. I rejoice in hot stuff. I have no objection to hot stuff. I rather like it. But let me get back to the subject. I do not wish to be diverted so that I shall be speaking for a longer time than I intended.

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

Mr. BARKLEY. I yield.

Mr. PEPPER. Should not the Senator say to the Senator from New Hampshire, "Tobey sure"? [Laughter.]

Mr. BARKLEY. I am not interested in whether it is "Red Pepper" or "Tobeyasco," both of which I enjoy. [Laughter.]

As I was about to say, the amendment offered by the distinguished Senator from Virginia has been modified several times, so it is not the original amendment. Almost every suggestion that has been made by way of modification has been accepted, showing, in my judgment, that the amendment had not been well thought out when it was originally offered. I myself think it was a rather crude proposal seeking to make unlawful the creation of a fund about which there has been controversy in the field of mining coal.

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

Mr. BARKLEY. I have no doubt that if it had not been for the controversy which has arisen over the coal strike and the difficulty between the coal miners, through their representatives, and the coal operators, on the subject of a welfare fund, this amendment would not have been proposed.

I now yield to the Senator from Virginia.

Mr. BYRD. There is nothing in the amendment which would make it unlawful to have a welfare fund. All the amendment does is to say that the money shall not be paid to the union or to the representative of the union.

Mr. BARKLEY. I understand. I think it was in good faith intended to prohibit the creation of a welfare fund to be turned over to the union or a representative of the union. I think there can be no controversy about that.

I believe in these welfare funds; and I am not willing to vote for any amendment or any law which prohibits them.

Mr. BYRD. I hope the Senator will not insist that this amendment prohibits a welfare fund. No version of the amendment to which the Senator refers would in any way prohibit a welfare fund. That statement has been made repeatedly on the floor of the Senate, but it is entirely incorrect.

Mr. BARKLEY. The controversy about which this coal strike has revolved, in one sense, has been the creation of a welfare fund insisted upon by the miners. The bone of contention has been whether, if such a fund should be created, it should be administered by one man, the head of the United Mine Workers, or administered in some other way by some other agency.

But I come back to the original proposition, that if it had not been for the difficulty arising out of the insistence that such a welfare fund be created, this amendment would not be before the Senate at this time. Whatever may have been its wording, it was intended to circumvent or prevent what was attempted to be done in the negotiations revolving around the coal situation. As I have stated, the amendment has been modified from time to time, which indicates that it certainly was not perfect when originally offered.

I believe in these welfare funds. It may be that it would be the wise thing for the Congress to include in the social-security program comprehensive provisions for all welfare funds and for their administration. I am not so certain that that would not be the wise way in which to deal with the subject. But it has not been done. When it will be done I do not know. I think ultimately it will be done. We have had many proposals, including a recommendation on the part of the President, to expand the basis of the social-security coverage so as to provide health and welfare funds and various other forms of relief for employees who are subject to the hazards of employment. But Congress has not acted upon them. Amid the multiplicity of our duties in the war it has not been convenient to deal with the subject either in committee or on the floor of the Senate, so that hearings have not even been held upon the recommendations of the President with reference to the broadening of the basis of social security. I myself would like to see broad, comprehensive legislation dealing with welfare funds and health funds, employee insurance, and all the other things which ought to be covered in a comprehensive social-security program. I believe that would be the wise thing to do, so that all of them would come under the general coverage of an enactment of the Congress of the United States. But that has not been done, and I would not predict when it might be done.

In the absence of that, various funds have been set up in various industries. The teamsters' union, which is affiliated with the American Federation of Labor, has for long years had such a fund. The clothing workers and the garment makers and various others have such funds. I think the Senator from Oregon put into the RECORD today the names of some 30 labor organizations as to which such a fund has been created. But, strange to say, it has not been established in connection with the most hazardous employment in American industrial life—in the coal-mining industry

I think there would be legitimate objection to having such a fund administered by a single human being, no matter how wise and how devoted he might be to the welfare of those whom he represented. But I certainly would not vote for any proposal to prevent, or which would be interpreted as preventing, the creation of such a fund.

Mr. President, I am familiar with the conditions of mining. In my State there are approximately 125,000 coal miners. I have been in their homes and in their schoolhouses and in their little churches and in their villages. I know of the fight they have made over a period of years for the improvement of their conditions, and I know how they have fought to relieve themselves from the domination and absolute control of their employers. I have in mind a town, in my State, of 9,000 or 10,000 people, which was owned by a subsidiary of the United States Steel Corp. All the houses, all the churches, all the schoolhouses in that town were owned by that subsidiary. All the policemen were employed by it, all the school teachers were employed by it. Every auditorium in that town was controlled by it. In the first political race I ever made in my State, I went to that town to make a speech. I found that I could not get inside a hall or an auditorium or a house to make a speech, because all of them were controlled. I had to get a drygoods box and stand on it at a street corner and start speaking there, to get people to listen to me, because the town and everything in it had to be rented from the employer, the subsidiary of that large corporation, and the policemen and the school teachers and everyone else connected with the town were employed by it. It took a long time for the town to get out from under that sort of bondage, but finally it did.

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

Mr. BARKLEY. I yield.

Mr. TOBEY. Let me say that I sat in the Committee on Interstate Commerce, under the chairmanship of the distinguished Senator from Montana [Mr. WHEELER] a few years ago when the matter of wages and hours and conditions of work of the coal miners came before us. There were present at that time the mine operators and the labor leaders. The Senator will recall that there was brought out there, under our joint questioning, the fact that the men who worked in the mines, who dug the coal in the mines, had, themselves, to pay for the copper plates which they put on the toes of their shoes to keep the lumps of coal from crushing their toes and their feet; in that way they had to spend their own money to save the company the cost of paying for injuries which, otherwise, probably would have befallen the miners in the course of their employment. As I recall, the miners also had to buy the lamps which they fastened to the caps they wore and they had to buy their caps and they had to pay for sharpening their tools, and they had to buy at the company-owned stores all the goods they purchased. They could not do as the Senator from Kentucky or I can do: buy wherever we please. They were under duress in many, many ways.

Mr. BARKLEY. Mr. President, there is no doubt about that, and I am familiar with it. As I have said, that struggle has taken a long time for the men who go down deep into the bowels of the earth—where none of us would go, except on a tour to see what goes on—to dig out coal so that we may be afforded

heat and comfort and light. It has been a long struggle. In some sections of the United States it has not been so very long that the men who went down into the bowels of the earth to dig coal were not even allowed to join an organization for their own protection and the advancement of their own welfare. It has been a long and a hard struggle, and they have had a just and legitimate grievance, and I think they now have a just claim for favorable consideration with respect to wages and with respect to protection. For that reason, I shall not vote for anything that sounds like a prohibition of the creation of a welfare fund.

Therefore, regardless of the intention of the Senator from Virginia, for whom I have, as he knows, the utmost respect, and as to whose sincerity I make no question, notwithstanding his assertions with respect to his amendment as it is now modified, I know that the amendment which he offered was inspired by the controversy growing out of this coal situation and revolving around the creation of a health and welfare fund.

So I am going to vote for the amendment offered by the Senator from Rhode Island and the Senator from Florida. It does not make it unlawful to create such a fund. It provides that it may be set up either separately or jointly by the employees or by the employers; and that if it is jointly set up they may agree upon who shall administer the fund. I think that is proper. I think when it is jointly set up, it should be handled by agreement. That is the procedure in respect to all other unions in conection with which such funds are set up by joint agreement. If it is set up jointly it should be administered jointly, by agreement.

I dare say that the amendment of the Senator from Rhode Island and the Senator from Florida does not contemplate joint administration, when the fund is created by one side, either the employer or the employees, separately. But when it is set up jointly and when they cannot agree upon who shall administer it, then either side may certify that disagreement to the Federal Security Administrator, and then the Federal Security Administrator is compelled to notify both parties that he will administer the fund. It seems to me that provision really accomplishes what many of us here have said we favor—that we favor the creation of such a fund, but we object to its administration by any single person, unless he might be an officer of the United States or some other public officer or board.

So it seems to me that those who have said they favor such a fund and that it should be administered by some public authority cannot consistently vote against this proposal which does precisely that thing. For that reason, I expect to vote for the amendment offered by the Senator from Rhode Island.

SEVERAL SENATORS. Vote! Vote!

Mr. MORSE. Mr. President, I wish to take a minute or two—

Mr. TAFT. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. The Senator from Oregon has already spoken twice on the subject today.

Mr. MORSE. I submit the point of order.

The PRESIDING OFFICER. The Chair understands that the Senator from Oregon has made only one speech on the subject; and, under the rule, he is entitled to make one more speech.

Mr. MORSE. Mr. President, I wish to take a minute or two to clarify the RECORD with regard to a matter which I think as the RECORD now stands is grossly unfair to the junior Senator from Oregon. I wish to say that earlier in the evening, when many of the Senators now present were not in the Chamber, the Senator from Florida was on the floor and a discussion took place between the Senator from Florida and the Senator from Ohio [Mr. TAFT] and the Senator from Massachusetts [Mr. SALTONSTALL] in regard to interpretations of the Byrd amendment. The interpretations which were made, I felt, were in error; at least, they did not represent my point of view as to the meaning of the Byrd amendment. I asked the Senator from Florida to yield. He did yield. I made comments, I am sure the RECORD will show, not in excess of 3 minutes in length.

The Senator from Kansas [Mr. REED] raised a point of order, and a correct point of order, insofar as the rules of the Senate are concerned, if technically applied. In raising the point of order he said the following:

> The point of order is that the Senator from Florida has been farming out his time to Senators to make speeches, in violation of the rules of the Senate.

Mr. President, I do not know what meaning the Senator from Kansas intended to leave insofar as the Senator from Oregon is concerned. But I simply wish to say for the RECORD that at no time has the Senator from Florida entered into any arrangement with the Senator from Oregon or has the Senator from Oregon entered into any arrangement with the Senator from Florida for farming out any time for the Senator from Oregon to make any speech on the floor of the Senate.

Following that, the Senator from Delaware [Mr. TUNNELL] carried on a brief discussion with the Senator from Florida, to which discussion the Senator from Kansas again objected. The RECORD shows that the Senator from Kansas said, in speaking to the Senator from Florida:

> I will ask the Senator a question, to keep within the ruling. Does not the Senator believe that the Senator from Oregon, who occupied 3 hours on this floor today on this question, had ample opportunity to discuss the question without making another speech in the Senator's time?

The Senator from Florida [Mr. PEPPER] replied, to the effect that in his opinion I had not made a speech in his time, and he raised a point for clarification.

Then the Senator from Kansas [Mr. REED] said:

> I have never raised that point of order before in the Senate, but I think this filibuster has gone far enough. I agree with the Senator from Maryland that it is time to cut off unnecessary debate.

I do not know, and I am not particularly interested in whether or not the Senator from Kansas wished to charge the Senator from Oregon with engaging in a filibuster. However, I do want to say for the RECORD, Mr. President, that at the time the Senator from Kansas made his remark the Senator from Oregon had his signature already affixed to a petition to limit debate by way of the cloture rule which, in the view of the Senator from Oregon, is the best way to limit debate on the floor of the Senate. Any time that two-thirds of the membership of the Senate, on a record vote, wish to limit debate I certainly will do all that I can do in order to afford an opportunity to the Senate to limit debate.

But I assert here and now, and categorically, that no Member of the Senate of the United States is more opposed to the filibuster than is the Senator from Oregon. He has never participated in one, he will never participate in one, and he has not participated in one today in connection with the pending measure.

I do believe that I talk too long. I am sorry that I do so. However, I may say further that every word which I spoke during the 3 hours I occupied the floor was on the merits of the issue. I am still waiting for the proponents of the pending antilabor legislation to answer some of the arguments I placed in the RECORD during those 3 hours.

Mr. President, I speak out of no animosity toward the Senator from Kansas. But I think it is unfortunate that he made statements which would give an impression to the public that the Senator from Oregon was engaging in a filibuster. I wish to say that such impression would be false as to the position of the Senator from Oregon.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island for himself and the Senator from Florida [Mr. PEPPER], as modified, in the nature of a substitute for the modified amendment of the Senator from Virginia [Mr. BYRD].

The amendment will be stated.

The LEGISLATIVE CLERK. In lieu of the language proposed to be inserted by Mr. BYRD as modified, it is proposed to insert the following:

> SEC. 8. It shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees engaged in an industry affecting commerce, separately or jointly to establish and maintain a fund for the provision of hospital, medical, and home nursing care and services, vocational rehabilitation, and other benefits to promote the welfare of such employees. In the event that the employer and employees cannot agree through the process of collective bargaining on who shall administer such a fund and either party shall certify such fact to the Federal Security Administrator then the Federal Security Administrator shall notify both parties to the controversy that he will administer such fund under such regulations as he may prescribe: *Provided*, That, wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be

prescribed by the Federal Security Administrator to assure the equitable administration of the fund for the purposes for which it was established, including an audit of the administration of such fund under the jurisdiction of the Federal Security Administrator. Whoever violates such regulations shall be punishable by a fine of $10,000 or imprisonment for 6 months or both.

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered and the legislative clerk called the roll.

Mr. THOMAS of Utah. 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 Missouri [Mr. BRIGGS]. I am therefore at liberty to vote. I vote "yea."

Mr. BANKHEAD. I have a general pair with the Senate from Nebraska [Mr. BUTLER]. Not knowing how he would vote, I transfer that pair to the Senator from Tennessee [Mr. MCKELLAR]. I am therefore at liberty to vote. I vote "nay."

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

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from West Virginia [Mr. KILGORE] are detained on public business.

The Senator from Colorado [Mr. JOHNSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

I announce further that on this question the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from South Carolina [Mr. MAYBANK]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from South Carolina would vote "nay."

I also announce that if present and voting the Senator from Colorado [Mr. JOHNSON] would vote "nay."

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS]. That pair and its transfer has been heretofore announced.

The Senator from Nebraska [Mr. BUTLER], who is absent by leave of the Senate, has a general pair with the Senator from Alabama [Mr. BANKHEAD]. That pair and its transfer has been heretofore announced.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The Senator from South Dakota [Mr. BUSHFIELD], who would vote "nay," is unavoidably detained.

The Senator from Illinois [Mr. BROOKS] is absent by leave of the Senate.

The result was announced—yeas 32, nays 45, as follows:

YEAS—32

Aiken	McMahon	Shipstead
Barkley	Magnuson	Taylor
Downey	Mead	Thomas, Utah
Green	Mitchell	Tobey
Guffey	Morse	Tunnell
Hayden	Murdock	Wagner
Hill	Murray	Walsh
Huffman	Myers	Wheeler
La Follette	O'Mahoney	Wilson
Langer	Pepper	Young
McFarland	Revercomb	

NAYS—45

Austin	George	Overton
Ball	Gerry	Radcliffe
Bankhead	Gurney	Reed
Brewster	Hart	Robertson
Buck	Hatch	Russell
Byrd	Hawkes	Saltonstall
Capehart	Hickenlooper	Smith
Capper	Hoey	Stanfill
Connally	Johnston, S. C.	Stewart
Cordon	Knowland	Taft
Donnell	Lucas	Tydings
Eastland	McClellan	Vandenberg
Ellender	Millikin	Wherry
Ferguson	Moore	White
Fulbright	O'Daniel	Wiley

NOT VOTING—19

Andrews	Butler	McCarran
Bailey	Carville	McKellar
Bilbo	Chavez	Maybank
Bridges	Glass	Thomas, Okla.
Briggs	Gossett	Willis
Brooks	Johnson, Colo.	
Bushfield	Kilgore	

So the amendment offered by Mr. GREEN for himself and Mr. PEPPER, as modified, in the nature of a substitute for the modified amendment of Mr. BYRD, was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Virginia [Mr. BYRD], as modified.

Mr. TAFT and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. There is another amendment by the Senator from Rhode Island and myself.

The PRESIDING OFFICER. There is one on the desk, but it has not yet been offered.

Mr. BARKLEY. It could not be offered until the other one has been voted upon.

Mr. GREEN. Mr. President, I offer the second amendment in behalf of myself and the Senator from Florida.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In lieu of the language proposed to be inserted by the amendment of Mr. BYRD, as modified, it is proposed to insert the following:

SEC. 8. It shall not be deemed to be unlawful under any law of the United States for an employer or a group of employees engaged in an industry affecting commerce, separately or jointly to establish and maintain a fund for the provision of hospital, medical, and home nursing care and services, vocational rehabilitation, and other benefits to promote the welfare of such employees: *Provided*, That, wherever such fund is administered exclusively by such employer or by such employees, it shall be administered in accordance with such regulations as may be prescribed by the Federal Security Administrator to assure the equitable administration of the fund for the purposes for which it was established and to provide for a public audit of such fund. Whoever violates such regulations shall be punishable by a fine of $10,000 or imprisonment for six months or both.

Mr. BALL. Mr. President, the amendment now offered is so very similar to the Pepper and Green amendment which has been voted on that it seems to me it is simply delaying tactics. I move that the amendment be laid on the table.

Mr. BARKLEY. Mr. President, every Senator in this Chamber has a right——

Mr. TAFT. A point of order. The motion is not debatable.

The PRESIDING OFFICER. The motion is not debatable.

Mr. BARKLEY. I understand that, but I think Senators should be allowed to offer amendments.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota to lay on the table the amendment offered by the Senator from Rhode Island [Mr. GREEN] for himself and the Senator from Florida in the nature of a substitute for the so-called Byrd amendment, as modified.

Mr. PEPPER. Mr. President, I am going to take just a moment.

The PRESIDING OFFICER. The Senator cannot take a moment. The motion is not debatable. The question is on the motion to lay the amendment on the table.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

The name of Mr. AIKEN was called, and he voted in the negative.

Mr. PEPPER. A parliamentary inquiry. The roll has not yet been called.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. PEPPER. That is true, but no Senator has responded.

Mr. TOBEY. It has been responded to.

The PRESIDING OFFICER. One Senator has voted, and debate is not in order. The clerk will proceed with the roll call.

The legislative clerk resumed and concluded the calling of the roll.

Mr. THOMAS of Utah. 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 Missouri [Mr. BRIGGS]. I am therefore at liberty to vote. I vote "nay."

Mr. BANKHEAD. 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 Tennessee [Mr. MCKELLAR]. I am therefore at liberty to vote. I vote "yea."

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

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr.

CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from West Virginia [Mr. KILGORE] are detained on public business.

The Senator from Colorado [Mr JOHNSON], the Senator from Nevada [Mr. McCARRAN], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS]. That pair and its transfer has been heretofore announced.

The Senator from Nebraska [Mr. BUTLER], who is absent by leave of the Senate, has a general pair with the Senator from Alabama [Mr. BANKHEAD]. That pair and its transfer has been heretofore announced.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The Senator from South Dakota [Mr. BUSHFIELD], who would vote "nay," is unavoidably detained.

The Senator from Illinois [Mr. BROOKS] is absent by leave of the Senate.

The result was announced—yeas 43, nays 34, as follows:

YEAS—43

Austin	Gerry	Revercomb
Ball	Gurney	Robertson
Bankhead	Hart	Saltonstall
Brewster	Hawkes	Smith
Buck	Hickenlooper	Stanfill
Byrd	Hoey	Taft
Capehart	Johnston, S. C.	Tydings
Capper	Knowland	Vandenberg
Connally	McClellan	Wherry
Cordon	Millikin	White
Donnell	Moore	Wiley
Eastland	O'Daniel	Wilson
Ellender	Overton	Young
Ferguson	Radcliffe	
George	Reed	

NAYS—34

Aiken	Lucas	Russell
Barkley	McFarland	Shipstead
Downey	McMahon	Stewart
Fulbright	Magnuson	Taylor
Green	Mead	Thomas, Utah
Guffey	Mitchell	Tobey
Hatch	Morse	Tunnell
Hayden	Murdock	Wagner
Hill	Murray	Walsh
Huffman	Myers	Wheeler
La Follette	O'Mahoney	
Langer	Pepper	

NOT VOTING—19

Andrews	Butler	McCarran
Bailey	Carville	McKellar
Bilbo	Chavez	Maybank
Bridges	Glass	Thomas, Okla.
Briggs	Gossett	Willis
Brooks	Johnson, Colo.	
Bushfield	Kilgore	

So, Mr. BALL's motion to lay on the table the amendment of Mr. GREEN and Mr. PEPPER was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Virginia [Mr. BYRD] as modified.

Mr. PEPPER. Mr. President, may we discover what is the pleasure of the leader as to the continuation of the session?

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. The Senator from Florida did not ask the pleasure of everyone here; he asked the pleasure only of the leader. [Laughter.]

Mr. President, if there is no further amendment to be offered to the Byrd amendment, so far as I am concerned, we might as well have a vote on it.

Mr. TAYLOR. Mr. President, I should like to address myself to the bill in general. I may say that I have tried to curb my desire to speak at this late hour, but I feel somewhat like a fire horse which hears the ancient bell after having been retired from service for some years.

As the Members of the Senate no doubt know, I have spent most of my life in the show business, and we generally started to work about 8 o'clock in the evening, and then we used to quit about 11 when the show was over.

Along came the depression, the movies started double features, and we had to compete with them, so we started putting on dances to compete with the double feature movies. The dance did not start until about 11, and by 2 o'clock we were going strong, we had gotten up steam by that time, and we went on until about 4 o'clock, and gradually tapered off until 5 or 6. It has been so long since I have had an opportunity to be in harness that I feel, inasmuch as we are set on a night session, it is only right that I should take over and again smell the powder of battle in the dark hours of the night.

To begin with, Mr. President, I should like to bring out how a retired miner feels about this whole controversy which is raging at the present moment around the miners and their so-called strike, which, of course, we know is not a strike. I should like to read a letter from a man who used to be a miner, but who had better sense than to continue, and retired. I believe this letter was written to the Evening Star. It is under the headline, Advice to Miners, is addressed to the editor, and reads:

> Having mined coal in three countries and being a descendant of several generations of miners, I would like to say a few words to the miners:
>
> You miners and the general public know now that you are an important cog in the wheel of industry, but you—the miners—are still, socially, the scum of the industry.

This is an ex-miner talking to those still engaged in mining. He continues:

> When my pal was killed by my side in the mines several years ago, I quit the mines forever and made my home in the city. Now I enjoy hot and cold running water, bath and toilet in the home and an enclosed sewage system throughout the city. I can also live in a home and purchase in a store not owned by my employer.
>
> All the jobs I have had in the city are all physically a picnic compared to yours.
>
> After reading the press and listening to the radio commentators the past few days, it appears that you fellows have chosen a scoundrel to lead and fight for your rights. He seems to be very strong and intelligent, but very selfish.

I presume he is speaking about Mr. John L. Lewis.

> But I notice those whom he is fighting are also very strong, intelligent, and selfish.
>
> I notice others have the right to strike and their grievances adjusted, yet you are not supposed to strike and without an alternative available. I cannot recall one instance in the history of coal mining where the coal operators ever voluntarily raised wages.
>
> As an ex-miner I must object to your choice of a national leader and the reason is: He votes and supports (except in one particular case) the Republican Party which consistently promotes all antilabor legislation and votes against all prolabor measures.

I think that is being amply demonstrated in respect to the present bill, Mr. President.

> Well, fellows, according to all indications, your dreary existence is going to be perpetuated.
>
> My sincere and earnest advice to you is throw away the shackles of tradition and come to the city for a job and live like an American and enjoy the American standard of living.
>
> JAMES FERGUSON.
>
> CHICAGO.

That letter, I remember now, was taken from the Chicago Sun.

Mr. President, since coming to the Senate I have often heard some of the old timers here lament the fact that the Senate does not have the caliber of men in it nowadays that it used to have. I am not prepared to pass judgment on the matter, being a new Member, not knowing what caliber of membership the Senate once might have had, but the statement is often made by the old timers that the Senate has deteriorated badly of recent years in the quality of representation the people have sent here to Washington.

Mr. President, I do not know but that I am beginning to agree with the old timers when I see the Senate enacting legislation which is bound to be declared unconstitutional. I refer in this particular instance to the Lea bill which the Senate recently passed. At the time it was under consideration I spoke for some 4 hours against the Lea bill, but it was passed anyway. Only three of us voted against it. But only today an article was brought to my attention from the trade paper "Tide." That is the name of the magazine. "Tide" is a publication devoted to the interests of the advertising agencies that handle the radio programs, that is bill the programs, engage the artists, and do the work for the big advertisers. The magazine Tide contains an article saying that the Lea bill was a sad mistake. Already the very ones whom the Lea bill was supposed to benefit are saying that Senators made fools of themselves by passing the Lea bill. Let me read one brief excerpt:

> Attorneys say that the act cannot hurt anybody directly, but that indirectly it is succeeding already in making the Congress which passed it and the radio industry which acclaimed it look thoroughly ridiculous, and the same attorneys believe that the industry would not have a snowball's chance in hell if it tried to have the act enforced.

Now that is the opinion, not of labor attorneys, but of the attorneys for the large advertising companies that handle the radio accounts.

The article goes on to point out that the Lea bill, which was passed by an overwhelming vote, only three of us dissenting, has the advertising fraternity greatly worried. And incidentally, Mr.

President, I think that may well turn out to be one vote of which I shall have more reason to be proud than any vote I will have an opportunity to cast in the Senate, because not being an attorney, and yet having enough horse sense to see that that bill was unconstitutional, it is going to make me feel pretty good when it eventually is declared to be unconstitutional.

The article goes on to point out that inasmuch as the measure made it unlawful for the musicians or anybody else to collect more than once for a recording, that the artists, whether actors, singers, or musicians, will collect sufficient fees in the first place to cover all contingencies, for any number of times it might be desired to rebroadcast the record. So it has the advertising fraternity greatly worried. It is going to cost them more money than it would have cost if they had let the artists and the companies bargain collectively as they have in the past.

There is another thing, which the article points out concerning the Lea bill which we passed. I am citing these arguments, Mr. President, before some Senator jumps up and says that my argument is irrelevant to the business in hand. I am simply trying to persuade Senators not again—at least so quickly—to make a jackass of themselves as they did in passing the Lea bill, which the parties concerned, who are not labor people, are already saying was a sad mistake.

Mr. HICKENLOOPER. Mr. President, a point of order.

The PRESIDING OFFICER (Mr. HOEY in the chair). The Senator will state it.

Mr. HICKENLOOPER. The Senator has intimated that the Senate of the United States has resolved itself into a composition of jackasses. I say the Senator is not in order. I ask that he be required to take his seat under the rule.

The PRESIDING OFFICER. The Senator from Idaho will take his seat.

The question is on the so-called Byrd amendment, as amended. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHITE. Mr. President, on what question is the roll being called?

The PRESIDING OFFICER. On the Byrd amendment, as modified.

Mr. GEORGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GEORGE. What is the question?

The PRESIDING OFFICER. The question is on the Byrd amendment, as modified.

The Clerk will resume calling the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. THOMAS of Utah. 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 Missouri [Mr. BRIGGS]. I am therefore at liberty to vote. I vote "nay."

Mr. BANKHEAD. I have a general pair with the Senator from Nebraska [Mr. BUTLER]. I am informed that if present he would vote as I intend to vote. I am therefore at liberty to vote. I vote "yea."

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

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Missouri [Mr. BRIGGS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from West Virginia [Mr. KILGORE] are detained on public business.

The Senator from Colorado [Mr. JOHNSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

I announce further that on this question the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from South Carolina [Mr. MAYBANK]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from South Carolina would vote "yea."

I also announce that if present and voting the Senator from Colorado [Mr. JOHNSON] and the Senator from Nevada [Mr. MCCARRAN] would vote "nay."

I announce further that if present and voting the Senator from Florida [Mr. ANDREWS] would vote "yea."

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, has a general pair with the Senator from Utah [Mr. THOMAS]. That pair and its transfer has been heretofore announced.

The Senator from Illinois [Mr. BROOKS] and the Senator from Nebraska [Mr. BUTLER] are absent by leave of the Senate. Both of these Senators would vote "yea" if present.

The Senator from Indiana [Mr. WILLIS] is necessarily absent. If present he would vote "yea."

The Senator from South Dakota [Mr. BUSHFIELD] is unavoidably detained. If present he would vote "yea."

The result was announced—yeas 47, nays 30, as follows:

YEAS—47

Austin	Gerry	Reed
Ball	Gurney	Revercomb
Bankhead	Hart	Robertson
Brewster	Hatch	Russell
Buck	Hawkes	Saltonstall
Byrd	Hickenlooper	Smith
Capehart	Hoey	Stanfill
Capper	Johnston, S. C.	Stewart
Connally	Knowland	Taft
Cordon	Lucas	Tydings
Donnell	McClellan	Vandenberg
Eastland	Millikin	Wherry
Ellender	Moore	White
Ferguson	O'Daniel	Wiley
Fulbright	Overton	Young
George	Radcliffe	

NAYS—30

Aiken	Hill	Magnuson
Barkley	Huffman	Mead
Downey	La Follette	Mitchell
Green	Langer	Morse
Guffey	McFarland	Murdock
Hayden	McMahon	Murray
Myers	Taylor	Wagner
O'Mahoney	Thomas, Utah	Walsh
Pepper	Tobey	Wheeler
Shipstead	Tunnell	Wilson

NOT VOTING—19

Andrews	Butler	McCarran
Bailey	Carville	McKellar
Bilbo	Chavez	Maybank
Bridges	Glass	Thomas, Okla.
Briggs	Gossett	Willis
Brooks	Johnson, Colo.	
Bushfield	Kilgore	

So Mr. BYRD's amendment, as modified, was agreed to, as follows:

On page 28, strike out section 8 and insert in lieu thereof the following:

"SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

"(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

"(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer; (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other membership fees payable by such employee to such labor organization; or (3) with respect to money or other thing of value paid to a trust fund established by such representative, for the sole and exclusive benefit of the employees of such employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents), provided (A) such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families, and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance; and (B) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees and employers are equally represented in the administration of such fund, such agreement to contain a provision that in the event the employer and employee groups deadlock on the administration of such fund, the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide such dispute shall, on petition of either group, be appointed by the District Court of the United States for the district where the trust fund has its principal office, and shall also contain provisions for an annual audit of the trust fund, a statement of the results of which shall be available for inspection by interested persons at the principal office of the trust fund and at such other places as may be designated in such written agreement; and (C) such payments meet the requirements for deduction by the employer under section 23 (a) or section 23 (p) of the Internal Revenue Code.

"(d) Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of

not more than $10,000 or to imprisonment for not more than 6 months, or both.

"(e) The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., title 28, sec. 381), to restrain violations of this section, notwithstanding the provisions of sections 6 and 20 of such act of October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), and the provisions of the act entitled 'An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes,' approved March 23, 1932 (U. S. C., title 29, secs. 101-115)

"(f) As used in this section—

"(1) 'Goods' means goods, wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof.

"(2) 'Produced' means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this section an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

"(3) 'Representative' means any labor organization which, or any individual who, is authorized or purports to be authorized to deal with an employer, on behalf of two or more of his employees, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work; and any other organization or fund of which a majority of the officers are representatives or are members of a labor organization or are elected or appointed by a representative.

"(g) This section shall not apply to any contract in force on May 15, 1946, during the life of such contract."

Mr. BYRD, Mr. BARKLEY, Mr. BALL, Mr. TAFT, Mr. HATCH, and other Senators addressed the chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. BYRD. I move that the Senate reconsider the vote by which my amendment was agreed to.

Mr. OVERTON, Mr. BARKLEY, Mr. HATCH, Mr. GUFFEY, and other Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. OVERTON. I move to lay the motion to reconsider on the table.

Mr. HATCH. Mr. President, I was trying to obtain recognition from the Chair simply because I do not like sharp practice. I know what took place here a while ago. If the Senator from Idaho [Mr. TAYLOR] wishes to debate this motion, I am perfectly willing to let him debate it all night long. I would rather not take a short cut.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OVERTON. Is the motion to lay on the table debatable?

The PRESIDING OFFICER. The motion is not debatable.

Mr. OVERTON. I make the point of order.

The PRESIDING OFFICER. The point of order is well taken.

The question is on agreeing to the motion of the Senator from Louisiana [Mr. OVERTON] to lay on the table the motion of the Senator from Virginia [Mr. BYRD] to reconsider the vote by which the so-called Byrd amendment was agreed to.

Mr. HATCH. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Mr. President, I was on my feet, and I was sure I was on my feet first.

The PRESIDING OFFICER. The Chair will state to the Senator from New Mexico that half a dozen Senators were on their feet, and the Chair recognized the Senator who he thought rose first. The Chair has no disposition to shut off any Senator. At least six Senators were on their feet seeking recognition. The Senator from Kentucky [Mr. BARKLEY] was on his feet.

Mr. HATCH. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. I merely wish to say that I have no desire to question the integrity of the Presiding Officer. I am quite sure that he made the decision which he thought was right. But I certainly hope that the motion to lay on the table will not be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. OVERTON] to lay on the table the motion of the Senator from Virginia [Mr. BYRD] to reconsider the vote by which the so-called Byrd amendment was agreed to.

The motion to reconsider was laid on the table.

Mr. BARKLEY and Mr. BALL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the further consideration of this bill no Senator shall speak more than once or longer than 1 hour on the bill or any amendment thereto.

Mr. PEPPER. I object.

Mr. HATCH. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. I ask unanimous consent that at an hour not later than 5 p. m. tomorrow the Senate proceed to vote on the bill and all amendments without further debate.

Mr. PEPPER. I object.

Mr. HATCH. I object.

Mr. GUFFEY. Mr. President——

The PRESIDING OFFICER. Objection is heard.

Mr. BALL. Mr. President, on behalf of myself, the Senator from Ohio [Mr. TAFT], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. HATCH] and the Senator from New Jersey [Mr. SMITH] I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

Mr. GUFFEY. Mr. President, I hope the Presiding Officer will recognize me. I have been standing on my feet for 10 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania will be recognized.

Mr. GUFFEY. Now or later?

The PRESIDING OFFICER. As soon as the amendment is stated.

The amendment offered by the Senator from Minnesota [Mr. BALL] will be stated.

The CHIEF CLERK. On page 19, beginning with line 16, it is proposed to strike out all of section 3 and insert in lieu thereof the following:

SEC. 3. (a) In order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, employers, and employees and their representatives, in any industry affecting commerce, shall—

(1) exert every reasonable effort to make and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements and provision for the final adjustment of grievances or questions regarding the application or interpretation of such agreements;

(2) whenever a dispute arises over the terms or application of a collective-bargaining agreement and a collective-bargaining conference is requested by a party or prospective party thereto, arrange promptly for such a conference not later than 10 days after receipt of a written request therefor and endeavor in such conference to settle such dispute expeditiously; and

(3) in case such dispute is not settled by conference, cooperate fully and promptly in such procedures as may be undertaken by the Federal Mediation Board under this act for the purpose of aiding in a settlement of the dispute.

(b) Whenever the Federal Mediation Board proffers its services for the purpose of aiding in a settlement of a labor dispute affecting commerce and until the Board certifies that its efforts at mediation are concluded or until 60 days have elapsed since the giving of notice asking a collective-bargaining conference between the parties regarding such dispute as provided in paragraph (2) of subsection (a) of this section, whichever date occurs first, it shall be the duty—

(1) of the employer or employers involved to refrain from any lock-out and to restore and maintain the rates of pay, hours, and working conditions which existed immediately prior to the time the dispute arose, except that changes agreed upon in writing with the employees or their representatives may be made;

(2) of the employees and their representatives to refrain from any strike or concerted slow-down of production.

(c) Any employer who fails to perform the duties imposed on him by subsection (b) of this section shall be deemed to have engaged in an unfair labor practice within the meaning of section 8 of the National Labor Relations Act, and the National Labor Relations Board is hereby authorized to utilize such powers as are granted to it by such act to prevent and restrain such unfair labor practices.

(d) Any employee who fails to perform the duties imposed on him by subsection (b) of this section shall lose his status as an employee of the employer engaged in the particular labor dispute in connection with which such employee's failure occurred for the purposes of sections 8, 9, and 10 of the National Labor Relations Act: *Provided*, That such loss of employee status for such

employee shall terminate if and when he is reemployed by such employer.

(e) The penalties set forth in subsections (c) and (d) for failure to perform the duties imposed by this section shall be exclusive and no other legal or equitable remedy for such failure shall be available. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent.

Mr. GUFFEY. Mr. President, I wonder if the Presiding Officer has forgotten an incident which occurred in the Senate about 15 or 18 years ago, when a Senator from New Hampshire rose and called western Senators "Sons of the Wild Jackass." I do not recall that he was taken from the floor or that any rule was invoked against him.

That is all I wish to say, Mr. President.

Mr. GEORGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GEORGE. I should like to ask if the RECORD will show who objected to the two unanimous-consent requests proposed by the majority leader with reference to the limitation of debate.

The PRESIDING OFFICER. The RECORD will show it.

Mr. GEORGE. Will the RECORD show from whom the objections came?

The PRESIDING OFFICER. The RECORD will show who objected.

The Chair will state in response to the statement of the Senator from Pennsylvania that, before making the ruling after the point of order was made, the Chair consulted the Parliamentarian, and the Parliamentarian advised that what had occurred was in violation of the rules of the Senate. And the Chair so held.

Mr. GUFFEY. Mr. President, what objection did the Senator from Pennsylvania make?

The PRESIDING OFFICER. The Chair said that in response to statement of the Senator from Pennsylvania, the Chair was saying why the Chair ruled, and the Chair stated the basis for the ruling. The ruling was in accordance with the precedents of the Senate and the rules of the Senate.

Mr. BARKLEY. Mr. President, it should be stated that, under the rule, when a Senator makes remarks that are objected to as offensive and when such Senator is ordered to take his seat, it then is in order for any Senator to move that the Senator involved be permitted to proceed in order. Such a motion was not made in that case.

The PRESIDING OFFICER. No such motion was made.

Mr. BARKLEY. But it was in order for any Senator to make such motion, and I have no doubt that if such a motion had been made it would have been carried.

The PRESIDING OFFICER. Such a motion was not made. The Chair ruled in accordance with the rule of the Senate and the precedents, as the Chair was advised by the Parliamentarian.

Mr. HATCH. Mr. President, in the light of what the Senator from Georgia has just requested, let me say I did object to both the requests which were made by the Senator from Kentucky. I am perfectly willing that the RECORD show that I objected to each request, as I shall in the future object to such requests.

Mr. GEORGE. Mr. President, I had the definite impression that all the objections came from the Democratic side. If my party believes that that is a wise course to pursue in a time when the Nation faces this most serious crisis, then I simply think that in fairness to the American people the RECORD should show it, because there are times when every man's loyalty to his country must rise above loyalty to party.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. HATCH. Have I been recognized?

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

Mr. HATCH. I do not think there has been any question about my loyalty to my party.

Mr. GEORGE. No; I did not question the Senator's loyalty.

Mr. HATCH. I do not think there has been any question about my loyalty to my country, either.

Mr. GEORGE. I am not questioning the Senator's loyalty; but I wish the RECORD to show who objected to the unanimous-consent proposal to limit debate as reasonably as that proposal has been made; and the country——

Mr. HATCH. Mr. President, have I the floor?

The PRESIDING OFFICER. Just one minute.

Mr. GEORGE. And the country can make up its own judgment.

Mr. HATCH. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. HATCH. The Senator from New Mexico has rather a straight record on this sort of legislation, I think. I do not think there is any doubt in the mind of anyone regarding where the Senator from New Mexico stands or how he is going to vote. It did happen that I thought a Member of the Senate had been unjustly removed from the floor. I was not in the Chamber at the time when that occurred or I would have made a motion that he be permitted to continue.

Therefore, because I thought an injustice had been done to one of the Members of the Senate—and I do not agree with him; I shall vote against him on every proposition he raises, and he knows it—I objected, because I think that he had a right to stand on the floor of the Senate and expound any view he entertained, and I thought he was unjustly removed from the floor.

The PRESIDING OFFICER. As the Chair stated a few moments ago——

Mr. HATCH. Mr. President, I am not criticizing the Chair.

The PRESIDING OFFICER. The Chair stated that the point of order was made and the Chair ruled on it.

Mr. HATCH. Yes.

The PRESIDING OFFICER. That is all that occurred. If a motion had been made to permit the Senator from Idaho to proceed, the motion would have been put and the Senate would have determined it.

Mr. HATCH. Yes. I am not criticizing the Chair.

Mr. WALSH. Mr. President——

Mr. HATCH. I yield to the Senator from Massachusetts.

Mr. WALSH. I should like to have the floor in my own right.

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

Mr. HATCH. I yield.

Mr. BARKLEY. I appreciate the Senator's feeling with respect to the rather precipitous proceeding regarding the Senator from Idaho. I myself had been called to the telephone, and I was not in the Chamber and I did not hear the remark which resulted in the raising of an objection on the part of the Senator from Iowa. I would have made a motion similar to the one to which the Senator has referred. However, I was not in the Chamber at that moment.

But I hope the Senator from New Mexico will not permit the episode to prejudice him against unanimous-consent requests which may be made hereafter in an effort to bring about limitation of debate.

Mr. HATCH. Mr. President, if my loyalty to my country is being called into question, I certainly will——

Mr. BARKLEY. Mr. President, I do not know whether that is being done.

Mr. GEORGE. Mr. President, let me say that I was not in the Chamber when the episode to which reference has been made occurred.

Mr. HATCH. I was not, either.

Mr. GEORGE. And I did not know that anything of the sort had occurred. But I had reference to those who objected to unanimous-consent requests or proposals.

Frankly, I did not hear the Senator from New Mexico interpose an objection. Although some incident may have occurred, I can assure him that I knew nothing of that, and I can understand that if he felt that some Senator had been particularly aggrieved, he might properly have interposed an objection.

Mr. HATCH. That was all.

Mr. GEORGE. Yes.

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

Mr. HATCH. I yield.

Mr. BARKLEY. I may also say that the Senator from New Mexico was not alone in objecting to my unanimous-consent requests, because I heard at least six objections, some of which I recognized; and if the RECORD is going to show who objected, I hope it shows the names of all the Senators who objected.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. I should like to know just what the Senator from Idaho did say. I am very curious to know why he was taken off the floor. I wonder whether the Chair will inform me what he said.

Mr. HATCH. Mr. President, I refuse to yield for that purpose.

The PRESIDING OFFICER. The Senator from New Mexico declines to yield.

Mr. HATCH. Mr. President, the only point I have in mind is that I think the Senate of the United States should be willing to hear any Senator, so long as he speaks within reasonable bounds and reasonable limitations. I myself have signed the cloture petition.

Mr. President, let me inquire what the pending question is.

The PRESIDING OFFICER. The pending question is on the amendment offered by the Senator from Minnesota [Mr. BALL] for himself and other Senators, which was just read.

Mr. HATCH. Mr. President, may it be reported?

The PRESIDING OFFICER. It has been reported and read.

Mr. HATCH. May it be reported again?

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk again read the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. BALL] for himself and other Senators.

Mr. WALSH. Mr. President, at this late hour after midnight, I hesitate to take the time of the Senate to make some observations that the unusual proceedings, the exciting and tense debate on this issue, have prompted. I had not intended to address the Senate at this time, but I cannot longer remain voiceless when the deep-seated convictions I entertain over what is transpiring here seek expression.

Mr. President, the Senate has in recent days been passing through a most unusual experience. I have been here a long time, and I have never seen the proceedings in the Senate assume the extraordinary character they have during this debate and especially tonight. We have seen an antilabor coalition ride roughshod over a minority to the extent that even a motion to lay on the table has been made against amendments in the interests of, and proposed by friends of, the workers, without permitting even debate or a vote on their merits. It is clear that there is a solid bloc of Senators, including members of both parties, determined to vote for almost any amendment restrictive of the rights of the workers. Of course, they urge that their purpose is to correct the excesses of labor unions, but that does not change the fact that their opposition is against every man and woman who belongs to labor organizations or who may choose to join them in the future. The atmosphere of the Senate appears to be charged with a determination to pass legislation impetuously and primarily for punitive ends. Calm and wise judgment has disappeared. As the roll is called the question seems to be not so much on the merits of individual amendments but on a determined intention to classify Senators into two categories; one, the representatives of the employers, and the other, the representatives of the workers. By innuendo, if you happen to be a Senator championing the cause of the workers, you are a strike sympathizer and should receive the condemnation and contempt that some people hold at the present time toward John L. Lewis.

Instead of the ordinary procedure of discussing and analyzing the problems that affect labor and industry, of trying to prevent or remove the abuses that exist in both groups, the issue here is to seize the present opportunity to curb and restrict the rights now enjoyed by the workers. Senators who heretofore have boasted of their loyalty to the working class are gleefully rushing to vote for amendments that every man and woman in every labor organization in the country considers hostile and detrimental to the rights of the working class. Senators who were elected as friends of labor have succumbed to the hysterical emotions of the hour, and have joined the procession supporting the antilabor amendments. For the first time I have witnessed an attitude of indifference, if not real hostility, toward any expressions of sympathy with, or support of, the causes that Senators heretofore have been proud to advocate. There is a subtle attempt here to imply that those who speak against these repressive measures are either disloyal or wild-eyed labor agitators.

It is to be noted that every amendment to place management and trade associations in the same status as labor organizations, in regard to management of their group funds or reports of their joint membership, has been rejected. It appears to be a determination to punish labor, and labor only.

In contrast with the situation in this Chamber in regard to the legislation at hand, I recall the long struggle of the workers for social justice, for the opportunity of obtaining a decent livelihood, for a fair and just share of the earnings resulting from their toil.

I recall that in my own State it took 60 years of agitation to enact reasonable child-labor legislation. I can remember as a youth scenes in my own community where I saw young girls, 13 and 14 years of age, going out in the darkness of the early morning to work in the cotton mills for 10 and 12 hours, returning in the darkness of the evening. I have heard from their lips stories of how they ran every inch of the way from their homes to the mill gates because they were frightened. Who brought about the changes that have resulted in today's improved working conditions? Who has accomplished the shortening of work hours and the improvement of working conditions? It was done through the organization of the workers, through unions, and other associations that they set up for using their collective power to influence employers who were often of the absentee landlord class.

I recall, in the eighties, the enthusiasm with which the workers received the establishment of the organization known as the Knights of Labor, and their espousal, under difficulties and persecutions, of the cause for shorter working hours, better wages, and better living conditions. Much progress has been made, but the credit is due in large measure, if not in full measure, to the unions and labor organizations that the workers themselves set up.

I recall witnessing—I can picture some of them now—many of them I knew by name—women 75 and 80 years of age—trudging the streets in summer and winter, year in and year out, from the mills to their homes with bent backs and gnarled fingers due to ceaseless toil over the spindles, looms, and machines in the factories and workshops of New England. Who lifted their voices and used their efforts to help bring about better living conditions, shorter hours of work, and the securing of safety appliances? The workers' organizations.

I remember as a young lawyer prosecuting cases in the courts for damages sustained by employees—one a young woman whose scalp was torn from her head because the hair became entangled in the machinery due to the lack of proper safeguards. I remember other cases seeking compensation for loss of arms, for loss of fingers, and other disabilities. In all of them I found raised in defense the doctrine of "assumption of risk"—that the employees assume the risk involved in their work. These and other victims of industrial injuries were often obliged to turn to public charity or to members of their families for support. Sometimes when a father was seriously incapacitated the children were forced to leave school and to go to work to support him.

Who led the fight and brought about legislation that eliminated the doctrine of assumption of risk and made it possible for these victims of industrial life to become other than a public charge? It was labor, organized labor, union labor.

The long and at times discouraging struggle made by labor organizations, against what seemed insurmountable obstacles, to elevate the workers from almost a state of servitude to the improved position that they now hold through legislation requiring safety appliances, better working conditions, and shorter working hours, is an inspiring one. It is indeed a story of the glorious victory of human rights.

I inject a personal story about two factory workers who had reached old age. I had forgotten them, though in my early youth I had carried a dinner pail to them from their homes to the factory gates during the noon hour. One day a few years ago a welfare agent called upon me to inquire about their needs. He expressed pity for their plight because they had once lived fairly comfortably on their meager income. He said, "I never knew till I met these ladies that it is a crime to live to an old age." I asked, "What do you mean?" He said, "Why, these women have toiled for nearly 60 years, and they saved enough money in that time to take care of themselves and to provide for their old age, but they lived too long. Had they died a few years after advancing age forced them out of the factory they would have gone to their graves without public charity. However, because they have lived too long, over 80 years, they are now experiencing the trials and tribulations of poverty." He made another observation, "I never knew

before that people could be poor and aristocratic as well. These ladies are aristocrats." They were, indeed, aristocrats, sweet, kind, lovable characters; and there are hundreds of thousands of women, and men, too, who during our lifetime have experienced the same hardships I have just described. These are some of the types of people this legislation will affect by curtailment of the workers' rights.

The amendments before us affect every worker and every organization, the innocent as well as the guilty, if there are any guilty, of excessive and unreasonable demands and procedure. I am not defending John L. Lewis, but, Mr. President, I will not be a party, because of Lewis, to enacting laws which will restrict the rights of those honest working men and women who have labored so unceasingly during the war, who gave their sons to the service of our country in our hour of need. I shall not offend or shackle them by telling them that their bargaining rights are to be restricted, that they cannot be relied upon to carry on the candid and open relationship which should exist between employee and employer in collective bargaining.

Mr. President, have we forgotten the obligation, the great debt we owe to the workers of this country? All the vast wealth we have accumulated has come from the toil, sweat, and blood of the workers.

Their strength, their vigor, their health, their labors, have opened up the vast wealth that the Almighty planted in the bowels of the earth for our benefit. They have tilled the fields so that we might have the rich harvests with which we are blessed. They have exhausted themselves in the workshops, factories, and industries of the country. How meager has been their share of the prosperity that has resulted from their toil and sacrifice!

Have they no claim to our sympathy and assistance? Must we be heedless of their social advancement and welfare because some leader may have misjudged his obligation to them or his responsibility to the public? Labor leaders are not immune from the faults, failures, and mistakes or even the misuse of power which is observable in other phases of life.

Even those in the public service, whom we sometimes call politicians, make serious mistakes and fail to promote the public welfare.

I have witnessed the struggle of the workers for recognition of their rights up to this very hour, and I regret to see in this Chamber efforts to restrict the progress that has been made—efforts that indicate a lack of sympathy, a distrust of the workers' organizations, a hindrance to further progress—efforts to place limitations on their rights to organize and to engage in collective bargaining.

Mr. President, I regret to see in this Chamber what seems to me to be a determination to turn back, an attempt to undo some of the helpful things that have been accomplished through years of effort. Indeed, I think I observe here a spirit of passion, a spirit of intense hostility, a desire to get even with someone. We are acting as if we were looking for blood. I fear, instead of helping to end strikes and bring about peaceful and harmonious conditions, we may be moving toward more turmoil, more strikes, and more hostility between capital and labor.

There is a mistaken notion here that some of the amendments which are proposed will prevent or end the present strikes. Not one of these amendments which are being proposed here will affect John Lewis or the leaders of the Railroad Brotherhood; but they will affect every man and woman who toils and who chooses to belong to a labor union now or in the future. It is to be noted also that workers who are not members of labor organizations receive benefits attained by the efforts of unions. You cannot get even with John L. Lewis or other strike leaders through these amendments. You can, however, break the spirit, dishearten the working class for a time, but their cause is so humane and just that, like a volcano, the eruption is only being postponed.

Mr. President, not all employers are petitioning for this legislation. There are many, very many who deal fairly and justly with labor. Many of them have a sincere and deep sympathy for their workers. Many of them have often voluntarily expressed this in bonuses, pensions, and in various other benefits to the workers. Let us counsel with these representatives of the employers and we will find them cooperative. Not one of them will ask us to repeal collective bargaining or the right of the worker to strike.

Hundreds, yes thousands, of disputes and differences between labor and industry have been peacefully and successfully adjusted. Because there have been a few failures and hardships have resulted and the public interest has been jeopardized does not, in my opinion, justify the putting of all labor in a strait-jacket.

One would be led to believe, listening to the debate here, that there is no class consciousness on the side of management; that it is all on the side of labor. In my opinion, there is as much class consciousness on the one side as on the other, and, in my opinion, some labor unions remain militant because, forced to deal with a hostile employer, they believe that the labor union can survive in no other way.

In the final analysis, it is my opinion that the sympathetic attitude of management toward unions is the key to sound industrial relations, and, if the employers wholeheartedly accept the philosophy of collective bargaining, our labor unions would rise to the responsibilities which they have and fulfill their rich promises.

Unless there is a sharp change for the better in industrial relations, I fear industry and labor will wake up some day to find a new philosophy, an extreme philosophy promulgated through the Nation. In my opinion, radical economic changes will come if labor and industry cannot find a way peacefully to adjust their differences. The success of the American way of life is not through extreme restrictive measures, but through management and labor solving their individual problems through self-government and through industrial democracy. The preservation of the American way of life depends upon their success in solving their mutual problems.

Mr. President, let us think of the workers other than John L. Lewis' as we discuss this legislation. There are millions of them who are law-abiding and who seek and desire industrial peace. Men are fallible and so are leaders, whether they are in the labor, the industrial, or in the political life. Rash and extreme measures that affect and injure the welfare of the people are taken even at times by men in public service.

Let us remember there is another day coming when the present labor turmoil will have subsided. Industrial peace will come, and the workers, in my opinion, desire it and want it just as much as management.

Let it not be said of us when our record is scanned that in the heat of passion we attempted to undo the progress that labor has made through its long uphill hike for industrial freedom, that we have in a moment of excitement sought to abridge and reduce the rights of workers.

Let us consider these measures calmly. I cannot emphasize too strongly the fact that no amendment proposed here by the coalition can in any manner affect or change the present strike situation. Nor could these coalition amendments, were they the law today, have prevented the present strikes. The amendments are proposed now in the belief that the present hysterical state of mind will give the support that the amendments would not get in normal times. In fact, some of the proponents of these amendments privately concede this.

These proposals will result in arousing the antagonism and resentment of all workers, who are innocent parties to present labor disturbances, when they know the motive behind these proposals and their true significance.

Mr. TAFT. Mr. President, I think that the charge of emotion which has been made against the Senate is completely unjustified. I have been a Member of the Senate for 8 years, and every effort to deal constructively with the labor situation has been suppressed by the Committee on Education and Labor. Hearings were held this year. The amendments which will come before the Senate have been studied and considered at great length. The amendments do not oppress any laboring man or woman, or labor unions. They are amendments which have been carefully worked out over a period of many months. The Byrd amendment was offered approximately 10 days ago. I did not like it in its original form. We tried to work it over into a constructive solution of one of the serious problems which confronts the country.

Frankly, it was blocked by a filibuster. For days we have been debating over and over again the same issue.

Mr. President, it seems to me that the Senate was justified in insisting that we not go home tonight until we end this deadlock which has continued so long. It seems to me that the charge of emotion is completely unjustified. These amendments are before us. I hope

we may consider them as they are reached. I will support those recommended in the minority views. I hope some of them will be agreed to. I do not know whether they will be agreed to or not. They vary in the fields which they cover. However, I may say that each of them is an attempt to deal with a particular abuse which has arisen during the past 10 years in the labor situation which has and which now confronts the country. Those abuses have been recognized by labor, and yet they are matters with which the Senate has not cared to deal.

It seems to me, Mr. President, that we have proceeded in the proper way to deal with the problems before us. Merely because we wish to vote at 1 o'clock in the morning, after being here from 11 o'clock yesterday, I do not think that we should be subjected to the charge of being prejudiced with regard to a question on which every Member of the Senate made up his mind yesterday, the day before, or 2 or 3 days ago. Certainly, the fact that some of us are pressing for a vote is no evidence of emotion on the part of any Member of the Senate.

Mr. TAYLOR. Mr. President, I am sorry for the incident which occurred a few moments ago. Being a Democrat, and belonging to a party that is represented by the jackass, I do not attach any particular stigma to the animal. Also, in the last day or two having heard Senators with a great deal of seniority bandy about such words as "skunk," I thought a jackass was not nearly so bad as that. Nevertheless, I am sorry that I inadvertently let the word fall from my lips, and if it is agreeable to the Senate, the reference can be stricken from the RECORD.

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

Mr. FULBRIGHT. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Is there no way to find out just what the Senator from Idaho did say?

The PRESIDING OFFICER. The incident is closed.

Mr. TAYLOR. Mr. President, to convey the idea that I was trying to get across, I shall again read the paragraph from this article in Tide magazine, the paid paper of the advertising agencies, which handles the accounts of the big radio programs.

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

Mr. TAYLOR. For what?

Mr. TAFT. I only wish to ask whether the Senator is going to proceed to talk at some length. I feel that the subject before the Senate is one which is important——

Mr. TAYLOR. Mr. President, I am not obliged to answer the question of the Senator from Ohio. What I started to say was that the attorneys for these advertising agencies which handle the accounts of the people who put on the big radio programs have decided already, in the brief time since we passed the Lea bill, the so-called Petrillo bill, that it was not such a smart thing to do, either from the standpoint of the radio industry or of the Congress. These are the words of the attorneys for the advertisers, not my words. I quote the article verbatim:

> Attorneys say that the act can't hurt anybody directly, but that indirectly it is succeeding already in making the Congress which passed it and the radio industry which acclaimed it look thoroughly ridiculous; and the same attorneys believe that the industry wouldn't have a snowball's chances in hell if it tried to have the act enforced.

It proceeds to say that the law does not outlaw particular practices, it merely outlaws the use of coercion to obtain certain things. If the radio people want to agree to them and there is no coercion connected with it, the practices are perfectly all right. So, under the circumstances, this is what will happen: We have passed a law to injure Mr. Petrillo and put him in his place, but now if the producers of the radio programs want any musicians, Mr. Petrillo cannot bargain with them, he cannot ask them for these things because that is against the law, but he can say to his musicians, "It has been very difficult working here for so many years. Let us rest a while." They would not strike; they would simply take their instruments and go home, and go out and mow the lawn, and if the producers of the radio programs wanted any musicians they would have to go to Mr. Petrillo and ask him, "Please, Mr. Petrillo, will you do these things?" Then Mr. Petrillo could very graciously consent, and the radio programs would be on the air again. So all we have done has been to make it unnecessary for Mr. Petrillo to bargain, and force those who want his services to go and lick his boots.

Mr. President, it was not many years ago that I was out West, as I said a moment ago, with a little show company, and I used to do a lot of thinking. I would read of some law the Senate had passed which I did not think was very good; something which seemed to be against the interest of the common people, and I would think to myself, "Well, those poor devils are in a tough spot back there. I'll bet they want to do right, a lot of them, but they have had these big interests contribute money to elect them, and they just are in a tough position. It takes a lot of money to get elected in those big States, and I guess they can hardly help themselves once in a while."

That was my idea. Then later I worked in a war plant, and at times we would go out to repair the kitchen facilities at Army installations, and I would be down under a sink with the grease dropping in my face and the cockroaches running over me, and I would think these things over. Perhaps Congress had recently passed some law that I did not like, and I would think again, "Well, I'll bet their hearts are right, but here is this reactionary United States Chamber of Commerce, and the National Association of Manufacturers. They are hauling these fellows more to the right and trying to get them to be reactionary. Maybe the fellows' hearts are not so bad, but that is the situation back there."

Then, lo and behold, all of a sudden I find myself in the United States Senate, and what do I find? Do I find that the Senator's hearts are with the common people, and that they are trying to do the right thing for the poor people, that the National Association of Manufacturers is pulling them over to the right and trying to get them to pass legislation to curb the rights of labor and take away the rights they have gained through all these years?

No, Mr. President, that is not what I have found. I find the Senate of the United States considering legislation and amendments to a labor bill which even the National Association of Manufacturers condemns. It says John L. Lewis is a fine fellow, and I have never said that. We find that National Chamber of Commerce opposing this legislation. We find the Wall Street Journal opposing the legislation. Instead of a Congress that wants to do the right thing by the common people being pushed along the road by what we have ordinarily considered to be the most reactionary forces in the country, we find the so-called reactionary forces pleading with a Congress so reactionary and so antilabor that even the Wall Street Journal cannot go along with it.

Mr President, I have here a statement made by a representative of the Australian Council of Trade Unions who was recently in the United States. In Melbourne he made a speech. I read from the Washington Post:

> Albert Monk, Secretary of the Australian Council of Trade Unions, said in a speech today that the United States is the "most troubled" country in the world and predicted a dictatorship there as a result of attacks by large corporations on labor standards.

Of course, he did not know this situation had developed as it had, that the representatives of the large corporations are pleading with the Congress to lay off what it proposed, to give the workers a chance, and that the Congress has taken the bit in its teeth and is absolutely out to wreck labor. The article continues:

> Monk, who returned recently from a visit to the United States, said, "During the next 12 months there will be an attempt to establish a dictatorship by organized efforts of employers to cheapen production so the United States can get rid of its surplus goods and compete with Britain's world markets.

That may come to pass, Mr. President. Certainly, when I sit here and see the vicious antilabor sentiment in the Congress, I can see the specter of Adolf Hitler and Benito Mussolini rising up on the horizon.

The legislation we are considering is going to solve nothing. We cannot make the miners go back into the mines and work unless they want to, and they will not want to if we pass a law that says, "You must or we will put you in jail."

I will tell the Senate what will happen, Mr. President. Thousands of them will go to jail, because I have just come from working with them shoulder to shoulder, and I would go to jail before I would have anybody tell me that I had to go down in the mines and go to work whether I wanted to or not. They could put me in jail, they could shoot me, before I would go, and those men with whom I worked in the war plants have just as much spunk and just as much guts as I have.

Mr. President, here is a sample of the absurdity of the legislation we are con-

sidering. Here is an article by John F. Cramer in the Washington Daily News. He is no radical. He has been giving a new CIO union fits. I have forgotten the name of the union. It is the UPWA, or something like that. He has been taking them to task every day, so he cannot be called a radical. He says that an amendment is being drawn to prohibit anybody who belongs to a labor union which advocates strikes, or has provision for strikes in its constitution, from working for the Government. If we make it the law that one cannot belong to unions that advocate strikes and at the same time work for the Government, it will become necessary to discharge thousands of employees who have not struck, but who belong to unions which do strike against private employers. They will have to be fired, and I am one of those who will have to be fired, because in my pocket I have a card in the sheetmetal workers' union which most certainly has a provision in its charter for striking. I never did strike. We had no strikes in the plant where I worked. But if we had had just cause to strike I would have been with the boys.

Mr. President, I would be perfectly happy to go on and talk into the wee small hours. As I said, it has been my life in the past that about this time is what would be afternoon for ordinary people. I could well talk until 5 or 6 a. m., although I will have to admit that since coming to the United States Senate I have used my voice so little that my throat is very tender. I think a few hours' talk would do it good. However, inasmuch as the thirst for blood seems to be satisfied for the evening, an amendment having been railroaded through, and a motion to reconsider tabled, that seems to have satisfied the craving for getting at the throat of labor for the evening so I guess I shall not continue further this evening.

Mr. President, I again want to say that I had no intention of casting any aspersions on the character of any Senator. It was an inadvertent slip.

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.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Wilson W. Wyatt, of Kentucky, to be Housing Expediter;

Robert E. Healy, of Vermont, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1951 (reappointment); and

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.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. today.

The motion was agreed to; and (at 1 o'clock and 13 minutes a. m., Friday, May 24, 1946), the Senate took a recess until 11 o'clock a. m. of the same day.

NOMINATIONS

Executive nominations received by the Senate May 23 (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:

Oscar V. Armstrong, of North Carolina.
W. Wendell Blancke, of Pennsylvania.
William N. Dale, of New York.
Alfred le S. Jenkins, of Georgia.
Curtis F. Jones, of Maine.
Francis E. Meloy, Jr., of Maryland.
Alexander L. Peaslee, of Ohio.
Howard A. Reed, of California.
Stephen A. Rynas, of New York.
Frederick D. Sharp 3d, of Connecticut.
Albert W. Sherer, Jr., of Illinois.
Levi P. Smith, Jr., of Vermont.
Gerald Stryker, of Connecticut.
Richard M. Tynan, of New York.
Stanley B. Wolff, of New York.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidate for promotion in the regular corps of the United States Public Health Service:

Senior Assistant Sanitary Engineer Ralph Porges to be temporary sanitary engineer.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 23, 1946

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

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

Thou infinite Father, in the onward sweep of time we are brought again to the beginning of a new day. As we hold it in our grasp, may it be something better and purer for Thy children everywhere. We pray that the disparagements of life may give way to larger faith and recognition of the eternal verities. Grant that the hearts of designing men may be melted into brotherhood; that the duty and sanctity of honest labor may increase; and that creeds may be swallowed up in pure, undefiled religion. Dear Lord, we entreat Thee that Thy kingdom, for which the devout of every age have prayed, may come to the great soul of humanity, when men shall trust one another and work for the things that make for peace; when there shall be no oppression and the new world shall appear. How beautiful upon the mountains are the feet of Him that bringeth good tidings, that publisheth peace. We pray in the name of Thy Son, the Prince of Peace. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill and a joint resolution of the House of the following titles:

H. R. 4763. An act for the relief of R. L. Benton; and

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House which was read:

MAY 22, 1946.

The Honorable the SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III, of the House.

Respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

MEMBERS OF THE HOUSE TO ATTEND MEETING OF EMPIRE PARLIAMENTARY ASSOCIATION

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 58, Seventy-ninth Congress, the Chair appoints the following Members on the part of the House of Representatives to attend the meeting of the Empire Parliamentary Association, to be held in Bermuda, beginning June 10, 1946: Mr. LUTHER A. JOHNSON, of Texas, chairman; Mr. RICHARDS, of South Carolina; Mr. GRANT, of Indiana; and Mr. SMITH, of Wisconsin.

COMMITTEE TO INVESTIGATE DISPOSITION OF SURPLUS PROPERTY

The SPEAKER. Pursuant to the provisions of House Resolution 385, Seventy-ninth Congress, the Chair appoints as members of the Select Committee To Study and Investigate the Operation of the Program for Disposition of Surplus Property the following Members of the House: Mr. SLAUGHTER, Missouri, chairman; Mr. DAVIS, Tennessee; Mr. ROONEY, New York; Mr. RIZLEY, Oklahoma; and Mr. ROBERTSON, North Dakota.

SCHOOL-LUNCH PROGRAM

Mr. FLANNAGAN. Mr. Speaker, I call up the conference report on the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R.

3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and egree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'National School Lunch Act'.

"DECLARATION OF POLICY

"SEC. 2. It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school-lunch programs.

"APPROPRIATIONS AUTHORIZED

"SEC. 3. For each fiscal year, beginning with the fiscal year ending June 30, 1947, there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as 'the Secretary') to carry out the provisions of this Act.

"APPORTIONMENT TO STATES

"SEC. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying, during such fiscal year, agricultural commodities and other foods for the school-lunch program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the aforesaid funds made available for such year for supplying agricultural commodities and other foods under the provisions of this Act, except that the total of such apportionments of funds for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands shall not exceed 3 per centum of the funds appropriated for agricultural commodities and other foods for the school-lunch program. Apportionment among the States shall be made on the basis of two factors: (1) The number of school children in the State and (2) the need for assistance in the State as indicated by the relation of the per capita income in the United States to the per capita income in the State. The amount of the initial apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States; and, finally, apply the figure thus obtained to the total funds to be apportioned. For the purpose of this section, the number of school children in the State shall be the number of children therein between the ages of five and seventeen, inclusive; such figures and per capita income figures shall be the latest figures certified by the Department of Commerce. For the purposes of this Act, 'school' means any public or nonprofit private school of high-school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico. If any State cannot utilize all funds so apportioned to it, or if additional funds are available under this Act for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner.

"SEC. 5. Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, $10,000,000 shall be available to the Secretary for the purpose of providing, during such fiscal year, nonfood assistance for the school-lunch program pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $10,000,000, and such apportionment among the States shall be on the basis of the factors, and in accordance with the standards, set forth in section 4 with respect to the apportionment for agricultural commodities and other foods. The total of such funds apportioned for nonfood assistance for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands shall not exceed 3 per centum of the funds appropriated for nonfood assistance in accordance with the provisions of this Act.

"DIRECT FEDERAL EXPENDITURE

"SEC. 6. The funds appropriated for any fiscal year for carrying out the provisions of this Act, less not to exceed 3 1-2 per centum thereof hereby made available to the Secretary for his administrtaive expenses and less the amount apportioned by him pursuant to sections 4, 5, and 10, shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools participating in the school-lunch program under this Act in accordance with the needs as determined by the local school authorities. The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act.

"PAYMENT TO STATES

"SEC. 7. Funds apportioned to any State pursuant to section 4 or 5 during any fiscal year shall be available for payment to such State for disbursement by the State educational agency, in accordance with such agreements not inconsistent with the provisions of this Act, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistance in furtherance of the school-lunch program authorized under this Act. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this Act. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars; and for any fiscal year thereafter, such payments shall be made upon condition that each dollar will be so matched by $3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land, of the acquisition, construction, or alteration of buildings, of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school-lunch program. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

"STATE DISBURSEMENT TO SCHOOLS

"SEC. 8. Funds paid to any State during any fiscal year pursuant to section 4 or 5 shall be disbursed by the State educational agency, in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school-lunch program. Such disbursement to any school shall be made only for the purpose of reimbursing it for the cost of obtaining agricultural commodities and other foods for consumption by children in the school-lunch program and nonfood assistance in connection with such program. Such food costs may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, or handling thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school-lunch program under this Act during such year by the maximum Federal food-cost contribution rate for the State, for the type of lunch served, as prescribed by the Secretary.

"NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"SEC. 9. Lunches served by schools participating in the school-lunch program under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children who are determined by local school authorities to be unable to pay the full cost of the lunch. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay. School-lunch programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or commodities donated by the Secretary. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school-lunch program under this Act as well as to other schools carrying out nonprofit school-lunch programs and institutions authorized to receive such commodities.

"SEC. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act the same proportion of the funds as the number of children between the ages of five and seventeen, inclusive, attending nonprofit private schools within the State is of the total number of persons of those ages within the State attending school. The Secretary shall disburse the funds so withheld directly to

the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school-lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.

"MISCELLANEOUS PROVISIONS AND DEFINITIONS

"SEC. 11. (a) States, State educational agencies, and schools participating in the school-lunch program under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this Act are being complied with. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

"(b) The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act with respect to the operation of the school-lunch program under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purposes of this Act.

"(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school. If a State maintains separate schools for minority and for majority races, no funds made available pursuant to this Act shall be paid or disbursed to it unless a just and equitable distribution is made within the State, for the benefit of such minority races, of funds paid to it under this Act.

"(d) For the purposes of this Act—

"(1) 'State' includes any of the forty-eight States and the District of Columbia, Territory of Hawaii, Puerto Rico, Alaska, and the Virgin Islands.

"(2) 'State educational agency' means, as the State legislature may determine, (a) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (b) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and except that for the period ending June 30, 1948, 'State educational agency' may mean any agency or agencies within the State designated by the Governor to carry out the functions herein required of a State educational agency.

"(3) 'Nonprofit private school' means any private school exempt from income tax under section 101 (6) of the Internal Revenue Code, as amended.

"(4) 'Nonfood assistance' means equipment used on school premises in storing, preparing, or serving food for school children."

And the Senate agree to the same.

J. W. FLANNAGAN,
CLIFFORD R. HOPE,
STEPHEN PACE,
AUG. H. ANDRESEN,
ORVILLE ZIMMERMAN,
HAROLD COOLEY,
Managers on the Part of the House.

RICHARD B. RUSSELL,
J. H. BANKHEAD,
ARTHUR CAPPER,
ALLEN J. ELLENDER,
GEORGE D. AIKEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The conference agreement differs in the following respects from the bill as it passed the House.

The House bill authorized, in section 101, an appropriation of not more than $50,000,000 for each fiscal year to enable the Secretary of Agriculture to carry out the provisions of the act. The conference substitute (sec. 3) does not provide any specific limitation on the sums to be appropriated, but authorizes the appropriation of such sums as may be necessary to enable the Secretary to effectuate the provisions of the act.

The House bill authorized, in sections 102 and 108 (e), the expenditure of not in excess of 2 percent of the funds appropriated for use directly in nonprofit child-care centers. There has been deleted from the conference substitute all reference to nonprofit child-care centers except with respect to Puerto Rico. Instead of the House bill limitation of $1,500,000 of the funds made available by the act for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands, the conference substitute provides that the total of the apportionment of funds for use in Alaska and said Territories shall not exceed 3 percent of the funds appropriated for agricultural commodities and other foods for school-lunch programs.

The House bill provided, in section 102, that not less than 75 percent of the funds appropriated for each fiscal year shall be apportioned among the States for such year for carrying out the provisions of the act. The conference substitute provides for the apportionment among the States during each fiscal year of not less than 75 percent of the funds made available for such year for supplying agricultural commodities and other foods. The funds available for supplying agricultural commodities and other foods are all sums appropriated except the $10,000,000 specified in section 5 for nonfood assistance.

The conference substitute adds a section (sec. 5) which makes available $10,000,000 to the Secretary out of the sum appropriated for any fiscal year pursuant to the act for the purpose of providing nonfood assistance for the school-lunch program. This sum is to be apportioned among the States on the basis of factors, and in accordance with the standards, applicable to the apportionment of funds available for the supplying of agricultural commodities and other foods. The total of such funds apportioned for nonfood assistance for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands is not to exceed 3 percent of the funds appropriated for nonfood assistance. Nonfood assistance is defined in the conference substitute as equipment used on school premises in storing, preparing, or serving food for school children.

The House bill limited, in section 103, the amount for administrative expenses of the secretary to 3 percent of the funds appropriated for any fiscal year for the purposes of the act. The conference agreement (sec. 6) increases the maximum for administrative expenses to 3½ prcent.

Section 104 (a) of the House bill provided for payments to be made to States conditioned upon the respective State's matching the grant, during each year, from sources within the State according to the following ratio:

Fiscal year 1947, $1 for $1.
Fiscal year 1948, $1 for $2.
Fiscal years 1949 and 1950, $1 for $3.
Thereafter, $1 for $4.

The conference agreement (sec. 7) prescribes that the matching provisions shall be in accordance with the following ratio:

Fiscal years 1947 to 1950, inclusive, $1 for $1.
Fiscal years 1951 to 1955, inclusive, $1 for $1.50.
Thereafter, $1 for $3.

Section 104 (b) of the bill as it passed the House provided, with respect to the matching requirements, that in the event the total of the funds from sources within the State, which may be considered as matching funds, do not completely match the Federal apportionments, the State educational agency may determine the application of such funds from sources within the State against the matching requirements with the exception that funds from sources within the State used in connection with schools not participating in the school-lunch program may not be so used. That language of section 104 (b) was included in view of the provisions in title II of the original bill introduced in the House. Title II was, however, not included in the bill as passed by the House. The conference substitute eliminates the provisions in section 104 (b).

Section 107 of the bill as it passed the House precluded the payment or disbursement of funds to any State or school if, in carrying out its functions under the act, it makes any discrimination because of race, creed, color, or national origin of children. The conference agreement (sec. 11 (c)) changed this restriction so as to provide, in instances where a State maintains separate schools for minority and for majority races, that no funds made available pursuant to the act shall be paid or disbursed to the State unless a just and equitable distribution is made within the State, for the benefit of such minority races, of funds paid to it under the act.

J. W. FLANNAGAN, Jr.,
CLIFFORD R. HOPE,
STEPHEN PACE,
AUG. H. ANDRESEN,
ORVILLE ZIMMERMAN,
HAROLD COOLEY,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include an address delivered by Attorney General Clark before the Westchester County (N. Y.) Bar Association.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include his own testimony before the Committee on Ways and Means on the Social Security Act.

Mr. FOGARTY asked and was given permission to extend his remarks in the RECORD and include a resolution just adopted by the Rhode Island State Council, Knights of Columbus.

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

Mr. RYTER asked and was given permission to extend his remarks in the RECORD and include a news article appearing in the New York Times of May 22 of this year.

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

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

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include my own remarks on Harvey Springer, of Englewood, Colo., and in the other an editorial from the Washington Post of yesterday.

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

Mr. RANKIN. Reserving the right to object, Mr. Speaker, is that the editorial in which Eugene Meyer attacked me?

Mr. KLEIN. Not the gentleman from Mississippi, but the committee.

Mr. RANKIN. I have seen his contemptible attacks on me as well as on the committee, and the attack being made in his paper now on the decent people of Tennessee. That editorial is not going into the CONGRESSIONAL RECORD if I can help it. I object, Mr. Speaker.

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

REEMPLOYMENT OF VETERANS

Mr. LATHAM. Mr. Speaker, in view of the announcement of the Speaker concerning the making of 1-minute speeches this morning, I ask unanimous consent to insert a short statement at this point in the RECORD.

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

There was no objection.

Mr. LATHAM. Mr. Speaker, there are in my home neighborhood three young veterans each with a wife and children to support, who, before entering the service, worked for the Rockaway News Co., on Long Island. After discharge from service, they sought to obtain their old jobs. The company said it was anxious to rehire them, but that they would first have to join the Newspaper and Mail Deliverers' Union, an independent closed-shop union, organized since they went into service.

They made application for membership in this union, offering to pay the membership fee of $100. So far the union has refused them membership, although their old jobs are waiting, thus denying to them the right to support their families. A letter from me to the president of the union has gone unanswered.

Thus do some labor leaders, while drooling about freedom, liberalism, and the common man, practice the un-American principles of reaction, dictatorship, and selfishness.

EXTENSION OF REMARKS

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

Mr. RICH asked and was given permission to have printed in the Appendix of the RECORD an article entitled "In Defense of the Corporation Employer," by Roy C. McKenna, chairman of the board of the Vanadium-Alloys Steel Co., from the May issue of the Washington News-Digest.

Mr. GRANT of Indiana asked and was given permission to extend his remarks in the RECORD and include a telegram.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an article and in the other an editorial.

RAILROAD RETIREMENT ACT

Mr. SABATH. Mr. Speaker, I ask unanimous consent that House Resolution 625, a rule on the so-called Crosser bill, be recommitteed to the Committee on Rules.

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

There was no objection.

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 635, Rept. No. 2103) which was referred to the House Calendar and ordered to be printed:

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. 1362) to amend the Railroad Retirements Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and all points of order against any provisions of the bill and committee amendment thereto are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 5 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ALASKAN INTERNATIONAL HIGHWAY COMMISSION

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 636, Rept. No. 2104) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately 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. 2871) to create a commission to be known as the Alaskan International Highway Commission. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Foreign Affairs, 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 bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

The SPEAKER. The unfinished business is the question on the passage of House Joint Resolution 305.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 37, noes 13.

Mr. JONES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 264, nays 41, answered "present" 1, not voting 124, as follows:

[Roll No. 132]

AYES—264

Adams	Eaton	Kearney
Allen, La.	Eberharter	Keefe
Almond	Ellsworth	Kefauver
Anderson, Calif.	Engel, Mich.	Kelley, Pa.
Andrews, Ala.	Ervin	Keogh
Andrews, N. Y.	Fallon	Kilburn
Angell	Feighan	Kilday
Arends	Fellows	Kinzer
Auchincloss	Fisher	Klein
Bailey	Flannagan	Kopplemann
Barrett, Pa.	Flood	Landis
Barrett, Wyo.	Fogarty	Lane
Bates, Ky.	Forand	Lanham
Bates, Mass.	Fulton	Larcade
Beckworth	Gallagher	Latham
Bender	Gamble	LeFevre
Bennet, N. Y.	Gary	Lemke
Biemiller	Geelan	Lesinski
Blackney	Gerlach	Lewis
Bloom	Gibson	Link
Brehm	Goodwin	Luce
Brooks	Gordon	Lyle
Brown, Ga.	Gore	Lynch
Bryson	Gorski	McConnell
Buck	Gossett	McCormack
Burch	Granahan	McCowen
Butler	Granger	McDonough
Byrne, N. Y.	Grant, Ala.	McKenzie
Byrnes, Wis.	Grant, Ind.	McMillan, S. C.
Campbell	Green	McMillen, Ill.
Canfield	Gregory	Madden
Cannon, Mo.	Griffiths	Mahon
Carnahan	Hagen	Maloney
Case, N. J.	Hale	Manasco
Case, S. Dak.	Hall, Leonard W.	Mansfield, Mont.
Celler	Halleck	Mansfield, Tex.
Chapman	Hand	Marcantonio
Chelf	Hare	Martin, Iowa
Chenoweth	Hays	Martin, Mass.
Chiperfield	Healy	May
Church	Hedrick	Merrow
Clason	Heffernan	Michener
Clements	Henry	Mills
Coffee	Herter	Monroney
Cole, Kans.	Heselton	Mundt
Cole, N. Y.	Hill	Murdock
Combs	Hoch	Murphy
Cooper	Hoeven	Murray, Wis.
Cox	Holmes, Mass.	Neely
Cravens	Holmes, Wash.	Norblad
Crosser	Hope	Norrell
Cunningham	Horan	O'Brien, Ill.
D'Alesandro	Howell	O'Brien, Mich.
Daughton, Va.	Huber	O'Toole
Davis	Hull	Outland
De Lacy	Jackson	Pace
Delaney, James J.	Jenkins	Peterson, Fla.
Delaney, John J.	Jennings	Peterson, Ga.
Dirksen	Johnson, Calif.	Phillips
Dolliver	Johnson, Luther A.	Pickett
Domengeaux	Johnson, Lyndon B.	Plumley
Dondero	Johnson, Okla.	Poage
Doughton, N. C.	Jonkman	Powell
Douglas, Ill.	Judd	Price, Fla.
Drewry	Kean	Price, Ill.
Earthman		Priest
		Quinn, N. Y.

Rabaut	Sabath	Tibbott
Rabin	Sadowski	Torrens
Ramey	Sasscer	Traynor
Randolph	Savage	Trimble
Rayfiel	Sharp	Vinson
Reed, Ill.	Sheppard	Voorhis, Calif.
Rees, Kans.	Sheridan	Vorys, Ohio
Resa	Sikes	Wadsworth
Richards	Simpson, Ill.	Walter
Riley	Slaughter	Wasielewski
Robertson, N. Dak.	Smith, Maine	Weichel
	Smith, Va.	West
Robertson, Va.	Smith, Wis.	Whittington
Robinson, Utah	Sparkman	Wickersham
Robsion, Ky.	Spence	Wigglesworth
Rockwell	Stevenson	Wilson
Rogers, Fla.	Stigler	Wolcott
Rogers, Mass.	Stockman	Wolverton, N. J.
Rogers, N. Y.	Sullivan	Woodhouse
Rooney	Sundstrom	Worley
Rowan	Talle	Zimmerman
Russell	Tarver	
Ryter	Thomas, Tex.	

NAYS—41

Abernethy	Gavin	Ploeser
Andersen, H. Carl	Gillie	Rankin
	Gross	Reed, N. Y.
Andresen, August H.	Gwynne, Iowa	Rich
	Harness, Ind.	Schwabe, Okla.
Arnold	Hess	Scrivner
Beall	Jensen	Smith, Ohio
Bishop	Johnson, Ill.	Springer
Bradley, Mich.	Jones	Stefan
Brown, Ohio	Mason	Sumner, Ill.
Buffett	Mathews	Taber
Colmer	Miller, Nebr.	Vursell
Crawford	O'Hara	Whitten
Curtis	O'Konski	
Fenton	Pittenger	

ANSWERED "PRESENT"—1

Clevenger

NOT VOTING—124

Allen, Ill.	Fuller	Miller, Calif.
Baldwin, Md.	Gardner	Morgan
Baldwin, N. Y.	Gathings	Morrison
Barden	Gearhart	Murray, Tenn.
Barry	Gifford	Norton
Bell	Gillespie	O'Neal
Bennett, Mo.	Gillette	Patman
Bland	Graham	Patrick
Bolton	Gwinn, N. Y.	Patterson
Bonner	Hall, Edwin Arthur	Pfeifer
Boren		Philbin
Boykin	Hancock	Rains
Bradley, Pa.	Harless, Ariz.	Reece, Tenn.
Brumbaugh	Harris	Rivers
Buckley	Hart	Rizley
Bulwinkle	Hartley	Rodgers, Pa.
Bunker	Havenner	Roe, Md.
Camp	Hébert	Roe, N. Y.
Cannon, Fla.	Hendricks	Schwabe, Mo.
Carlson	Hinshaw	Shafer
Clark	Hobbs	Short
Clippinger	Hoffman	Simpson, Pa.
Cochran	Holifield	Somers, N. Y.
Cole, Mo.	Hook	Starkey
Cooley	Izac	Stewart
Corbett	Jarman	Sumners, Tex.
Courtney	Johnson, Ind.	Talbot
Curley	Kee	Taylor
Dawson	Kelly, Ill.	Thom
D'Ewart	Kerr	Thomas, N. J.
Dingell	King	Thomason
Douglas, Calif.	Kirwan	Tolan
Doyle	Knutson	Towe
Durham	Kunkel	Weaver
Dworshak	LaFollette	Welch
Elliott	Lea	White
Ellis	LeCompte	Winstead
Elsaesser	Ludlow	Winter
Elston	McGehee	Wolfenden, Pa.
Engle, Calif.	McGlinchey	Wood
Fernandez	McGregor	Woodruff
Folger	Mankin	

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mrs. Bolton for, with Mr. Clevenger against.

General pairs until further notice:

Mr. Lea with Mr. Gifford.
Mr. Boren with Mr. Baldwin of New York.
Mr. Cooley with Mr. Gillette.
Mr. Boykin with Mr. Edwin Arthur Hall.
Mr. Courtney with Mr. Gwinn of New York.
Mr. Engle of California with Mr. Elston.
Mr. Buckley with Mr. Brumbaugh.
Mr. Ludlow with Mr. Kunkel.
Mr. O'Neal with Mr. Talbot.
Mr. Patman with Mr. Winter.
Mr. Rivers with Mr. Towe.
Mr. Patterson with Mr. Hancock.
Mr. Wood with Mr. Thomas of New Jersey.
Mr. Morrison with Mr. Adams.
Mr. Hobbs with Mr. McGregor.
Mr. Pfeifer with Mr. Knutson.
Mr. Barry with Mr. Reece of Tennessee.
Mr. Bulwinkle with Mr. Schwabe of Missouri.
Mr. Hart with Mr. Dworshak.
Mr. Roe of Maryland with Mr. Allen of Illinois.
Mr. Izac with Mr. Shafer.
Mr. Hendricks with Mr. Cole of Missouri.
Mr. Havenner with Mr. Taylor.
Mr. Somers of New York with Mr. Short.
Mr. Miller of California with Mr. Hartley.
Mrs. Douglas of California with Mr. Simpson of Pennsylvania.
Mrs. Mankin with Mr. Johnson of Indiana.
Mr. Doyle with Mr. Hoffman.
Mr. Bradley of Pennsylvania with Mr. Bennett of Missouri.
Mr. Cochran with Mr. Elsaesser.
Mr. Dingell with Mr. Fuller.
Mr. McGehee with Mr. Graham.
Mr. Folger with Mr. Gavin.
Mr. Gathings with Mr. Corbett.
Mr. McGlinchey with Mr. Rizley.
Mr. Roe of New York with Mr. Carlson.
Mr. Hook with Mr. Woodruff.
Mr. King with Mr. Gillie.

Mr. CLEVENGER. Mr. Speaker, I have a live pair with the gentlewoman from Ohio, Mrs. BOLTON. If Mrs. BOLTON were present, she would vote "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

NAVAL APPROPRIATIONS BILL, 1947

Mr. SABATH. Mr. Speaker, I call up House Resolution 633 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That during the consideration of the bill (H. R. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

WAIVING POINTS OF ORDER AGAINST H. R. 6496

Mr. SABATH. Mr. Speaker, some Member may again propound the question as to why it is that the Committee on Rules has granted a rule waiving points of order on an appropriation bill that contains legislation. There are exceptions, of course, to every rule, as we all know. In this case the exception is, and I hope it will meet with the approval of the membership, that the section of the bill carrying the legislative provision does not provide for any appropriation. In fact, the effect of this rule is really to bring about economy and efficiency and a saving of money to the Government.

Title II of the bill, H. R. 6496, the naval appropriation bill for the fiscal year 1947, provides, among other things, for the transfer of the War Shipping Administration in toto to the United States Maritime Commission, which is authorized to take over all the functions, property, personnel, and unexpended funds of the War Shipping Administration. WSA is going out of business as of June 30.

It appears that all Members are familiar with the provisions of title I, making appropriations for our greatest peacetime Navy, and I think will agree that the gentleman from California [Mr. SHEPPARD] and the members of his Subcommittee of the Committee on Appropriations on Naval Appropriations, who handled this bill, deserve the highest praise. The legislative provision in title II occurs on page 50, and reads as follows:

SEC. 202. For the purposes of the liquidation by December 31, 1946, of all of the functions of the War Shipping Administration under Executive Orders 9054, 9350, 9387, 9495, and 9336, dated February 7, 1942; June 10, 1943; October 15, 1943; November 2, 1944, and April 24, 1943; effective July 1, 1946, and continuing only during the period ending December 31, 1946, all functions, powers, and duties of the War Shipping Administration, including all of the foregoing provisions in this act relating to said Administration, are hereby transferred to and shall be exercised by the United States Maritime Commission under the same legal authorities and subject to the same conditions and limitations not otherwise altered by the foregoing provisions in this act relating to said Administration, as will be applicable to the War Shipping Administration on June 30, 1946, and the War Shipping Administration shall cease to exist as of July 1, 1946: *Provided*, That effective July 1, 1946, there shall be transferred to the United States Maritime Commission the unexpended balance of all funds available to the War Shipping Administration, together with all records, property, and personnel appertaining thereto: *Provided further*, That the unexpended balance of the War Shipping Administration revolving fund, as of close of business on December 31, 1946, shall be covered into miscellaneous receipts of the Treasury.

The effect of this proviso is to rescind the wartime Executive orders which set up the War Shipping Administration and made it the vast and far-flung operating and regulating agency it was. In view of the fact that this title will not provide for any appropriation and is, as I have said, in line of economy and efficiency, I shall not detain the House further.

I reserve the balance of my time, Mr. Speaker, and I 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. SABATH. Mr. Speaker, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as explained to the House by the chairman of the Rules Committee, this rule provides for waiver of points of order on this Navy Department appropriation bill for one purpose and one purpose only; so the War Shipping Administration may be transferred, now that the war needs for it are at an end, to the Maritime Commission, for the purpose of winding

up the affairs of the War Shipping Administration by December 31, 1946. In other words, the Maritime Commission will have jurisdiction over the present assets and functions of the War Shipping Administration for 6 months, from July 1 to December 31, for the purpose of liquidating that agency. Therefore, as a matter of actuality, this special rule has been granted in order to save money rather than to spend it. The other portions of the bill are not subject to points of order.

Having no requests for time, I yield back the remainder of my time.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. HOLMES of Massachusetts asked and was given permission to extend his remarks in the RECORD and include a letter he received from the President of the United States, and his reply thereto.

NAVY DEPARTMENT APPROPRIATION BILL, 1947

Mr. SHEPPARD. 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. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes.

Pending that motion I wish to see if we can reach an agreement on time for general debate. What does the gentleman from Vermont [Mr. PLUMLEY] suggest?

Mr. PLUMLEY. In view of the importance of the measure I think we ought to have not less than 3 hours.

Mr. SHEPPARD. That is agreeable to me.

Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and to be controlled by the gentleman from Vermont and myself.

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

There was no objection.

The SPEAKER. The question is on the motion.

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. 6496, the Navy Department appropriation bill, 1947, with Mr. STIGLER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SHEPPARD. Mr. Speaker, I yield myself 40 minutes.

The CHAIRMAN. The gentleman from California is recognized for 40 minutes.

Mr. SHEPPARD. Mr. Chairman, it is my privilege to bring to the floor of the House today the annual appropriation bill for the Navy for the fiscal year 1947.

For 7 weeks, the Navy Subcommittee held hearings starting at 10 each morning, allowing about an hour for lunch, and then carrying through until 5 o'clock or later each afternoon. The pace was a trying one and the result of our labors you will find encompassed in the two volumes of hearings: one on the Navy consisting of something over 2,000 printed pages, and the other on the United States Maritime Commission and War Shipping Administration involving over 600 pages. I believe I am correct in saying that this is the most voluminous hearing ever published by any subcommittee in the entire history of the Appropriations Committee.

It is my extremely happy mission to inform you that the bill that is presented herewith represents the unanimous considered judgment of the subcommittee as to the monetary allowances that should be made for the operation of our Navy during the fiscal year 1947.

I can truthfully say that if I were given complete freedom of choice in the matter of the composition of the subcommittee of which I am privileged to be chairman, I could not possibly have chosen a more able, industrious, and, withal, agreeable group of men as presently constitutes the subcommittee. My Democratic colleagues, Mr. THOMAS of Texas, Mr. COFFEE, of Washington; and Mr. D'ALESANDRO, of Maryland; and my Republican colleagues, Mr. PLUMLEY, of Vermont; Mr. JOHNSON of Indiana; and Mr. PLOESER, of Missouri, have all worked as one team in arriving at resolutions respecting the sums to be allowed and the policy considerations to be adopted as committee recommendations. Differences of opinion we have had, of course, but those differences have been submerged in the whole to the extent that by fair compromise on the few items that were in dispute we can now come to you with a completely united front, both Democrats and Republicans, and ask you to endorse the recommendations that we have most laboriously contrived.

Before giving you the principal high lights of our action, I think it most appropriate and fitting that I should say a word about John Pugh, whom all of the Members of this House have come to know, love, and admire. Mr. Pugh, who served this subcommittee as executive secretary so faithfully, has rendered a public service in Congress that goes back to 1914, when he first handled the Navy appropriations for the Senate Naval Affairs Committee. In 1918 he was assigned to the House Naval Affairs Committee and charged with the responsibility of counseling that committee on appropriations for the Navy Department. In 1921 Mr. Pugh was transferred to the House Appropriations Committee and from that date on to and including the fiscal year of 1946 he served the Navy Appropriations Subcommittee, giving it the benefit of his wisdom and experience in drafting annual appropriation acts. His record shows 31 years of uninterrupted service to the membership of the Senate and House, and I do not believe there is a man who has a firmer grasp of the organization, laws, regulations, and operating procedures of the Navy Department than Mr. Pugh. Not so long ago he succeeded Mr. Mark Sheild, who resigned, and this subcommittee's loss is the full Appropriations Committee's gain as Mr. Pugh presently continues to give the entire Appropriations Committee in the Congress the benefit of his past experience and mature judgment which he has gained in his thirty-odd years of service to the Congress.

Mr. Pugh's position with this subcommittee as its executive secretary was taken over by Mr. Jack McFall, whom you all know was recently released from Navy service. This committee wants to pay its compliments to Mr. McFall for the splendid manner in which he has taken over the executive secretary duties. All through our hearings, irrespective of long hours involved, Mr. McFall has been a bulwark of support and intelligent cooperation.

The Budget estimates submitted by the President for the operation of the Navy Department and naval establishments during the next fiscal year total $4,265,399,000. Of this, all but $500,000,000 would be met directly by appropriations from the Treasury. The $500,000,000 would be made available by transfer to the item "Pay and allowances" from the naval stock fund account. In addition to such sum of $4,265,399,000, submission proposes the grant to the Bureau of Aeronautics of contractual authority of $275,000,000 toward carrying out the naval aircraft procurement program in the next fiscal year.

As the bill is presented to you—and these figures are all shown in the tabular statement in the report accompanying the bill—the actual cash outlay from the Treasury will be increased by approximately $375,000,000 over and above the Budget estimates if the recommendations of the committee are approved. I want to dwell on this $375,000,000 increase, however, for just a moment because the committee has taken action respecting existing and requested contractual authority that will serve to more than offset this additional cash commitment.

For some time the committee has looked with growing disfavor upon the procedure of granting contractual authority to the Navy Department, or to any other department, for that matter, although our responsibility is, of course, limited to the Navy. During the war it was not thought to be the better part of wisdom to interfere with the custom of providing their contractual authority which serves to obligate the Government to future outlay of funds to liquidate the legal commitments growing out of such contractual authority. Now, however, in the first peacetime year of operation, it is thought we have reached a most appropriate time to reverse the past procedure and put the Navy on a cash basis. At best, Government finances are extremely involved, and even those among us who are supposed to be experts in our own individual fields find ourselves at a complete loss to try to keep our fingers on the maze of legislative authorizations, contractual authority, and appropriations that are made. What position, therefore, must the humble citizen be in when he endeavors to understand how his Government operates? I feel it to be the definite obligation of those of us charged with handling the financial end of our Govern-

ment's operations to do everything possible to clarify the Government accounting picture to the end that there may be a greater facility of understanding and the interested taxpayer may have some reasonable understanding of how the various financial phases of his Government operate. To effectuate our ideas on this subject, therefore, the committee is recommending the repeal of existing contractual authority now on the books, amounting to an estimated $147,000,000, and at the same time is disallowing an additional request of $275,000,000 of contractual authority for the Bureau of Aeronautics. Adding these two sums, we arrive at a figure of $422,000,000, representing contractual obligations that will be dispensed with. If we offset this figure, then, against the three-hundred-and-seventy-five-million-odd dollars in cash over the Budget estimates, we find that there will actually be a differential of some $45,000,000 on the side of the principle of economy.

Now, I want to give the House a picture of just what is involved by way of the size of the Navy in the committee action that has been taken.

The Navy Department, in submitting its request for funds to the Bureau of the Budget, based its estimates upon an operating force plan called 1-A. This plan contemplated that the Navy would adjust its demobilization program, which terminates on September 1 of this year, in such a fashion as to provide for an average complement of 542,000 enlisted men and 83,500 officers for the entire fiscal year. Note that this is an average strength. In order to meet these average figures, it was planned to start the fiscal year with approximately 1,000,000 enlisted men and 105,000 officers, gradually reducing the force until at the end of the fiscal year 1947 there would have been an enlisted strength of 500,000 men and 58,000 officers. Under this 1-A plan the active fleet would have been composed of 319 major combatant vessels, with 73 in the reserve fleet, and 687 in the inactive fleet.

I might say parenthetically in this connection, and I know it will be of interest to the House, that it is proposed to man the active fleet with a peacetime complement that, in numbers, would be approximately 70 percent of the wartime complement, the Reserve fleet would carry a 30-percent peacetime complement, and the inactive fleet about 10 percent of wartime numbers. This operating force plan 1-A was submitted by the Navy to the President and his budgetary authorities, and following the action taken by the President, reductions in funds aggregating approximately $2,000,000,000 were made and the Navy, to meet these reductions, devised operating force plan 2. This plan provided for an average enlisted strength of 500,000 enlisted men with 58,000 officers. By accelerating demobilization, it was proposed under this plan 2, to start the fiscal year 1947 with 950,000 enlisted men and 105,000 officers, gradually reducing the strength throughout the fiscal year to an end-year total of 437,000 enlisted men and 58,800 officers. It became necessary, under the Budget reductions, to cut the active fleet from 319 major combatant ships to 291; to reduce the Reserve fleet from 73 to 42, and the inactive fleet from 687 to 632. So much for the picture that was presented to the committee as regards the two plans proposed for operation of the fleet during the next fiscal year.

After hearing all of the major officials of the Navy Department and soliciting their views on the over-all question of the adequacy of the funds in plan 2 to provide a Navy that would insure the national security, the committee reached a unanimous conclusion that some means must be devised to increase the fighting ability of the fleet, particularly in view of the present international picture and its potentialities. Sifting the problem down to its ultimate factors, there were two ways open to achieve an expanded Navy. The first was to place additional funds in the bill to add men and ships in such numbers as to bring the appropriations up to the figure of over $6,000,000,000 requested to effectuate plan 1-A. The alternative to this course was to expand our Naval and Marine Corps Reserve in such a fashion and to such a degree as to provide an immediately ready, highly trained Organized Reserve that could step into the breach if and when any emergency should come to pass. The committee recommends to you that you adopt this latter course in the firm belief that not alone will the principle of economy be served, but at the same time, we will be implementing our Navy and Marine Corps with a trained manpower of immediate and potential use that will serve satisfactorily, in the opinion of the committee, to meet the deficiencies in manpower that are part and parcel of operating force plan 2.

Now I want to tell you just how we propose to build up an aggressive Organized Reserve in both the Navy and the Marine Corps. For the Naval Reserve, we have increased the Budget estimate by about $55,000,000. This action will permit the training of approximately 55,000 additional men and 3,000 additional officers in the Reserve, both for the fleet and for aviation, and, at the same time, these increased funds will permit a much more intensified program of training for the entire Organized Reserve than was possible under plan 2. As regards the volunteer Reserve, we propose to have the Navy give a 2-weeks' cruise for some 60,000 officers and men of this group, which cruise will prove an opportunity for these reservists to get in their sea time and keep abreast of developments in their various specialized ratings and professions aboard ship. We are proposing to allocate about $10,000,000 of the increase recommended in order that ships may be moored at various locations situated on salt water or navigable streams, which ships can then be used as training bases. At interior points in the country, these training facilities will be contrived by either improving existing armories or assembling and setting up Quonset huts as armories.

A word now about what we have done with the Marine Corps Reserve program. In brief, we have doubled it. If you approve our recommendation, you will make it possible to give some type of Reserve training to approximately 60,000 officers and men of the Marine Corps, whereas, under plan 2, only half that number could receive training. As with the Naval Reserve, the additional funds will also permit an intensification of training as well as increasing the numbers to be trained. The committeee believes that this proposal to augment and intensify the Marine Corps Reserve training program will meet with the enthusiastic approbation of the American people. The sentimental attachment of the people for this Corps is deeply rooted, and its deeds during the past war are, of course, extolled by us all. The Marine Corps pointed the way to modern methods of amphibious warfare, and the Corps rightfully prides itself on having been in the lead in the matter of developing amphibious tactics. The size of the Marine Corps is fixed by law at 100,000 men and 7,000 officers. Funds are in the bill to sustain these numbers. I earnestly solicit your support to step up this Reserve training program so that we will have a backlog of ready-to-go marines should the course of our national destiny force us to call upon them again for their aid.

The net effect, if you approve the committee plan for both the Navy and Marine Corps Reserve activity, will be to provide sufficient manpower in a reserve status to man the fleet in time of emergency and supply a mobile, effective Marine Corps Reserve rather than increasing the size of the Naval Establishment beyond the limits set forth in plan 2. So much for that subject.

Now I want to touch on the action that we have taken respecting the funds allowed for research. We are providing a total in the bill under the various bureau headings of approximately $250,000,000 for research and development as to ships, guns, planes, and all the other paraphernalia that go into the making of a strong, up-to-date, highly efficient Navy. We have increased the Budget estimates by approximately $40,000,000 in the fields of research and development. We want to step up our program of pure research as well as to permit a full program of experiment and development of various materials and equipment that hold promise of lending to more efficient operation of our Naval Establishment. We must not, under any circumstances, lag behind any other nation in developing the very finest and most up-to-date equipment possible. In the field of pure research, we must diligently plod, ever hoping that at one turn of a hand a whole new principle of action or of use may develop. We cannot stand still; we must move, and move under the guiding genius of the best scientific minds that this Nation affords. This objective we propose to serve with the funds that we provide for this research and development work. Some of these additional research funds will be used to step up the program of the Naval Research Laboratory, the activities of which have always been a matter of sympathetic concern to our committee. Some of the funds will be used to further develop mock-up and training devices for all of the bureaus of the

Navy Department. These training devices save millions of dollars in training costs, as otherwise it would be necessary to use operational equipment for the training which, in turn, means large expenditure of maintenance and operating funds. Also, there is another advantage in these training devices that transcends any money considerations, and that is in the saving of life that naturally results when it no longer becomes necessary to subject Navy personnel to the hazards of operational training as a means of properly qualifying them for their work.

Now I want to advert for a moment to a subject that is very close to me both personally and officially, as chairman of the committee. I refer to the matter of the disposal of surplus materials.

Upon scrutinizing the appropriations which we had under consideration at the time of the hearings, the bill disclosed some $30,700,000 of funds proposed to be appropriated in the bill to the various component units of the Navy which would under proposed procedure be used for the express purpose of caring for surplus naval properties which would be officially declared surplus and the title to which, upon such declaration, will automatically be vested in the War Assets Administration or other surplus-disposal agencies. This committee has definitely exerted every effort to establish strict interdepartmental accountability in and among the departments of the Navy The committee was at a loss to understand why the appropriations for the War Assets Administration should be presented in a naval appropriation bill. If this procedure were to be followed out, the War Assets Administration would not be subject to strict accountability for the moneys it expended and money it returned to the Federal Treasury.

Further, your chairman of this subcommittee along with many other Members of the Congress have constantly received complaints as to the manner in which the War Assets Administration was disposing of the surplus under its cognizance.

I have been reliably informed that priorities are being used for jeeps, trucks, and sundry other surplus materials far in excess of the War Assets Administration's ability to deliver. We called General Gregory and he brought several members of his staff before the committee; and we were advised by him that this money arrangement had been entered into by and between the War Assets Administration and the Bureau of the Budget. After considerable discussion with the general and his staff, it was definitely established that they did not have a thorough knowledge of their inventory or manner in which that inventory was to be disposed of. Consequently, as soon as the hearings were over, your chairman took a plane to the west coast and checked in a series of War Assets Administration depots and the manner in which their surpluses were being handled. In Portland, Oreg., we found the War Assets Administration had a man in charge who was better posted on procedure than was found in previous projects investigated. Your chairman of this subcommittee found in San Francisco, Oakland, and other depots that the personnel was so involved in directives that no one could function to any degree of certainty in the disposing of surplus under their cognizance.

Port Hueneme, Calif., was set up as a guinea pig of disposal procedure. There your chairman found approximately 80 percent of the material at that depot had never been used and cost to the Government could be readily established, and yet transformers, a tremendous amount of cable, electrical supplies, and housing supplies that are so definitely needed were not being disposed of with any degree of expedition. The entire situation which I canvassed represented chaos and red tape beyond comprehension.

At the present time, the public is demanding a right to procure the surpluses and the surpluses are available. All the program needs is simplicity of operation and someone in authority who will permit those in charge of the local disposal depots to dispense with much of the surplus materials into our present economy; whereas, if the present method of the War Assets Administration is to continue, the surplus materials will not be in the public's hands and when production gets underway the surplus disposition will have to discontinue or it will impede employment and again will cause economic chaos, while if expedited now to a receptive public it could be gotten out of the way and reasonable returns to the Federal Treasury made available. I strongly recommend that a better method of the disposal of surplus materials be worked out by General Gregory and his staff in a more expeditious manner if they are to fulfill their responsibility to the Government in the positions which they occupy.

In Los Angeles I found two gentlemen, Messrs. William Johnson and John F. Taggert, who are very capable men and if they were not surrounded by controversial directives I feel they would be capable of rendering a splendid service. Others whom I encountered in the southern California area are not, in my opinion, capable of responding to the requirements of the positions which they hold.

I have given you a brief picture of just what constitutes this surplus property disposal program as far as the Navy is concerned, and I have indicated how the Navy is being charged with inefficiency regarding these materials when, in fact, the Navy has nothing in the world to do with them once they have been declared surplus and become the property of the War Assets Administration.

The committee does not intend to further countenance the idea of having the Navy Department bear the cost of maintaining and warehousing these surplus materials for the benefit of any disposal agency of the Government when the surplus belongs to another agency. Therefore, we have inserted a limitation in the bill that will prevent the use of any appropriated funds to pay for maintenance of surplus property after it has been officially declared surplus unless the disposal agency, on whose account it is held, shall reimburse the appropriations for the cost of such care and handling by the Navy. There is no reason in the world why the War Assets Administration or any other Government surplus agency should not bear these costs that should be considered and made a part of any accounting that deals with the financial picture and net return to the Government on its surplus disposal program. Warehouse storage costs can easily be apportioned on a square-foot basis as between naval and surplus goods, and the surplus agency be made to bear its proportionate share of the cost.

In the report accompanying the bill, the committee has made several suggestions to the Navy Department which it is hoped will be useful in improving administrative procedures and practices. I will not take the time of the House to go into these recommendations in detail, but would suggest that the Members read the report if they are interested in what the committee is continually trying to do in conjunction with naval officials to raise the level of efficient operation in the Navy.

I do want, however, to refer briefly to one subject that we intend to press to the limit and that is the matter of insuring a more strict accountability for appropriated funds. During the war it was, of course, necessary to let the bars down in a large degree in order that we could get the job done as quickly as possible. There is no longer, however, any justification why we should not have strict accountability for all expenditures of funds that the Congress provides. We have already made several steps in the direction of accomplishing this design, and I can assure the membership of the House that we have afoot further plans that we hope to bring into fruition at a later date.

As a passing reference that I think merits comment, I want to call the attention of the House to the fact that the Navy has compiled quite an enviable record in the handling of naval prisoners. Out of 61,000 naval prisoners receiving general court-martial sentences from Pearl Harbor day to the end of December of last year, 82½ percent have already been restored to duty. By the use of these prisoners for certain types of labor, it is estimated that there has been a saving to the Government of some $6,300,000, which otherwise would have to have been expended to perform the labor involved. I commend this performance.

I also want to advert a moment to the matter of contract renegotiation and settlement. Up to the time of the hearings the Navy had effected settlement on some 37,000 of the total number of 52,000 contracts to be settled. Fifteen thousand remain yet to be disposed of. These unsettled contracts represent a total contract value of about $9,000,000,000. This is a highly complex and difficult task, but one which it appears the Navy is acquitting with manifest concern for the interest of both the contractor and the taxpayer.

Previously I referred to the action the committee had taken in eliminating contractual authority. One of the two items affected by our action in this regard was

the provision for public works. We have inserted a provision in the bill that will repeal all outstanding contractual authority for public works that will remain unobligated as of July 1, 1946. It is estimated that this sum will total about $147,000,000. In lieu thereof we are recommending cash appropriations of approximately $143,000,000 divided as between domestic construction and foreign use. The sixty-three-and-odd-million dollars carried for the foreign construction will be devoted primarily to the construction of housing units for the officers and men in the advanced base areas. Advance base depot operations and maintenance of overseas bases are also provided for under this heading.

For domestic public works we are providing an appropriation of $83,000,000, which will be used for several small construction projects on the various naval and air bases in the United States and will also permit the construction of four naval hospitals in the United States, one on the west coast, one on the east coast, and two in the Middle West. This hospital construction is just one step in the over-all program of providing several thousand additional beds to take care of war casualties.

I want to direct your attention to an item in the bill of $9,600,000 for a program of exploring for oil in Naval Petroleum Reserve No. 4 in Alaska. The committee went into this subject very extensively with many of the officials of the Navy Department, both technical and administrative, that will be engaged in handling this project. All scientific indications point to the fact that we have at our Alaskan doorstep a vast reserve of oil that will be of tremendous value to us as a wartime reserve. I am sure there is no necessity to go into any lengthy discussion as to the value, from the standpoint of national security, of sizable oil reserves. We see around us every day in all countries of the world, the eternal search for oil and the many political complications that it brings in its wake. I call your attention to Russia in Iran. Certainly the wisdom of a national policy directed at ascertaining the extent of any oil reserves that we might have at present in territory under our own national control is not open to any argument whatever. Therefore, we propose to set up a 3-year program aimed at securing positive scientific data as to the amount of oil that might be available in the far northern Alaskan area which oil, should national necessity overtake us, would be of untold value as a national resource. I want to make it clear that the program is only one of exploration. After we find out what we have up in that area, then the economists, geologists, transportation experts, and so forth, can compose their thoughts and work out the economics of its conservation or use. Those are questions postponed until the future and can be settled only after we know just what reserves may be found to exist.

Under the Bureau of Medicine and Surgery, we are allowing $31,500,000 which is the amount of the Budget estimate. By the end of the fiscal year 1947, the Bureau of Medicine and Surgery will be operating 34 naval hospitals within the United States and 12 outside. The 1947 program calls for a bed capacity of 35,500 with a daily patient load of 21,300. For every 1,000 postwar strength of the Navy, we are making provision for six and one-half medical officers, two dental officers, and four nurses. The committee has made it very clear in the report on the bill that it unanimously disapproves any policy aimed at constructing with naval funds any hospital facilities that will be taken over by any other agency of the Government after its construction. We take the position, and I am sure the House will agree that it is both a reasonable and a desirable one, that each department of Government must stand on its own feet as regards its appropriations and that we must avoid any procedure whereby we incur charges for one department for the benefit of another. To indulge such a practice is to hopelessly confuse proper accounting and accountability.

The committee is asking you to appropriate $245,000,000 for the Bureau of Ordnance, of which amount approximately $77,000,000 will be used in installing up-to-date ordnance in the fleet. Included in the increase for research, to which I alluded previously, is an item of $10,000,000 for ordnance research aimed at stimulating the program of research and development in guns, ammunition, and their ordnance counterparts.

The Bureau of Supplies and Accounts is the beneficiary of about $1,904,000,000 in recommended appropriations. The largest item under this head is the item for pay and subsistence of all naval uniformed personnel. We made a reduction of about $25,500,000 in the appropriation "Maintenance, Bureau of Supplies and Accounts," this sum being an estimate of the charges that would inure to this Bureau in taking care of surplus materials for the account of Government surplus disposal agencies. As I stated before, the committee does not intend to countenance the practice of having one department of Government pay another department's just costs. Therefore, we have deleted this sum from the bill.

Under the Bureau of Aeronautics heading in the bill, we are substituting a cash appropriation of $200,000,000 for aircraft procurement in place of a request for additional contractual authority of $275,000,000. Included in the total recommended allowance of $805,760,000 for this Bureau, $310,000,000 will be available for carrying on the aircraft and aircraft accessory procurement program which will supply us a total of 1,359 new naval planes next year. Altogether, we will have about 9,000 Navy and Marine Corps planes in operation next year, plus 1,600 aircraft for training the Naval Reserve. We are providing for storage of 2,500 planes which will be gradually used up over a 3-year period. About $100,000,000 of the appropriation will be used for research and development in the vast field of aeronautics as it applies particularly to naval participation therein.

For the Bureau of Ships, we are proposing an appropriation of $443,750,000. This sum, if granted, will be sufficient to provide all maintenance and operating expenses of the fleet under the cognizance of this Bureau and will permit the Bureau to augment its research program by an additional $10,000,000 which the committee has inserted in the bill in consonance with the policy heretofore defined of bolstering the research and development program throughout the Department.

We are providing $350,000,000 for construction of combatant ships. This program is in compliance with the recent action of the Congress in enlarging the scope of the construction program by requiring the completion of all combatant ships 20 percent or more completed. To finish this program will require a future outlay in appropriations of approximately $150,000,000.

Our Marine Corps will be held at the maximum authorized strength of 100,000 men and 7,000 officers. The increase of about $12,600,000 which appears under the Marine Corps heading in the bill is attributable almost entirely to the program of doubling the Reserves which I previously explained at some length.

One major reduction made by the committee is in the salaries of civilian employees in the Navy Department and Marine Corps headquarters in Washington. The budget had proposed funds under the various bureaus and offices sufficient to pay the compensation of approximately 14,000 civilian employees. The committee sifted through these requests with a fine-tooth comb with the result that we have shaken them down by something approximating 15 percent so that in effect, we have cut out about 2,000 civilian employees, which means a saving of approximately $5,500,000. This is one of the few places in the bill where the committee feels that a reduction is justified, so we used the paring knife accordingly.

I could go on for a considerable period of time explaining all of the various minor changes made by the committee in the various budget estimates; however, I do not feel justified in trespassing on the time of the House to go into too great detail. The accompanying report on the bill is quite detailed in its nature, and I think will answer any questions of the membership as to why any particular committee action was taken.

Now I want to turn for a few minutes to the matter of the resolution had by the committee on the Budget Bureau proposals for operation of the United States Maritime Commission and the War Shipping Administration during the next fiscal year. This is the first time that the Navy subcommittee has been charged with the responsibility of making provisions for these two large and highly ramified agencies of the Government. We spend about 10 days in constant hearings with the officials of both of these agencies, and I think you will find in the hearings which are available for the perusal of the House that we conducted quite a thorough examination of their operations—past, present, and future.

No appropriations are involved for these agencies; the Maritime Commission operates by dint of a construction fund, which is revolving in nature, and all receipts from the sale of ships go into the fund, and the construction and operating costs of the Commission are paid

therefrom. The Maritime Commission was set up as a result of the Merchant Marine Act of 1936, which was subsequently amended, and is engaged in handling a long-range ship-construction program aimed at insuring our proper competitive position in world trade routes.

The War Shipping Administration, on the other hand, came into being as a result of Executive orders issued by the President. A special fund was set up, which is called the War Shipping Administration revolving fund, and into which appropriations have from time to time been made. This agency is strictly an operating unit and engages itself in the vast program of operating ships to all parts of the world as well as intercoastal and coastwide services for purposes of UNRRA, the Army, the Navy, and for commercial requirements. Supported in its conclusions by both the Comptroller General of the United States and certain responsible officials of both the Maritime Commission and the War Shipping Administration, the committee has decided to propose a consolidation of these two agencies. The War Shipping Administration was given its independent lease on life by the Executive orders referred to solely that it might have more administrative freedom of action during the war years in carrying on its gigantic task of operating the wartime fleet. The reasons that justified the establishment of this unit as a separate agency during wartime no longer exist. The Maritime Commission is fully qualified to handle the operation of ships as well as the construction of them. In order to avoid any administrative confusion, the committee proposal to effect this consolidation leaves the two funds exactly as they are at the present time, separate and distinct from each other, and merely transfers the powers, duties, prerogatives, personnel, and property of the War Shipping Administrator to the Maritime Commission. The committee is convinced that some economy will result from this move, but better still, there will be a coordination of the construction and the operating programs at the points at which they intermesh to a much greater degree than is possible or likely under the existing arrangement.

The Budget recommendations were directed at limiting the amount of money for administrative expenses that could be expended out of each of these two funds. After thoroughly examining all of the Bureau heads as to their personnel requirements, the committee became convinced that the limitations made by the Budget on administrative expenses were too liberal; therefore, we have counteracted this authority in the case of each agency and in addition thereto we have placed a series of limitations upon the amount that may be expended by both the War Shipping Administration and the Maritime Commission—if the committee recommendation is approved, the expenditures, of course, will be made by the Maritime Commission—under the various categories of operating expense incident to the 1947 fiscal year program of operating about 1,300 ships on 12,000 voyages, carrying 132,000,000 tons of cargo. One of the items that we have cut deeply into is that for expenses of charter by the Government of private vessels. The effect of the cuts we made will be to compel the Commission to do away with vessel chartering by August 1 of the present calendar year. The other limitations that we have placed in the bill on the amount of funds that may be expended for various operations are aimed at getting the Government out of the steamship business about twice as quickly as anticipated by the War Shipping Administration. There are certain intercoastwise services to United States Territories that apparently must be maintained by the Government until new schedules of freight rates can be approved that will make these trade routes compensatory as regards private operation. In the main, however, the committee believes that we can move much quicker than the program of the War Shipping Administration calls for in ridding ourselves of the Government-owned fleet of ships and getting them back in the hands of private owners who can profitably operate them. To achieve this end, we are proposing the liquidation of the War Shipping Administration by December 31, 1946, and to cover their unobligated balances into the Treasury on that date.

I am confident that the membership of the House will be glad to know that we are ultimately going to have a vast laid-up merchant fleet of something over 3,000 vessels, which, as a result of new preservative methods, can be placed in a satisfactory stand-by condition and within a reasonably short time be placed in full operation if national necessity requires.

Before closing, I want to revert to the action the committee has taken with respect to the request of the War Shipping Administration for funds to train men in and for our merchant marine. The Budget estimates provided $9,000,000 which sum was to be transferred from the War Shipping Administration revolving fund and used for a program of training about 11,200 men who will compose our peacetime merchant marine of approximately 110,000. This program involves original, upgrading, and retraining classes. The maritime training officers asked the Budget for approximately $31,000,000 to carry out a program designed to train about four times the number of men that it would be possible to train with the amount allowed by the Budget. If the Budget action had been allowed to stand, it would have meant the closing of two officers' training schools, one cadet school, all graduate stations, several upgrading schools, and a drastic reduction in the number of trainees at the remaining training institutions that could continue to operate under the reduced program. Further than that, the Budget submission would have necessitated discontinuance of the payments of approximately $65 per month to cadets in the 52 universities operating State maritime academies. This $65 represents a subsistence and compensation payment. The committee has taken the position that we must carry on a more extensive program of training of cadets and in-service training for our merchant marine. Every important maritime nation in the world recognizes the necessity of the government providing training vessels whereby the operating efficiency of the merchant marine may be enhanced. Both Government economy and efficiency of merchant marine operations demand that we have a well-trained merchant marine capable of holding its own in world maritime competition. Again, to whatever extent we give expanded training to young men who plan to make the sea their career, we are at the same time serving the needs of our national defense and national security by providing a reservoir of trained manpower that will be available for us to efficiently man our merchant fleet if and when a need shall arise. The committee, therefore, has increased the recommendation of the Budget from $9,000,000 to $15,000,000 looking toward the consummation of an expanded training program. With the additional funds, it will be possible to train approximately 19,000 men and existing educational units and facilities now used in the training will remain open and operative. Furthermore, it will be possible to continue on into the fiscal year 1947 the present policy of paying the trainees in the State maritime academies the $65 monthly payment referred to.

I hope I have not unduly transgressed on the patience of the House in submitting the foregoing thoughts and high lights of the committee action taken on the larger items in the Navy appropriation bill that you have before you. If we have erred in our judgment, I can definitely assure you it was through no lack of conscientious and sincere desire to serve the national good in the most efficient way that we could devise. As chairman of the committee, therefore, I earnestly solicit the support of the House membership when the bill is taken under consideration, following general debate, and I sincerely thank you for your patient and courteous deference to my remarks.

Mr. PLUMLEY. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the distinguished chairman of the Naval Subcommittee on Appropriations for Navy has told you of the salient provisions of this bill in a very clear and illuminating manner. I endose his statements nonpartisanly and 100 percent.

He has very splendidly supplemented the subcommittee's report, which, I am happy to say, is an unanimous report of his subcommittee. We have compromised such differences of opinion, not principles, as arose during some 6 weeks' sessions, when we drafted the bill. We come to you with a solid front. We have made possible an adequate and sufficient Navy. We have not sunk the Navy. The record proves the contrary, as does the bill.

Probably I should rightly exclude from unanimity of action our beloved colleague, the gentleman from Indiana, Mr. NOBLE JOHNSON, because, as you all know, before we finished our labors in readying this measure for presentation he and his dear wife were victims of an accident in which they were seriously injured. I believe, however, that if the gentleman from Indiana, Mr. NOBLE

JOHNSON, were here he would endorse this bill, since it properly takes care of the Navy in this period of transition, according to his often-expressed desire. He has always been a stanch supporter of an adequate and efficient sea arm. The subcommittee long has leaned wisely upon his judgment and counsel and always to its advantage. He has always been for a program of defense found in the right arm the Navy affords.

Mr. Chairman, this is the tenth regular annual naval appropriation bill with which I have been directly associated. I became a member of the naval subcommittee at the commencement of the first session of the Seventy-fifth Congress, so long ago, as it seems, and served on the subcommittee, headed by our former colleague, Bill Umstead, of North Carolina, which shaped the appropriation bill for the fiscal year 1938. Mr. Umstead was an outstandingly able chairman, succeeded as chairman by my very close and dear friend, the late Jim Scrugham, of Nevada, with whom I traveled miles by air and sea and land in the interest of the Navy, than whom the Navy never had a better friend, and by our present outstandingly able chairman, the gentleman from California, HARRY SHEPPARD, who followed Jim Scrugham.

I mean "able" when I talk about Chairman SHEPPARD, for no man was ever more efficient, or pugnacious for adequate defense, with respect to Navy needs, nor better informed. He took his subcommittee across and around the seven seas in order that they might all see what they were to know, and to appropriate the taxpayers' money on the basis of what they knew. That statement will bear close analysis; it means just what it says. Our report is made on that basis. We know what we are talking about. If anybody doubts it now is the chance today to challenge our statements.

Much has transpired since that first bill upon which I sat as a novice in the committee, back in 1937. That year the bill we presented called for a total of $518,126,078—measured in millions. The bill was reported to the House on March 2, 1937. We were then operating within the confines of the London Naval Treaty of 1930 although that Treaty in practically all respects had ceased to be effective on December 31, 1936.

War clouds were gathering, yet no one then envisaged the great war which engulfed the world but a few years later. The hearings prove this. World War II corroborates it.

It was not until after the late President Roosevelt's quarantine speech in Chicago in 1939 that naval budgets began appreciably to soar. Congress was guided by needs disclosed to it by the Executive—too little and too late—too true. In no partisan speech, I say it is possible that there would have been no Pearl Harbor had such disclosures been made earlier, more frank, more true, more devoid of politics.

Beginning with the appropriation bill for 1941, which became a law on June 11, 1940, naval budgets necessarily, belatedly, began to climb. We were taken unaware. I will not detail the climb. The total expenditures over the period in which I have had a responsibility, that is for the fiscal years 1938 to 1946, both inclusive, excluding the present bill, is the staggering sum of one hundred and twenty-nine billions. Think of it—$129,000,000,000. Think that over as you measure the degree of responsibility this subcommittee assumed to recommend for your consideration. It is, and was, a paralyzing amount. It took that to win the war from the Navy standpoint alone. I am proud, but humble and almost scared, as I look back to think I could have justified and supported such expenditures, as I did. It was so great an expenditure of the taxpayers' money; yet we had to win. That we won the war and have the greatest Navy the world has ever known is my complete compensation and justification and satisfaction. So I go into the transition period with courage born of experience.

Today we start a backward trek. In fact we started right after VJ-day.

We have been rescinding appropriations. This is the first budget for a fiscal year free of war, or which we hope will be free of war, since the fiscal year which commenced July 1, 1941. It is our duty now to resurvey the requirements of our armed services and appropriate upon the basis of needs as now warranted by the international picture.

This budget we are presenting today is a large peacetime budget, but we must bear in mind that peace is not officially announced by edict, nor yet an established fact. We are still in a stage of transition. We must provide adequately for all possible emergencies until conditions generally become more stabilized.

To keep the peace till war is over we must be prepared to do it and to use force if necessary to maintain it.

The Navy is our right arm. We cannot let it be paralyzed by internal dissension, nor can we afford to do other than to learn from experience which demonstrates that lack of preparedness has cost us millions of lives and blood and treasure immeasurable. Just why we will not learn from experience at so high a cost is beyond me.

As the ranking Republican member of the Subcommittee on Appropriations for the Navy, I say that never before have so many controversial questions been presented. Were the record of the hearings to contain our off-the-record controversies, the volumes before you would be doubled as to content.

I would like right here to direct your attention to excerpts from a colloquy found on page 20 and the following of the hearings, in which in response to my interrogations Secretary of the Navy Forrestal made certain significant replies:

Mr. PLUMLEY. Mr. Secretary, the American people are very proud of what the Navy did during the war, and the correspondence which goes over my desk satisfies me that they hope and expect that Congress will appropriate sufficient funds in order to maintain the standing of the Navy so that we may have what they think, anyway, is the biggest, the best, and the most powerful navy in the world.

Secretary FORRESTAL. We will have.

Mr. PLUMLEY. That is just what I wanted to know, and I wanted to be sure that this program envisages the continuance of that right arm of strength of ours which will protect us while it temporarily at least preserves the peace of the world.

As it is now, the state of mind of the people of this country is very unsettled with respect to what is going to happen. Necessarily so. They feel that the Army has been disrupted and practically destroyed by demobilization, and they are absolutely depending upon the Navy to protect and defend us. I just want to be sure. You say that we will have—that we will maintain, no matter how much we lower the number or make changes in the character of ships, the controlling navy of the world.

Secretary FORRESTAL. Qualitatively and quantitatively. I will make this qualification—that in order to keep the number of men that we are proposing for this coming year, this submittal does not provide for the continued production of new equipment that we would like to have under normal conditions, and that is why I suggested a contingent appropriation. In other words, we will not be able to adopt and procure improved equipment to keep us up to date. We have come a very long way in this war in the art of warfare in the American Navy. There has been a tremendous development of the art—radar, fire control, rapidity of fire, guns, and so forth. A lot of that experience will not under present budget restrictions be translated into improved weapons and equipment for the fleet of 1950. In other words, there has to be a lead time to get that new stuff into being and use. For the immediate time ahead of us, there is no question, as I said, quantitatively and qualitatively, in terms of air, submarines, and surface vessels, and of the capabilities of logistics support, we will have, without any question, the mastery of the seas.

I would not want to leave you with the impression that we are able to continue the kind of development that we were making in the last 18 months of the war in terms of equipment. We will not be doing that.

Mr. PLUMLEY. I did not expect that, but I think you have answered my question.

The Secretary was referring, as was I, to the plan submitted by the Bureau of the Budget. The chairman has indicated that, as appears in the report, as follows:

After a deliberate weighing and consideration of the factors just mentioned, the committee has reached the firm conclusion that the Bureau of the Budget estimates, as submitted by the President for the operation of the Navy in the fiscal year 1947, are inadequate—not wholly inadequate, but insufficient in the mind of the committee, in some important particulars—to insure the type and size of a Navy that may be expected to meet any contingency reasonably foreseeable in the future.

So we brought in the bill now before you for consideration, in order that the type and size of a Navy that may be expected to meet any contingency reasonably foreseeable in the future, might be assured and accomplished.

There is no question you may raise which has not heretofore had our careful consideration. We are for the bill as we reported it.

As the ranking minority member of the subcommittee I stand on that statement. I endorse the presentation made by my distinguished chairman, assuring you we have provided for an adequate Navy as our right arm of defense to preserve and if necessary by force to compel perpetual peace.

Mr. SHEPPARD. Mr. Chairman, I yield 25 minutes to the gentleman from

Texas [Mr. THOMAS] a member of the committee.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. MILLER of Nebraska. I would like to ask the gentleman a question concerning the number of ships that are being requested by the Bureau of the Budget and the number recommended by the subcommittee involving some several hundred ships that seem to be in controversy here. I hope the gentleman answers the question in his speech. If we adopt the proposal for the larger appropriation and the additional ships, would it mean that the Navy would have to have more than the 550,000 they suggested they would need for the Navy?

Mr. THOMAS of Texas. May I say to the gentleman that I will attempt to cover that in my statement. Suffice it to say at this time that we have given to the Navy what they asked for so far as this budget is concerned.

Mr. Chairman, before I go into a detailed discussion of this budget, I would like to pay my respects to the minority members of our subcommittee, the gentleman from Vermont [Mr. PLUMLEY], the gentleman from Indiana [Mr. JOHNSON] and the gentleman from Missouri [Mr. PLOESER]. The gentleman from Vermont [Mr. PLUMLEY], as you all know, carries the burden in the House of Representatives for the great State of Vermont all by himself and surely he does a magnificent job for those fine people. He has carried that burden for many, many years by himself. I know I express your hope and I certainly do express mine that he will continue to carry that burden for many years to come, because he has done such a fine job for them.

Now, when it comes to politics in our committee there are none. What little differences we have in our viewpoints we compose between ourselves, and when we come out with a bill we come out with a solid front. That is what we are going to present to you today.

Mr. Chairman, this bill contains funds for the fiscal year 1947 for the Navy and the Marine Corps. The Maritime Commission's revolving construction fund, and the War Shipping Administration's revolving fund are dealt with herein, but no appropriations are required for either.

The Maritime Commission administrative budget as presented to your committee calls for $17,580,000. We have reduced this amount to approximately $14,900,000. Its operating budget of about $245,000,000 was granted. However, the committee denied to the Maritime Commission the use of any funds in excess of $245,000,000 from its revolving fund. The War Shipping Administration has an administrative budget of about $10,868,000, and operating cost of about $900,200,000. We reduced these amounts about 40 percent. The committee recommends that the War Shipping Administration be transferred at the beginning of the fiscal year, July 1, 1946, to the Maritime Commission. This move, in itself, does not mean much. However, we have directed that most of the functions of the War Shipping Administration be wound up not later than December 31, 1946. The remaining functions of the Administration will be performed by the Maritime Commission. In so doing, in excess of $350,000,000 will be saved. We are of the opinion that private shipping industry can carry on most of the functions of the War Shipping Administration, and thereby save the Government many millions of dollars. The shooting war is over and there is no justification for the continuance, beyond the period we have set for its existence and its function as a separate entity.

As of today, there are approximately 57,000,000 tons of cargo ships in the United States above a unit of 1,600 tons. This tonnage is owned by the War Shipping Administration, the Army, and private concerns. The War Shipping Administration owns 36,000 tons of this amount. It is the plan of the War Shipping Administration during the fiscal year of 1947, to operate 13,000,000 tons. However, we recommend that private industry after December 31 take over this tonnage.

Of this 57,000,000 tons, about 3,000 vessels, totaling approximately 20,000,000 tons, will be laid up for future use in some half dozen different places.

One thousand vessels are laid up now, and during the fiscal year 1947, 2,000 more will be laid up at a cost of $15,600,000. The cost for maintaining these ships after they are laid up will be $1,100 per ship per year. These 3,000 cargo ships which can be put into operation in 3 or 4 months are a powerful weapon for national defense.

The vast majority of our total cargo tonnage was built during the war by the Maritime Commission and is composed largely of 10,000-ton Liberty ships. They will make only 10 knots per hour and are far too slow for modern use. Perhaps one of the many mistakes the Maritime Commission made was the spending of billions of dollars on Liberty ships with their slow, obsolete engine equipment. As a matter of fact, they have little use in postwar competition because they are too slow. These ship were constructed, so we were told, because fast engines could not be procured during the war. We are now told they cannot be converted into fast ships. Granted that we had no fast engines for the cargo ships needed under wartime conditions. However, it must be pointed out that we had no airplane factories, or airplane engine factories to meet war needs, just as we lacked other wartime needs. But we built from the ground up airplane plants and airplane engine factories. We also built from the ground up the atomic bomb at a cost of billions of dollars. And certainly we could have also built up plants to manufacture fast engines for cargo ships. Had we done that, instead of having about 1,700 useless ships on our hands today, we would have the same number of fast, usable ships. I could be wrong in my observation, but I need stronger proof than has been offered to the contrary to convince me I am wrong. This is just another example where Admiral Land proved to be an expensive luxury to the taxpayers.

During the war the War Shipping Administration established several schools for the training of maritime officers and the training of enlisted personnel. The officers' schools conduct a 4-year course, and paid the cadet midshipmen $65 plus keep. The Budget allows $9,000,000 for cadet midshipmen and enlisted men's schools plus five State schools. Under the Budget estimate, 1,550 cadet midshipmen going 4 years would be permitted for the two schools. We recommend the amount be increased from $9,000,000 to $15,000,000. Under this $15,000,000 budget, we are advised that all of the schools can be operated on a limited basis. We think this is a wise thing to do.

In addition, we have allowed the State maritime academies the Budget estimate of $75,000 each. Some of these State academies are very old schools. Before the war enrollees in these schools were not given any compensation, but during the war were allowed $65 per month. Under this budget, we are continuing that practice. We believe that it is for the national interest and for the future security of the merchant marine that we have trained officers and enlisted men.

We have allowed the Maritime Commission to begin the construction of 33 new ships at a total cost of $313,000,000. Sixteen of these ships are under construction now. The total is composed of 21 fast cargo ships, 8 big passenger liners, and 4 large combination passenger and cargo ships. One hundred and thirty-one million dollars will be required in 1947. This amount will be taken from the construction revolving fund. One hundred and seventy-two million dollars will be required in cash during the fiscal year 1948, at which time all of the ships will be completed.

The Maritime Commission was operated most extravagantly during the war. I regret to say it, but it is my considered judgment that most of the extravagance is chargeable to Vice Admiral Emory Land, former Chairman of the Maritime Commission, who carried the Commission's business in his hat, with the aid of a few Commission employees. These employees, to some extent, shaped the policy of the Commission. The present members of the Commission should not be charged with the laxness and extravagance of Admiral Land's administration, since most of them have been recently appointed. I am confident we can expect a business-like and economical administration of the Commission by these new Commissioners. It is my hope that the Commissioners will jointly form all policies of the Commission, and not delegate their duties to their subordinates.

It is poor policy to give any independent agency, such as the Maritime Commission and the War Shipping Administration, hundreds of millions of dollars to play with at their own discretion, in wartime much less peacetime, in the form of a revolving fund. The managers of such a fund are human, they soon forget they are the servants of the people, and get out of touch with Congress. The revolving funds of the Maritime Commission and the War Shipping Administration are just about in the zero cash stage. The Maritime Commission—the War Shipping Administration will be combined with the Maritime Commis-

sion—should come to Congress and request funds, as the need for funds arises. In other words, every expenditure of funds should be justified and approved by Congress. If a huge revolving fund is later set up by the Congress, it would be a mistake, in my judgment. Should that happen, then the Maritime Commission should be placed under a Cabinet head. However, if funds are requested of the Congress as the need arises, then the Maritime Commission could safely remain an independent agency, because the Congress would control its funds.

Let me respectfully make a suggestion to our President, and to our future Presidents, whomever they may be—Republican and Democrat alike: We all know that the personnel turn-over of the Maritime Commissioners is rapid. In the past, it has been too true that after a Commissioner was trained and learned what his job was all about, he resigned and went elsewhere. This is an unhealthy condition for the Commission. I think it would be well for our present President, and others to come, to fill two of the five positions of the Commission from promotions from within the ranks of the Maritime Commission itself. There are many capable career men within the Commission, who not only deserve the honor of being a Commissioner, but who know far more about the work to be done than any person who could be appointed from the outside.

Mr. S. D. Schell, executive secretary of the Maritime Commission, is one of the most efficient men in the Government service today. He has been with the Commission a long time, and knows its business from the ground up. He would make an excellent Commissioner. Such an appointment would be a well-deserved reward for his splendid services. At the same time, it would have a wholesome morale-building effect on the employees of the Commission. I should also like to say that Capt. Granville Conway, Acting Chairman of the War Shipping Administration, would make an excellent Commissioner. He has spent many years in the service of the Maritime Commission. During the war, he carried the load of the War Shipping Administration and s largely responsible for its excellent record. He is honest, fair and extremely capable. He can hold his head high in any company. All of us are justly proud of him.

NAVY

The Navy budget for the fiscal year 1947 is approximately $4,600,000,000, which is quite small compared with its budget during the war of $18,000,000,000 to $25,000,000,000 per year. We think that this budget gives the Navy a good start in its peacetime career. We have increased the Budget estimate by $375,000,000. In going above the budget estimate, we have allocated this extra money to the training of Reserve personnel, which we think is the backbone of a peacetime Navy; and to scientific and technological research and development. Surely, the best money we can spend in the future, is to stay ahead of our potential enemies in better ships, better guns, better airplanes, radar, and every other implement of war.

BUREAU OF PERSONNEL

We have allowed the Budget for 437,000 enlisted men, and 53,000 officers for active service. The budget allows $78,800,000 for Naval Reserve, which would provide for 141,521 officers and men. The committee recommends that this amount be increased to $120,500,000. This fund includes the training of Organized Reserve, and Volunteer Reserve. We stepped up the Organized Reserve from 141,521 officers and men to 197,352 officers and men. The above fund will also include 800,000 Volunteer Reserve officers and men, of which 60,000 surface component will get 2 weeks' training, and 5,000 aviation officers will receive the same amount of training.

We have also granted $9,500,000 over the Budget—$3,000,000 to be charged to personnel, and $6,500,000 to aviation—to finish out 2,600 aviators who lacked only a few months' training. Not to finish out these 2,600 aviators would be like throwing away $100,000,000.

It was developed during the hearings—see hearings, pages 1658 through 1668—that Vice Admiral Denfeld, the greatest of all Chiefs of Personnel, and his able assistant, Vice Admiral Taussig, were concerned about the Navy's medieval court-martial procedures, and cruel and inhuman sentences for naval law violations. They promise to remedy the evil by seeking amendments to present court-martial laws passed in 1864. The Navy is still living in 1864 in its thinking and coping with its 70,000 penal cases. A civilian commission of distinguished lawyers, judges, penologists should be appointed immediately to make changes in the entire system—not a commission of Regular Navy personnel because they are not qualified from any point of view. Navy justice has been harsh and one-sided on the enlisted personnel. Few of the Annapolis boys ever draw 5- or 6-year sentences, like enlisted men do, for committing rather trivial acts.

SHIPS

We have authorized completion of 72 combat ships which range in state of completion from 20 to 95 percent. This budget allows an expenditure of $350,000,000 for this purpose. All of these 72 ships can be completed in fiscal year 1948, or a few months thereafter, at an additional cost of $150,000,000. Not to complete these ships would be "penny-wise and pound-foolish." It is true we have the largest Navy in the world. Here I want to answer a question asked by the gentleman from Nebraska a short time ago. We have approximately 950 combat ships. But of this number we have many old ships which can be replaced by the new 72 units. Much information has been given as to the strength of our fleet as compared to others. It is strong, and no doubt the best on the high seas. We have so many more auxiliary ships than other nations, and so much greater and more accurate fire power on our combat ships that a comparison of numbers is misleading. We are told that Britain has 729 combat ships; Russia, 262; France, 58; and Italy, about 69; Germany and Japan, none. And it can be asked with much cogency: Why spend more money to build more combat ships when we have beyond all odds the best fleet on the seas today? The answer is: Keep it the best. While we are completing 72 new combat ships, it may not be amiss to mention that England is building today in the neighborhood of 110 combat ships.

The fleet will be divided into three parts: the active, the reserve, and inactive. We have about 291 combat ships in active service, 42 in reserve, and 532 inactive. We cannot afford to make the mistake of junking these ships. The inactive ones will be laid up in such a condition that they can be made ready for combat within 4 months at the outside. The active can be made ready in much less time.

The biggest insurance policy we can have against future aggression will be this laid-up fleet, plus our laid-up cargo ships, and a small but modern Air Force. If we had had in 1941 a huge laid-up fleet as we have today, fortified with a laid-up cargo fleet, Japan, nor Germany, nor anyone else would have dared attack us.

ORDNANCE

We have granted the Budget request of $246,000,000 for ordnance, of which seventy-seven millions will be spent for new ordnance and the remainder for research and maintenance. The field of research in ordnance is as extensive as it is important. We now lead the world, and we must keep that leadership. Great quantities of ships ordnance will be laid up during the fiscal year of 1947 in such a condition that its future use will be assured. This is expensive work, but it will save hundreds of millions of dollars throughout the years to come.

AVIATION

In my judgment, too much importance cannot be placed upon naval aeronautics. We know what naval aviation has done. We know what it can continue to do. It is the advanced arm of the fleet. The more money that we wisely spend for research and development in the field of aviation the wiser we shall be as a nation.

We have allowed $310,000,000, which is the Budget estimate for new planes for 1947, and covers purchase of 1,359 new planes. We allowed $23,800,000 for new aeronautical equipment, $361,000,000 for maintenance of equipment and stations, and $100,000,000 for research and technological development, making a total of $805,000,000. The Navy today has 2,500 good planes in storage. One-third of this number will be drawn out and used each year. Today we have 134 air stations, 80 in the United States and 54 outside the United States. Ninety-five stations have heretofore been declared surplus.

YARDS AND DOCKS

The budget for Yards and Docks for 1947 is approximately $143,600,000. This is indeed modest as compared to war years when it ranged from one to two billion dollars per year. Of this total, $83,600,000 will be spent in the continental United States, and $60,000,000 overseas.

We have repealed all outstanding, unobligated contract authorizations for

public works which amount to approximately $147,000,000. We think this is a wise move, and so does the Bureau of Yards and Docks. By repealing outstanding, unobligated contract authorizations and substituting cash therefor, we save approximately $4,000,000.

MARINE CORPS

We gave to the Marine Corps funds for 100,000 enlisted men and 7,000 officers. This is the Budget estimate. We go above the Budget in allowing the Marine Corps Reserve 60,000 officers and men as against only 30,000 provided for in the Budget. The additional cost above the Budget for the Marine Corps Reserve will be in the neighborhood of $13,000,000. We think this is money well spent. We have carefully examined the Marine Corps budget for many years, and we have always found the Corps to be very economical. The Corps' total budget is about $366,000,000.

We think special mention should be made of the Navy's program for scientific research and technological improvement. Too much credit cannot be given to Secretary Forrestal for this advanced program. Unquestionably, he is the spearhead of it. Science will dominate all future wars, as it has the past one. The nation that has the best scientific equipment—if we have another war—will be the winner. The Navy, throughout all its bureaus, is keenly aware of this fact. For this coming year, the Navy will spend $250,000,000 on scientific research. In my humble judgment, there is no better money in the entire budget than this sum. The committee has gone $40,000,000 above the budget, and includes funds for ships, medicine and surgery, aviation and ordnance.

We all know that the A-bomb is deadly. But hats off to Vice Adm. Ross McIntire, Chief of Medicine and Surgery. It is thought his bureau has something more deadly than the A-bomb. In fact, most of the bureau chiefs agree with that statement. And it is in a usable form.

Millions of dollars are provided for the development of flying missiles. This is tremendously important. It is thought that the next war—if one comes—will be fought in this field.

Break-down by bureaus for scientific research is as follows:

Aviation	$100,000,000
Medicine and surgery	1,600,000
Ordnance	61,250,000
Research and invention	46,000,000
Ships	41,500,000

We must keep in the Navy a nucleus of our present procurement set-up. Never again will potential enemies give us 2 years to prepare for war. Therefore, we must keep a nucleus of everything we need. It would be a tremendous mistake to destroy or dismantle our many factories and shipyards. We cannot expect them to bring more than 10 to 15 cents on the dollar if they are sold. I am glad to report that the Navy is endeavoring to make some type of arrangement whereby these plants and shipyards will be put in use, so that their value as a national asset will not be dissipated; but where they can be put into useful civilian production, and at the same time be kept in such a condition that they can be converted in a few months to wartime production if needed. Much progress is being made along this line.

I regret that there are no funds in the Budget for the procurement of critical materials. The sooner we start stockpiling these materials, the better off we shall be. This Budget should contain several million dollars for that purpose, but it does not. I hope that in next year's Budget the Navy will give this matter its serious consideration. Delay in this regard can be tragic.

The Navy has sizably reduced its uniformed personnel in headquarters in Washington from 17,750 on March 1, 1946, to 4,530 for the fiscal year 1947. Its civilian personnel in the District of Columbia as of January 1, 1946, was 16,532. That number was reduced to 15,228 by the Budget for the fiscal year 1947. The committee has further reduced all Navy civilian personnel in Washington about 15 percent. We think with a reduction in naval activities and with increased pay scale and a desirable increase of efficiency, the work load can be carried on without harm. We have also reduced the personnel about 15 percent in the Maritime Commission for the same reasons.

In conclusion, let me say our fine Navy and Marine Corps did not happen by accident. They are the product of many long and tedious hours of work. Too much credit cannot be given to our able and dynamic Secretary James Forrestal. He has guided the Navy through the war, and he has laid sound plans for the postwar Navy. Too much credit cannot be given to Vice Adm. Louis Denfeld, Chief of the Bureau of Naval Personnel, for his human qualities and good level head. Vice Adm. Ross T. McIntire, Chief of Medicine and Surgery, has the undying gratitude of the Nation for his effective work in taking care of the general health of the Navy, and its sick and wounded. We can depend upon Rear Adm. John J. Manning, new Chief of Yards and Docks, to do a splendid job. He has what it takes, and I am sure his record will be outstanding. Vice Adm. Edward L. Cochrane, Chief of the Bureau of Ships, and his able assistant, Rear Adm. Earle W. Mills, have already made a most enviable record. The Navy's great fleet is a large monument to their good judgment.

The Bureau of Ordnance has a great American as it chief, Rear Adm. George F. Hussey, Jr. He is honest, sincere, and truly a top man in the Navy. Rear Adm. Harold B. Sallada, Chief of the Bureau of Aeronautics, has done a great job for the past year. His task in the future is not a small one. He is scientific-minded, and we can count upon him keeping naval aeronautics well in front. Vice Adm. Ben Moreell, Chief of the Bureau of Procurement, is well known to the Members of Congress, and to the Nation as well. He is an outstanding man, and will keep our future procurement set-up in a ready-to-go condition.

Rear Adm. William J. Carter, Chief of the Bureau of Supplies and Accounts, has a big job ahead of him in the handling of Navy supplies. For the immediate future no man in the Navy has a more difficult assignment. We are confident he will accomplish it in his usual splendid manner.

At all times we can depend upon our friend, Rear Adm. Ezra Allen, Chief of the Bureau of the Budget and Reports, to carry in his head a large part of the Navy's financial set-up. The admiral has a lot of friends in Congress who admire, respect, and rely upon him for accurate information and judgment in most matters which affect the Navy. Your Appropriations Committee puts him high on its list of fine, able men.

General Vandegrift and his very capable staff have done a magnificent job. They have continued the fine traditions of the Marine Corps and will maintain the same high standards. The entire Nation is proud of its Marine Corps.

Last, but not least, comes Fleet Adm. Chester W. Nimitz, Chief of Naval Operations—a great sailor, a fine officer, and an outstanding American. We all love and respect him.

Mr. PLOESER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. GRANT].

Mr. GRANT of Indiana. Mr. Chairman, I ask unanimous consent to proceed out of order.

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

There was no objection.

Mr. GRANT of Indiana. Mr. Chairman, I would like to read a telegram that has come to me from a citizen from my district. It is signed by the president of the United Auto Workers International Union and addressed to all local unions throughout the country. It is a very interesting example of how government by pressure mail is developed. It reads as follows:

To all local unions:

Washington office advises mail reaching Congress shows strong majority against price control. Popular support for OPA slacked off. Senate action expected early next week. Demand for total defeat of House amendment and approval of strong law with no jokers must start reaching Senators soon and continue uninterrupted next 10 days. Senators not yet convinced people mean business on this issue. Your members must write and write repeatedly. Demonstration parades this week-end recommended. Send pictures of demonstrations to Senators. Time is short for preventing wage cuts through price increases. You can't do too much too soon. Urge you redouble your efforts to obtain favorable Senate action on OPA.

WALTER P. REUTHER,
President UAW-CIO.

Mr. PLOESER. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I have just seen a copy of a new wheat and flour order, being Amendment to War Food Order 144. This is one of the most amazing documents which I have had brought to my attention, and we have all seen some extraordinarily amazing Executive orders during the last few years. Among other things, this order provides that:

No producer shall deliver such wheat to a country elevator, or by truck, wagon, or water to a subterminal elevator, terminal

elevator or mill elevator, unless, within 15 days from the time of delivery, not less than one-half of all such wheat shall be sold to such country elevator, subterminal elevator, terminal elevator, mill elevator, or to a merchandiser, miller or other processor, *Provided, however,* That this provision shall not apply to wheat delivered for the account of the Commodity Credit Corporation.

The order further provides that no merchandiser, miller or other purchaser of wheat shall purchase or accept delivery of the same unless he shall set aside and deliver to the Commodity Credit Corporation not less than one-half of all wheat purchased by him from producers in the form of either wheat or flour.

This order is a direct violation of the statements made by the Secretary of Agriculture that wheat should not be requisitioned from farmers. I do not have before me at this moment the language used by the Secretary, but he has repeatedly expressed his opposition to that idea. Under this order, the minute any farmer moves his wheat off the farm, one-half of it must be sold whether he wants to sell it or not. He no longer has control over it as his own property. That means requisitioning wheat from farmers, and it doesn't make any difference what kind of language is used to conceal the fact.

But the most remarkable part of this procedure is that the wheat so seized is not seized wholly for the Federal Government. The Federal Government gets only one-half of it. The buyers get the other half, which they can dispose of in any way they see fit or hold for speculation as long as they may desire.

Certainly, a seizure of one man's property for the benefit of another man raises a grave constitutional question.

My mail indicates that farmers are up in arms over this order, and I personally feel that they are thoroughly justified in that feeling. If the objective of the order is to secure delivery of wheat, I predict it will fail.

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

Mr. HOPE. I yield to the gentleman from Colorado.

Mr. HILL. Let us say a farmer has a carload of wheat coming into the elevator. Am I to assume from that statement that when he delivers this wheat he must sell the half a carload that belongs to him after the Government has requisitioned the other half?

Mr. HOPE. When he brings any quantity of wheat, whether it be a carload, a wagonload, or a bushel, into the elevator for storage or for any other purpose except sale, he must sell one-half of it whether he wants to or not.

Mr. HILL. Must he store the other half?

Mr. HOPE. He can store one-half, but he must sell the other half.

Mr. HILL. To the Government?

Mr. HOPE. Not to the Government, but to the dealer.

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

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

Miss SUMNER of Illinois. What happens if he refuses to sell? This is still America; we still are supposed to have a Constitution. They are deliberately trying to do what they did in Russia when they confiscated the property of the peasants.

Mr. HOPE. As I said, I think a very grave constitutional question is raised here as to whether you can take property from one person for the benefit of another individual. It may not be so much a question of whether or not the Government might be able to requisition property under certain conditions, but there certainly is a constitutional question here which I hope some farmer will raise in order to get the matter adjudicated.

Miss SUMNER of Illinois. If it goes to the courts, we can find out whether or not we still have rights under the Constitution. I think it ought to be tried out.

Mr. HOPE. I think this is a good chance to find out.

Miss SUMNER of Illinois. I think so, too.

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

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, this time a year ago the Nation was thrilled with the heroic deeds being accomplished upon the Pacific and other waters by the American Navy. They were witnessing the Navy driving from the Pacific forever the Rising Sun of Japan. This is the first appropriation in what may be classified as the peaceful era—at least the shooting is over. It is with profound regret that the Committee on Naval Affairs unanimously finds itself in disagreement in certain respects with the bill now presented to you by the distinguished Subcommittee on Naval Appropriations. We all have the same objectives. We oftentimes have different roads to accomplish that objective. I am making no complaint about the objectives of the committee, but I do make serious complaint on behalf of my committee about the result that the objective brings about.

Mr. Chairman, in October of last year, the House adopted the concurrent resolution, House Concurrent Resolution 80, saying that it was the sense of Congress that there should be a navy of 1,079 combatant ships and 500,000 men. That resolution was adopted by unanimous vote of the House on a roll call. Of course, that is not an absolute figure. It must be flexible, according to world conditions. But that was the yardstick and that was the objective of our national defense from the standpoint of the Navy—that there should be a navy of 1,079 combatant ships and 500,000 men. To support that proposition, sanctioned so far as the Congress is concerned by a unanimous vote of the House, the Navy submitted its budget figures to the Bureau of the Budget. After considerable negotiating back and forth with the Budget, the Director of the Budget speaking for the Executive sent to the Congress a recommendation saying that there should not be 1,079 ships, but that there should be 965 ships. When the Navy submitted its proposition of 1,079 ships, we had before us the same identical world situation that exists today. And what is that world situation? Not a single treaty has been signed nor are there any positive indications that any will be signed or entered into in the very near future. On the contrary, the world condition might be described as a little more chaotic and a little more uncertain today than it was last October when the Congress said there should be a Navy of 1,079 ships.

When the Navy Department submitted their budget they thought the security of the country required a Navy of 1,079 ships and 500,000 men. But the Bureau of the Budget said to the contrary. The Budget said, "In our judgment you do not need a Navy of that character. You need a Navy of 965 ships and 437,000 men.

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

Mr. VINSON. With pleasure, but I have only 15 minutes.

Mr. SHEPPARD. If the gentleman will yield, there will be no time in which the gentleman from Georgia does not have all the time he wants to air his attitude on this bill.

Mr. VINSON. I thank the gentleman very much. I will be glad to yield to any Member of the House.

Mr. RANDOLPH. Of course, I am in vigorous disagreement with the gentleman.

Mr. VINSON. Yes.

Mr. RANDOLPH. I wonder if the distinguished chairman of the committee, for whom I have a personal affection, would tell us just what countries in the world today have or are constructing navies.

Mr. VINSON. I am not concerned about what other nations are doing. I am concerned about the position that we occupy in the world. We have more at stake than any other nation on this earth. We have the greatest nation and we are the greatest people. Anybody occupying that position should always have adequate insurance. That is all the program of the Navy is at any time—adequate insurance. They felt that this Navy of 1,079 ships was what the security of the country demanded. My distinguished and beloved friend the gentleman from West Virginia [Mr. RANDOLPH] voted to say that was what the security of the country demanded, because he and the House unanimously supported the resolution as the sense of the Congress that that was the size of Navy we should have.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield further?

Mr. VINSON. I yield.

Mr. RANDOLPH. I did not support the measure to which the gentleman refers.

Mr. VINSON. I beg the gentleman's pardon.

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

Mr. VINSON. I yield.

Miss SUMNER of Illinois. I cannot understand why, if the need is for a great big draft Army, you do not have an adequate Navy to take the draft Army over, because you do not use the big Army until after you have obliterated them with bombs. Is that not right?

Mr. VINSON. That is right.

Miss SUMNER of Illinois. So if you do not have an adequate Navy, what is the use of a draft Army?

Mr. VINSON. Of course, you should have sufficient to guarantee the safety of the country, in both arms of defense. I stand for an Army of sufficient size to insure independence and insure that hostile soldiers never will set foot upon America, and for a Navy adequate for our national security and to meet our international commitments.

Miss SUMNER of Illinois. I assume you do not need either one of them very seriously until after you have obliterated the Army with bombs from airplanes. Is that not right?

Mr. VINSON. Well, now, the gentlewoman should not question me too closely this afternoon. The Navy therefore goes to the Budget and asks for this money to support this Navy which you and which they thought was the minimum necessary for the security of the country. The Budget said: "Instead of 500,000 men we will give you 437,000; instead of 1,097 ships we will make available to you funds to support 965."

It is up to the American Congress to say what shall constitute the United States Navy. Has the time come when you, the representatives of the people, sit here merely to be Charlie McCarthys for the Bureau of the Budget? What is your justification to go back to your people and ask to be returned if you let somebody else do your thinking and somebody else do your concluding for you?

The facts show conclusively that the minimum requirement for the national security is a Navy of the size covered by the budget submitted by the Navy Department. We occupy the position as the greatest Nation of this world, with more at stake than any other people on this earth, and with the greatest coast line to defend. The Navy said the minimum we could get by with was what the Congress had approved as the size of our postwar Navy.

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

Mr. VINSON. I yield.

Mr. JOHNSON of California. We have had a great deal of talk about the fact we were to have an international security organization, but to date we have not any.

Mr. VINSON. That is right.

Mr. JOHNSON of California. Did not the gentleman get this out of the comments of the Secretary of State, that in order for him to furnish the leadership that is required to set up this organization we must maintain our relative present military strength? Otherwise we weaken his position at the bargaining table.

Mr. VINSON. Of course, that is true; that is exactly what Senator VANDENBERG said the other day; that is what the Secretary of State said, and other advocates. We have got to have strength to maintain peace and our position in world affairs.

What does it all boil down to? It boils down to this: There is a difference of 114 ships, and 28 of these 114—and understand these 114 are all in the picture of the 1,079 ships—28 of these 1,079 ships have not been built; 6 of the ships are proposed to be used in the atomic tests. So if you take these 34 ships from the 1,079 you have a Navy of 1,045 ships. In addition to that 80 ships, or the balance of the 114 making the difference between the Budget estimate and the way you voted and what the Navy thought it needed for the defense of the country when it submitted this plan—of these 80, 69 have been built since Pearl Harbor. Sixty-nine of them are the very latest type of ship, such as escort carriers, and so forth.

Our proposition is this, and I submitted it to the chairman of the committee—let us not dispose of these 80 ships; let us have a Navy of 1,045 ships; 34 of them go out, 34 of them fade away because 28 are not even being built, and 6 will go to the atomic tests. We will then have a Navy of 1,045 ships. I am perfectly willing to go along in the interest of harmony and in the interest of trying to work always for the very best. I am perfectly willing to raise no objection, and my committee will raise no objection to the number of ships that are in the active category.

In the active fleet, that is the fleet ready to fight, the Budget shows you can have only 291. The Navy thinks it needs 319. But I am perfectly willing to forget that, and the committee is perfectly willing to get the reserve of 42 that the Budget requests, but we do say take these 80 ships and tie them up but do not scrap them. It will only cost $15,000,000 to do that. You have $600,000,000 invested in them now and 69 of them have been built since Pearl Harbor.

I submit to any man on the floor of the House it is common sense and nothing but good business judgment to take those 80 ships and instead of scrapping them, tie them up in the inactive Navy; then the inactive Navy would be composed of 632 ships plus this 80. Then you would have a Navy composed of 1,045 ships, of which 291 would be in active commission, 42 in reserve commission, 632 plus 80 tied up for future emergency.

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

Mr. SHEPPARD. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. VINSON. Mr. Chairman, this would cost $15,000,000. In addition, you would have to have 4,000 more men in the Navy. Instead of 437,000 men, you would have 441,000. To maintain those men in the Navy and to keep these 80 ships would only call for a total increase in this bill of $32,000,000.

What do you do by that? You have the Congress saying what kind of a Navy we will have instead of the Director of the Budget doing it. It is your responsibility. That is all we are asking for. We are merely asking that these ships not be scrapped.

It is going to be requested that some of these ships be given to South America. Some of these ships are going to be scrapped. These ships cost $600,000,000 less than 5 years ago.

Mr. Chairman, I am interested in economy. We all want economy, but we do not want to be penny-wise and pound-foolish. That is exactly what this means.

Mr. Chairman, at the proper time I am, by direction of my committee, going to offer an amendment to increase this bill in various ways by $32,000,000—$15,000,000 of which will go to buy berthing space to take these 80 ships, where they con be tied up and will then be available for any future emergencies that might arise. The amendment will also provide funds to increase the personnel by only 4,000.

That is the whole picture. Notwithstanding the fact that the House has said it wanted a Navy of 1,079 ships, it will have a Navy of 1,045 ships.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. The gentleman is making a very interesting and very informative address, as he always does. He knows I followed his leadership for a bigger and better Navy, not only during the war, but long before the war. His plea now, however, for more ships for the Navy reminds us that it was only a few weeks ago that the distinguished chairman of the House Committee on Naval Affairs was calling on this House to vote for his bill to sink 100 ships, 18 of which were practically new, which bill I am glad to say I could not see my way to support. Now, I wonder if my able and distinguished friend from Georgia is consistent today in asking for more ships?

Mr. VINSON. I advocated the atomic bomb test. That is probably what the gentleman is referring to.

Mr. JOHNSON of Oklahoma. Yes; I think all of us are in favor of a real atomic bomb test; but the point in my mind was then and still is, was Congress justified in agreeing to the sinking of so many new and other seaworthy vessels?

Mr. VINSON. That is right. Of course, they are. What good is it to have an atomic bomb test on a ship that is out of date, obsolete? You want to test it on something that is modern in order to get full information as to the effect of the bombs.

I am asking this committee and this House to merely increase this bill $32,000,000. Let us not get rid of these 80 ships. Let us tie them up. Let us put them down here where we have provided bases for them. Let them stay there. Future emergency might require that we need them. It is in the interest of economy to do that instead of going out and scrapping 80 ships costing $600,000,000. You only have to have $32,000,000 to save that investment. That is the issue.

I certainly hope that the chairman of the committee and the distinguished gentleman from Missouri will agree to this amendment, and then we will have a bill that we can all say is in line with the viewpoint that the Navy is relative to our postwar needs.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. PLOESER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, at the outset I would like to pay a particular compliment to the extremely able chairman of this subcommittee, the gentleman from Cali-

fornia [Mr. SHEPPARD], and to the majority Members, and to my distinguished colleague from Vermont [Mr. PLUMLEY], the ranking minority Member. These gentlemen have worked long and arduously, sacrificing much to accomplish their work. The people of their respective States can be proud of their service. No Member of Congress could enjoy any committee work more than I enjoyed serving with these men, and never on any occasion, in the few years in which I have served on this committee have I ever witnessed the slightest opinion based upon partisan politics. Never has the committee come to the floor with a bill without unanimous agreement as to what it should do, and we are in that same satisfactory situation today.

I think it is only fair to say that there was not any great amount of pleasure this year in the writing of this appropriation bill. With the jumbling of Budget figures such as they came to us at this particular season one could hardly call the writing of the Navy bill this year pleasurable work. The committee was faced with a plan to which there had been given considerably publicity, known as Navy plan 1-A, and Navy plan 2, a result of Budget action when plan 1-A was submitted to the Bureau of the Budget.

This committee adopted neither plan in toto. It sought to do what it thought best to provide the very kind of Navy you have heard the distinguished gentleman from Georgia say he wanted. I do not think there is any difference of opinion on the part of any two Members in this House on this one substantial fact that we want a Navy that is not only superior to any other navy in the world, but a Navy so strong that it is ready to go into immediate action against the combined navies of the world if need be. You have that kind of Navy today, and under this bill you will continue to have that kind of a Navy for another 12 months. What should be done 1 year from now is, of course, problematical, but certainly we all agree on this simple fact, that the world is greatly unsettled. The peace for which our Army and our Navy and our Marine Corps fought so valiantly, the peace for which the people of America have worked so ardently, has not yet been accomplished. Instead of a "one world" devoted to peace, we seem to have a world divided into two spheres of influence. America, therefore, must keep her first line of defense and keep it strong and keep it ready. We think we have done that in this bill.

I have just listened with great interest and intense respect to the gentleman from Georgia, the distinguished chairman of the Committee on Naval Affairs, for whom I have the most profound respect. I find no difference between his desires and the desires of this committee. I find no difference between his desires and what this committee has done. I do find some confusion as to what seems to be fact, and a little later on I am going to present what the Navy claims is the fact.

There was one course taken by this subcommittee which differed from the action of both the Navy in the creating of its 1-A plan and the Budget plan in its arbitrary forcing of the No. 2 plan. We believed that this Navy should be able to fight in varying degrees. First, we should have a strong force ready to strike immediately. That is the active fleet and the active Regular Navy. That we have. Second, we should have a reserve force in ships and an active reserve force in men, which can augment the immediate striking force so that within a period of, say, 90 days our Navy can be measurably increased in size and in strength. Third, we should have an inactive reserve, ships "on ice," if you please, and a voluntary reserve which can be brought into action in 6 to 9 months, in ample time to compete with anything the balance of the world might attempt to build

Under the provisions of the Budget as proposed to this committee, the Navy did make adequate provision for ships and for other facilities, but we did not feel that they made adequate provision for manpower. So this committee took the Marine Corps, for example, and doubled its active Reserve. We could not increase the size of the Marine Corps, which we think is our first arm of expeditionary defense and must not be tampered with under any type of program now or in the future in any way to decrease its efficiency or to diminish its standard of excellence. The Marine Corps of the United States is the standard of military excellence. Any action, either executive or congressional, which would tend to diminish this great standard of excellence and fighting ability would bring hot opposition on the part of this Subcommittee on Appropriations.

According to law, the total strength of our Regular Marine Corps is 100,000 men. That is the maximum strength permitted.

We could not, therefore, increase over 100 000 men, but we could increase the active Reserve which is being trained once a week with a vacation period of training, subject to immediate call in the event of an emergency. We not only increased it without a request on the part of anyone, but we doubled that Reserve.

In the matter of the Naval Reserve, we gave them their most ambitious estimate. It was not requested—it was not even proposed prior to the request of this subcommittee. We upped the amount of funds necessary because there again there is a limitation by law on the Regular Navy and while we did not need that limitation by law in the entire fiscal year 1947, there was no point in keeping a Regular Navy over and above the needs of the facilities which that Regular Navy had to use. Having given them all of the facilities, we gave them all the men they requested, to use those facilities. But to go beyond that, so that the United States of America might be ready for any emergency, we asked them what their most ambitious request might be for an active Naval Reserve, and we gave them that. Furthermore, we have the facilities today both in armories and in facilities which can be immediately available for armories to give us the strongest Naval Reserve in the history of the Nation. That active Naval Reserve is subject to immediate call to action in the event of an emergency. Some have contended that it was a contractual obligation on the part of the enlistee to go if he chose to go. That is not true. He is subject to immediate call.

Then we did a most important thing, it seemed to us. We increased the research. I think it is only candid to say that none of us can actually foresee just what form the war of tomorrow may take. With the rapid advance of science and with the many things we have learned in the last war, there is no more important thing we could do than to make available to our Navy, and the same is true for our Army, everything we possibly can so that there shall be no restriction on the freedom of our scientists to go ahead with the research they must pursue to gain the knowledge of the future. We upped this research allowance, we think amply—probably more than they will actually spend in the next fiscal year. But it was not the desire of any member of this subcommittee to be in any way stingy in that regard.

I want to say something about these ships. Last evening or this morning, according to the press, we have sunk 114 ships—28 of which were never in existence. The facts reveal that we did not sink a single ship nor is a single ship to be scrapped. Talk about 114 ships yesterday—we come today to learn that there were not 114 ships and there never have been. There were 114 ships on paper, 28 of which portions of the hull had been laid; and prior even to the submission of the 1-A plan, those portions of the hull had been scrapped by the Navy because they felt no need for the continuance of that building program. Yet it is only a few hours since we have been besieged to save 114 ships, instead of getting down to the facts in the matter.

Now, we had Admiral Cochrane, Chief of the Bureau of Ships, before two members of the subcommittee and our very able and distinguished clerk, Mr. McFall, of that committee, who has done such a great job under such difficult circumstances because of the confused budget. This meeting was last evening at 5 o'clock. The purpose was to learn if there was any knowledge which we had confused in this voluminous hearing that took so long.

Well, here are the facts. The difference in the 1-A plan and the 2 plan on paper was 114 ships. Twenty-eight of those hulls, partially laid, were canceled months ago, and portions scrapped. Six of those ships, possibly seven but certainly six, will be used in the atomic bomb tests. If the tests result as many feel they will, it is quite probable that those six will not be usable even for satisfactory scrap. That left 80 ships.

Here is the statement of Admiral Cochrane, Chief of the Bureau of Ships, as I wrote it, as I read it to him after he said it, and as he confirmed it:

We are not sinking 114 ships. We would not recommend any one of those ships to be manned or refitted.

He said of the 80 ships that they were in the obsolescent class, and that the majority of them had not been refitted after serious damage. They are at the

present moment tied up. The gentleman from Georgia and our committee want them tied up, and there is nothing in this bill which unties them.

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

Mr. PLOESER. Not at this point. I will yield later.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. PLOESER] has expired.

Mr. PLUMLEY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. PLOESER. It is proposed that an amendment be presented to this bill increasing it some $32,000,000. There is a curious question that goes through my mind which I do not propose to ask but I think I should state aloud. The 1-A plan of the Navy called for almost $2,000,000,000 more, because there is a lot more to maintaining a larger Navy than what has been proposed by this subcommittee—than the mere tying up of 80 ships. The amendment is to be proposed to add $32,000,000, to which I cannot agree, because Admiral Cochrane also told us last evening that those ships could be continued in their present status with the amount of $53,000,000 now allotted in this bill for the class 3 care of ships.

It is easy enough to imply even the slightest degree of censorship to this committee, but there is only one place we can get our facts and that is from those competent individual authorities. We have retraced our steps innumerable times on this situation throughout the entire hearings. If any of you care to take the time to read this great volume of hearings you will find revealed in there that the chairman of this subcommittee and myself in particular pursued the question of the Budget action on the 1-A plan.

There is not any sympathy that I have been able to detect on this subcommittee for the idea that the Budget Bureau should determine the size of the United States Navy. Quite to the contrary, I find a complete harmony with the thought that it is the duty and the responsibility of this Congress; but, in view of the circumstances, are we to recommend the unnecessary building of ships?

The other day we passed a provision in the rescission bill which allowed the completion of certain ships which on the average were over 80 percent completed in dollar value and 20 percent physically as respects each individual ship; and we did it because they were the most modern ships yet to be produced, and because of the fact it was not only wise from the standpoint of defense but it was likewise dollar wise to complete the building of those ships. In the long run it would cost the American public less to complete them than to destroy them. There has been no restriction on those funds in this bill. The Navy has testified that they had the money to complete all of them and this committee has not in any way interfered. Quite to the contrary, it unanimously supported the action and recommended it to the House just a few days ago.

I am not going to yield to any man in my desire to see our strong first arm of defense kept integrated and kept in fighting condition, and I am talking about the United States Navy and its component, the United States Marine Corps. I do not subscribe in one degree to the advocates who would tend to abolish the Marine Corps or diminish the value or the importance of our Navy which I may remind you is the only integrated armed service the United States has.

So much for the Navy portion of this bill. The gentleman from Georgia earlier asked me to yield. I am now pleased to yield to him if he so desires.

Mr. VINSON. Not now

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

Mr. PLUMLEY. Mr. Chairman, I yield the gentleman ten additional minutes.

Mr. PLOESER. I wish now to talk about another duty this committee was obliged to perform this year, a new duty, a painful one, one requiring a major operation which we attempted to perform.

Mr. CHURCH. Mr. Chairman, before the gentleman proceeds to another subject will he yield?

Mr. PLOESER. I yield.

Mr. CHURCH. The gentleman from Georgia, the chairman of the Naval Affairs Committee, talked about the 80 ships. The gentleman from Missouri now talks about those same ships. I gather that Admiral Cochrane said that those 80 were obsolete. The gentleman from Georgia said 69 had been built since Pearl Harbor.

Mr. PLOESER. He did not say obsolete, he said obsolescent.

Mr. CHURCH. Not quite obsolete.

Mr. PLOESER. That is somewhere on the down grade between modern and obsolete.

Mr. CHURCH. Sixty-nine of them have been built since Pearl Harbor. Has the gentleman any information about the 69?

Mr. PLOESER. I am giving you the information as given to the members of our committee last evening at 5 o'clock by the Chief of the Bureau of Ships. Let me further say that many of these ships, I think I said the majority of these ships, have not yet been refitted after serious damage. It is perfectly possible to have a brand new ship knocked out and, as I understand it, obsolescent so far as its practical use is concerned. In other words, it may cost more to repair the ship than it is worth.

Mr. CHURCH. Would the gentleman contend, as did the chairman of the Committee on Naval Affairs, that the 69 ships completely knocked out should be brought back into service?

Mr. PLOESER. If the gentleman was listening, and I think he was, there were not 69 ships completely knocked out. The gentleman from Georgia, as I understood him, wanted these ships tied up in class 3 preservation.

Mr. VINSON. That is right.

Mr. PLOESER. That is where they are going under this bill, if they are not already there?

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

Mr. PLOESER. I yield to the gentleman from Georgia.

Mr. VINSON. I appreciate the gentleman's courtesy in yielding. The gentleman knows that the ships cannot be tied up and they cannot be put into these berthing places unless the Navy has sufficient space for them. The Navy only has enough space for those which have already been agreed upon to go into berthing spaces. In a conference this morning with the gentleman from New York [Mr. COLE], and Admiral Cochrane, the admiral said it would cost $15,000,000 to provide additional spaces to take these ships. All I am asking for and all the committee is asking for is that we preserve these 80 ships at a cost of $15,000,000. Later on it may be that we will want to give them to South America, but for the time being let us not do, as Admiral Cochrane said would have to be done with these 80 ships, dispose of them.

Mr. PLOESER. The admiral stated to us what I have already said. I do not know that there would be any point in repeating it. He said they could continue the present status of the ships within the $53,000,000 allowed for the class 3 care of ships.

Mr. VINSON. The amendment I shall offer is the result of a conference we had in which Admiral Cochrane said $15,000,000 additional would have to be appropriated.

Mr. PLOESER. What I stated has been the result of a conference with Admiral Cochrane last evening. It is high time, and I am sure the gentleman from Georgia will agree with me, that the Navy keep its figures straight.

Mr. VINSON. We both agree then that these 80 ships should not be scrapped, do we?

Mr. PLOESER. Yes, and there is nothing in this bill to scrap them. Not a single member of the committee wants to scrap them.

Mr. VINSON. Then, to be absolutely sure that they will not be scrapped, why is it not the safe thing to merely provide an expenditure of $15,000,000 so that we may be certain and we will know they will not be scrapped and we will have attained the same objective?

Mr. PLOESER. If the facts are as confused as they seem to be we will never know if they continue in this confusion.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. This morning at 10 o'clock two members of the subcommittee met with a high-ranking naval officer and we asked him, "What authority do you have to scrap any ships?" He said, "We have an old law passed in 1882 that sets up a survey board. When that survey board says a ship is no longer necessary for Navy needs then it can be disposed of or scrapped." We asked him, "What is your intention about these ships that are in disagreement?" He stated, "Frankly, we do not need them. If we were going to have a war tomorrow they might be of some use, but we have all

the funds we need right now to do what we contemplate doing with them."

I suggest to the chairman of the Committee on Naval Affairs, if he is going to tell the high-ranking officers of the Navy what to do and how to do it, if he is displeased with the action the Navy has taken, that his able committee bring to the floor a bill directing exactly what course the Navy should pursue. Then, if they need funds, submit it through the regular channels to your Appropriations Committee. That committee will be more than fair and go along with anything reasonable that the Navy suggests.

Mr. VINSON. Mr. Chairman, will the gentleman yield.

Mr. PLOESER. I yield to the gentleman from Georgia.

Mr. VINSON. That is exactly what the Congress has done. Congress has said, "We want a navy of 1,079 ships," and the Committee on Appropriations said, "We only have money available for 965 ships."

Mr. PLOESER. It might be said also, and it was said not later than a few hours ago, that this bill was reported to have the effect of scrapping 114 ships, when care had not been adequately taken to find that 28 of those ships never existed.

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

Mr. PLOESER. I yield to the gentleman from California.

Mr. SHEPPARD. May I ask the gentleman if he would mind advising the House who the person was that made that statement?

Mr. PLOESER. I do not want to go that far in this controversy. I think we are all trying to get the same thing, and we are going to get it. We are not sinking any part of the Navy that is usable.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

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

Mr. BRADLEY of Pennsylvania. I was wondering if the distinguished gentleman from Texas could or cared to inform the House who the high-ranking naval officer was who gave him that statement this morning. I think we ought to have it.

Mr. THOMAS of Texas. No one but Vice Admiral Cochrane, who built these ships and whose job it is to maintain them, and if he does not know, I do not know of a man in the Navy that does.

Mr. VINSON. And it was the distinguished Vice Admiral Cochrane who advised the gentleman from New York [Mr. COLE] and myself in the presence of Admiral Nimitz in my office that to take care of these 80 ships you would have to have increased berthing space costing $14,000,000.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. They were pressing me for an estimate and the admiral said, "Of course, under the times and circumstances, that I gave them a figure right out of the air."

Mr. PLOESER. If there are no further requests on that particular subject, I want to get to this part of the bill that has to do with the War Shipping Administration.

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

Mr. PLOESER. I yield to the gentleman from Illinois.

Mr. CHURCH. I cannot get over this. Will the gentleman explain why, in lieu of our resolution for 1,079 ships, practically unanimously adopted by the Congress, this Committee takes so much interest in the law of 1882, before the gentleman and I were born, authorizing this scrapping. That seems to be the question involved here. By implication it takes away the right to scrap certainly below 1,079 ships.

Mr. PLOESER. Would it satisfy the gentleman to know that the Navy told us that they are not going to scrap any of these ships? We have certainly made it plain to the Navy that we do not want a single ship scrapped. That is the answer, is it not?

Mr. CHURCH. Partly?

Mr. PLOESER. I do not want to go on following a seesaw here now. Is that not the answer?

Mr. CHURCH. Partly.

Mr. PLOESER. What more does the gentleman want?

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

Mr. PLOESER. I yield to the gentleman from Vermont.

Mr. PLUMLEY. When the Congress said, and the Navy agreed, that it is not for scrapping any ships, what other answer could there be?

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. PLUMLEY. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. PLOESER. Mr. Chairman, I will make this brief, but it deserves a very long discussion. The only reason I do not make a longer discussion today is because I have taken up more time than I anticipated. I wish the Members of this Committee would refer to page 25 of the report of the committee. I am going to read a paragraph of that report to you because it reveals and indicts probably the most delinquent case of public administration in America. This is what the committee had to say regarding the War Shipping Administration, and I will try to tell you briefly what we did to cure it:

> This cost-allocation work should have been performed at the time the contracts were in progress in order that accurate cost-accounting figures might then have been at hand and opportunity thus afforded for adequate comparisons between construction costs of various ships at various yards. The committee regards the failure to do this at the time as evidence of a complete disregard for proper accounting procedures and considers that the then-existing War Shipping Administrator, Vice Admiral Emory Land, is deserving of censure for the failure to require performance of this work. In order that the committee might become better informed on several items of information that had come to its attention concerning evidence of inexcusable laxity in proper administration of the War Shipping Administration during the war, the committee called before it the Comptroller General of the United States, whose testimony served only to confirm opinions already entertained by the committee concerning these shortcomings. Comptroller General Warren, in the course of the hearings, stated that "we have felt and have expressed time after time that we were not receiving from them the cooperation that we should have received. At the same time, I think we have called to their attention, and have reported to the Congress, a number of irregularities, extravagances, and bad business methods, as well as insufficiency of their records."

I have never in my business experience in small degree or large, or in my experience in public service, witnessed a greater mess than that to be found in the War Shipping Administration. The records of Congress are replete with speeches and facts and figures extended into the RECORD by the distinguished gentleman from Massachusetts [Mr. WIGGLESWORTH], and by the distinguished Senator from Vermont, showing that there is a lack of accounting for over $5,800,000,000 of money expended, the most disgraceful thing probably ever occurring in the history of this Nation. They just simply did not keep books.

It came to our attention that identical ships cost 2 or 3 times in one shipyard what they cost in another. Books, if kept at all, were kept by memorandum, and today most of these memoranda cannot be found. This is the pattern and design which permits of graft and corruption in wholesale, and any man or group of men responsible for such action, who are willing to tolerate it, themselves must be held eventually fully accountable.

The least this Congress could do would be to exercise its right and conduct a special investigation into the War Shipping Administration forthwith. It is hardly the duty of this committee. It should be the duty of either a regular committee of the House or the Senate or of a special committee. Under our action the General Accounting Office will come in. They have already revealed gross and negligent error and carelessness. We have sought to do this so as to expedite matters as much as possible to discontinue as of June 30th of this year the War Shipping Administration, and to transfer its duties and its responsibilities during the liquidation period to the Maritime Commission, with instructions that it shall be liquidated by December 31 of this year—1946.

We have cut the appropriation—I do not think sufficiently—but we were hesitant to throw any stone in their way to prevent liquidation. So I think we have been liberal—too liberal—though I have agreed to this liberality because of unforeseen contingencies which could very possibly arise. We have ordered them to get chartered ships back into the hands of their owners by September 1, not by legislative action within the bill, but by restriction of the amount of funds.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield for a question?

Mr. PLOESER. I am glad to yield to the gentleman from California.

Mr. JOHNSON of California. I read the statement which the gentleman read. It is very interesting. Do the irregularities, extravagances, and bad business

practices, and insufficiency of the records exist with regard to the termination of contracts? If the gentleman will remember, we passed a law regarding the termination of contracts.

Mr. PLOESER. It would be almost impossible to answer your question because, let me tell you, on the building of many of these ships they did not keep any books. The shipbuilder would send in what they needed for their pay roll and ask for so much material, and they would pay the pay roll and bills without checking them and send them the material that they needed and then they would pay the shipbuilder what they thought the profits should be.

Mr. JOHNSON of California. What I am thinking of is that in terminating these contracts there are frequently large items for unliquidated damages which are not compensable or are not determinable in a very accurate way. I wonder if any of this money went into the hands of the contractors when there is no record to determine how much they got or what the equity of it was.

Mr. PLOESER. It is quite possible, if not probable, that it did.

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

Mr. PLOESER. I am very happy to yield to the gentleman.

Mr. STEFAN. The gentleman has made a startling statement here today. The indictment you make against Admiral Land is also startling. Admiral Land has a very distinguished record and has been decorated many times.

Mr. PLOESER. Let me say to the gentleman that there is nothing distinguished about this record.

Mr. STEFAN. The reason I originally rose is that when the gentleman made this charge and this statement I was going to ask the gentleman if his committee is recommending some investigation into these situations.

Mr. PLOESER. No; that was my personal statement and recommendation. I do not speak for the committee.

Mr. STEFAN. I think an investigation should be made.

Mr. PLOESER. An investigation should be made forthwith.

Mr. STEFAN. Absolutely, I agree with the gentleman. The gentleman also says that his committee in its report indicates that the sins of the former administration should not be put on the shoulders of those in charge of the administration at this time. Yet you indicate you are cutting their appropriation to liquidate. You realize that is going to be quite a handicap if you have not allowed them enough funds to liquidate.

Mr. PLOESER. No; the report of the committee is that the sins of the past should not be put on the present members or the new members of the Maritime Commission, and I was talking about the War Shipping Administration. You must differentiate between the two. We meant no indictment of their actions.

Mr. Chairman, I include with my remarks an editorial from the St. Louis Post-Dispatch which is the result of an article written by Edward Harris, the recent Pulitzer prize winner, which covers this subject in a very able manner. I hope it is just the beginning of his investigation.

I also include Mr. Harris' article:

[From the St. Louis (Mo.) Post-Dispatch]

THE SHIPPING SCANDAL

The strong odor of scandal exudes from the wartime administration of our merchant fleet, yet Congress is trying to turn its nose away. As Edward A. Harris reported in this newspaper, demands for a congressional investigation have been ignored.

The evidence of potential scandal is thicker around Washington than masts in a shipyard, so escape from the elementary facts is impossible. Representative WIGGLESWORTH of Massachusetts has even put some of the evidence into the CONGRESSIONAL RECORD, in the form of a report by the Comptroller General. The report states flatly that there is a discrepancy of $5,822,498,000 in the records of the United States Maritime Commission and the War Shipping Administration.

Other scraps of evidence, despite their abundance, and despite the efforts of Congressman WIGGLESWORTH, have not generally reached the public. For instance, the Congressman says that, during the war, the WSA allowed 758 ships, more than 20 years old, to earn $200,000,000 in 18 months. Their book investment value was only $38,000,000. The Government, which operated the merchant fleet, paid the difference between reasonable and unreasonable profits, whatever it was.

Mr. WIGGLESWORTH also notes that the Government allowed insurance worth $477,000,000 to be written on 690 vessels whose book value was $34,000,000. He says typical ships were insured for 10 to 20 times their prewar book values. When insurance premiums had to be paid, the taxpayers did the paying.

Many a vessel, according to Mr. WIGGLESWORTH, floated throughout the war in milk drawn from the Government. He charges that the Government paid 5 to 10 times what a typical ship was worth, and that profits on voyages often were six to eight times the prewar price of the craft. He further states that the Maritime Commission renegotiated less than 60 percent of the astonishing profitable war shipping contracts.

Perhaps the Commission and WSA can offer some defense of their record. They did succeed in building a fairly small merchant service up to a point where it had nearly two-thirds of the world's commercial vessels. To do that, the Government had to rely on men from shipping interests for help, and to throw dollars this way and that for incentives. However, many another war agency succeeded against similar problems, without butting its bow into scandal.

Now Senator AIKEN of Vermont says examination of the Maritime Commission's record would reveal "the most shocking story of collusion, corruption and disregard of public interest." Since the Senator is not given to extreme statements, Congress might be expected to take his words as a challenge. Instead of that, as Mr. Harris reported, the challenge is met with "notable apathy."

This is the worst possible time for Congress to pass the shipping administration with an apathetic blessing. For one thing, there is the current dispute over whether a Navy clique should continue to dominate the chairmanship of the Maritime Commission. Certainly, if there was mismanagement, or corruption, during the war, that is a reflection on naval control, and civilians should be put in charge.

Moreover, Congress has been considering proposals to turn the merchant fleet back to private ownership, under exceedingly liberal terms of sale, and under further subsidies to shipowners. The Shipping Act of 1936 allows subsidies up to 50 percent on both the construction and operating costs of a vessel.

Since the United States is committed to private ownership, return of the ships to their owners requires some subsidization. This protects our merchant marine against cheap foreign competition, and preserves a shipping reserve in case of war. But if shipping firms profiteered at the taxpayers' expense during the past war, Congress owes the public a review of shipping operation in the future. The people are willing to pay to float a merchant marine, but not for a supercargo of profits, and certainly not for the bilge of corruption.

The whole question of the future of our merchant service depends on its operation in the past. If the past represents scandal, then policy and the men in charge must be changed. Congress has a duty to investigate, and make all the facts plain, for the facts already known are enough to make the American people suspect piracy.

[From the St. Louis (Mo.) Post-Dispatch of May 17, 1946]

MARITIME AGENCY CONTROL ROW MAY DECIDE ACTION ON LOOTING CHARGES—$5,822,498,000 DISCREPANCY REPORTED FOUND IN RECORDS—TWO REPUBLICANS CALL FOR INQUIRY BY CONGRESS

(By Edward A. Harris)

WASHINGTON, May 17.—A behind-the-scenes tug-of-war is being waged in the Capital for administrative control of the United States Maritime Commission. The outcome may determine the fate of congressional demands for a sweeping investigation of the wartime operations of the Commission and the War Shipping Administration.

A fighting Republican Progressive, Senator GEORGE D. AIKEN, of Vermont, and Republican Representative RICHARD B. WIGGLESWORTH, of Massachusetts, have charged publicly that the Federal Treasury was looted of billions of dollars during the war through flagrant maladministration of the Maritime Commission and the WSA.

"When an examination of Maritime Commission affairs has been brought up to date," said Senator AIKEN on the Senate floor a few weeks ago, "it will be the most shocking story of collusion, corruption, and disregard to public interest ever presented against an agency of the United States Government."

Repeatedly, but to no avail, AIKEN and WIGGLESWORTH have pleaded for a congressional investigation of the two Government agencies. Their demands were given impetus by an audit report on the finances of the Commission and the WSA compiled by Comptroller General Lindsay Warren, who is answerable only to Congress.

CHARGES CONCEALMENT

AIKEN charged in a floor speech that the audit report was sent to Admiral Emory S. Land last November 19, when Land was still Commission chairman and administrator of the WSA, but that the chairman did not show it to the other Commission members. The report, said AIKEN, was concealed from all but Land's director of finance, R. Earl Anderson.

Shortly after Admiral Land departed from the Commission to take his present post as president of the Air Transport Association, the remaining members, last February 7, summarily removed Anderson, who then unsuccessfully sought appointment to the Commission itself. Warren's audit, meantime, was somehow obtained by WIGGLESWORTH and read into the CONGRESSIONAL RECORD, where it was viewed by most legislators with notable apathy.

Yet it was one of the severest indictments of a Government agency ever unloosed by the General Accounting Office. It stated that a discrepancy of $5,822,498,000 had been

found in the financial records of the commission and the WSA, describing this as a "gap between recorded fact and actual fact." It dealt with the fiscal period prior to June 30, 1943.

Just how much of this "gap" was attributed to careless bookkeeping and how much, if any, was due to what AIKEN termed "juggling of accounts" and "corruption," AIKEN and WIGGLESWORTH conceded, can be determined only by a full-fledged congressional inquiry with an expert staff of investigators and certified public accountants at its disposal, and having the power to subpena witnesses.

TRUMAN REPORTED INFORMED

Informed sources, meanwhile, said President Truman is fully aware of the situation, and has been moving toward a housecleaning reorganization of the Commission itself. But the key to the situation, they assert, is the appointment of a Commission chairman, and it is here that potent political groups are exerting pressure on the White House to name a chairman who would deter or block any congressional investigation of the letting of wartime contracts.

The present members of the Commission are Raymond S. McKeough, a Chicago Democrat who took office last fall after abortive opposition by a few Senators based on his one-time identification with the National Citizens' Political Action Committee; John M. Carmody, veteran Democratic member; and a new appointee, Richard Parkhurst, Republican. The law provides that no more than three members of the five-man Commission may belong to any one party.

McKeough is said to favor an investigation, and it is rumored that influential men in the shipbuilding and ship-owning industries, as well as highly placed Navy men, are trying to block his elevation to chairman. This group, it is said, is anxious to see another Navy man head the Commission, in the tradition of Admiral Land and other Navy men who preceded him in the post.

HANNEGAN FOR M'KEOUGH

To fill the vacancy left by Admiral Land, Truman last week sent to the Senate the nomination of Vice Admiral William Ward Smith, who reportedly had the backing of Reconversion Director John W. Snyder and Admiral Land. Once confirmed by the Senate, the Navy clique would like to see Smith appointed chairman by the President, while Democratic Chairman Robert E. Hannegan is known to favor McKeough. In the short time that McKeough has been on the Commission he has made an excellent record, and is widely regarded as a liberal of unimpeachable integrity.

Speculation over the selection of a permanent chairman was heightened yesterday when President Truman, at his regular press conference, announced the appointment of McKeough as "temporary" chairman. Even McKeough himself reportedly did not know whether this presaged his elevation permanently or whether it was merely a temporary working arrangement due to the resignation of Capt. Edward Macauley, U. S. N. retired, as member and acting chairman.

Macauley's resignation earlier this week leaves another vacancy to be filled, and here again a struggle is going on to "get to the President." Macauley quit due to ill health. The naval group favors the appointment of Vice Adm. Earl W. Mills, and would then be satisfied if Mills got the chairmanship instead of Vice Admiral Smith. Hannegan favors the appointment of a non-Navy man, and with this seesaw background, the President is expected to act very soon on both the chairmanship and the new appointee.

Mr. THOMAS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Chairman, the report and the evidence, of course, have been before the House but a limited time and I have not had an opportunity to study them in detail. I feel, however, that I would be untrue to every instinct of my being if I did not demur to that portion of the report which condemns Admiral Land or says that he is deserving of the severest censure. I have served with Admiral Land from the time that he came to the Commission, and I have never seen a harder worker or one who tried more persistently and continuously to do his full duty to the Nation. His service in the Navy was very distinguished, and no less so in the Maritime Commission. Undoubtedly the record will show that mistakes have been made; doubtless many errors in judgment have been made. For several years I have personally tried to adjust differences between the General Accounting Office and the Maritime Commission or the War Shipping Administration, and at times I though I was getting somewhere. It was impossible to secure accountants to investigate this situation adequately. We were at war. I shall not criticize anyone on the committee. They are all my friends. They have done a splendid job, and I am proud of that work. But we all make mistakes. I welcome all committees at all times going into the facts of any matter and presenting the facts to the people. However, I do protest against any censure of Admiral Land. There can never be taken away from Admiral Land the truth that he was a material factor in winning this war. He was one of the greatest factors in our struggle. Dollars were expended in large measure, but if, to win this war, dollars had to be spent, it was better that they should be spent rather than that the lives of our boys should be lost. I would rather see money sacrificed and, if you choose to treat it as wasted, then wasted, rather than that any one of our soldiers being carried to foreign lands should be destroyed by the enemy or should arrive too late or should fail to receive munitions of war. What is the record? Ships were built with marvelous speed and in unbelievable numbers. Transportation on the ships was effected without the loss of a single soldier being carried to fight abroad as far as I know. Many of those expenditures were gone into by the Committee on Renegotiation. In all probability large sums were recovered by renegotiation. Expenditures in one yard differed from expenditures in another yard.

During the course of our investigation I have said frequently to investigating counsel that we wished to go into expenditures fully. They have answered me, "Where can you get the accountants, and you do not have the money with which to pay them?" The men were on the fighting line and I would rather they had been fighting on the firing line than sitting at home in swivel chairs examining the records of money that was being spent. I do not justify the unwarranted expenditure of money any more than any other man in this House. I wish we could conserve funds. But I have risen to say that in my opinion the faults arise not from Admiral Land; if they exist, they probably arose in the many offices under him, whose minute operations he could not supervise in full. If any one human being could have done all that was required to be done by Admiral Land, then he might be censurable. But Admiral Land could not do all the work he was trying to do. I know that at times he came to see me in the hospital when he should have been there himself. There were times when he appeared before our committee when he himself should have been conserving his strength and taking care of himself. For one, no censure shall ever be made of him with my approval. I know the work that he did and I glory in that work. Oh, gentlemen, it is time to stop censuring individuals and condemning and criticizing each other. We have won a war. Now we have got to win the peace. Now we must devote our energies to reconstruction and to building up this world for the future rather than consuming valuable time in criticizing, condemning, and abusing.

I shall appear always to the best of my ability in defense of the splendid service of Admiral Land and of his fellow Commissioners.

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

Mr. PLUMLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, I have taken the floor primarily to compliment the members of the subcommittee in charge of this bill on the recommendation which they have made in respect to the War Shipping Administration and the United States Maritime Commission.

In my judgment, the recommendation looking to the liquidation of the War Shipping Administration, a war agency created by Executive order, and placing it under the jurisdiction of the Maritime Commission, an agency set up by the Congress, at the earliest possible moment, indicates the right course of action to pursue at this time. Among other things it will eliminate one further wartime bureaucracy.

As a member of the subcommittee in charge of appropriations for the independent offices, I have had occasion as the Members of the House know, to speak many times in respect to these two agencies.

On each occasion I think I have paid tribute to the results obtained in terms of construction and operation of the two agencies during the war through the patriotic efforts of workers and management alike. At the same time, Mr. Chairman, I am sure that all will agree that no war can justify the shortcomings in respect to the financial operations of the two agencies as they have appeared to be.

Year after year I have stood on the floor of this House and called attention to scandalous conditions apparently existing in the financial operations of both these agencies. Year after year I have

inserted in the pages of the CONGRESSIONAL RECORD tables and figures indicating apparently gross waste of the people's money through excessive purchase prices, through excessive charter hire, through excessive insurance payments, and through excessive allowances for vessels traded in.

I have pointed to the allowance of the many millions of dollars in tax-exempt funds, apparently contrary to the provisions of applicable law, and as it now appears, contrary to repeated expressed opinions of the general counsel of the Maritime Commission.

I have pointed out other ways in which it has appeared in the absence of investigation, that the money of the people of America has been wasted in large sums.

Year after year I have stood on this floor and advocated a thoroughgoing investigation of these two agencies either by a regular standing committee of this House or by a select committee set up for that purpose.

Judisdiction of the agencies has recently been turned over to the subcommittee in charge of naval appropriations. And what happens?

This subcommittee unanimously condemns the financial operations that have taken place in the two agencies. This subcommittee unanimously goes so far as to censure the responsible head of the two agencies. This subcommittee and the Appropriations Committee as a whole by its action unanimously confirms the general picture which has been indicated in the statements I have made on the floor of this House in the years that have passed.

On January 23, 1946, I inserted in the CONGRESSIONAL RECORD two audits prepared by the Comptroller of the United States, one of these audits referring to the War Shipping Administration, the other referring to the Maritime Commission, both of them covering the period up to and including the fiscal year 1943.

Those two audits required 15 pages of the CONGRESSIONAL RECORD and I submit that they constitute the most damning indictment of any Federal department or Federal agency in my entire experience of 18 years as a Member of this House.

What did they show? I have not the time to go into the detail of the reported mishandling of the people's money.

They show among other things, however, as far as the War Shipping Administration is concerned, 28 different categories of major errors of omission and commission and 3 different categories of objectionable operational practices.

They show as far as the Maritime Commission is concerned, 19 categories of major errors of omission and commission and 14 objectionable operational practices.

They include 33 different specific recommendations with a view to putting the financial houses of the two agencies in order and, as the gentleman from Missouri [Mr. PLOESER] has stated, they indicate that over $5,800,000,000 of the people's money have been spent and not properly accounted for.

Mr. Chairman, that figure of $5,800,000,000, officially reported by the Comptroller General of the United States in the absence of investigation, indicates the possibility of a scandal in the financial operations of the two agencies compared to which Teapot Dome may sink into insignificance.

I do not know what the present administration intends to do about the situation. I do know that the President is fully informed of it. I do know that the so-called Truman committee, of which he was the chairman, never made any recommendation in the matter.

The Attorney General of the United States must surely be fully posted of the general picture in respect to these agencies, and should be conversant with the audits of the Comptroller General published in the CONGRESSIONAL RECORD. I do not know what he plans to do. It seems to me as Attorney General of the United States he has a very definite duty, in the light of all that has been developed over the years in respect to the financial operations of these agencies.

I am not going to speak at greater length, Mr. Chairman. I close with the thought that I have so often expressed.

If this administration is going to do nothing about this situation, if the Attorney General is going to take no steps in the light of the picture that has been painted, then I submit that the Congress, and this House in particular, has an imperative duty to instigate and carry through a thorough investigation of the entire situation at the earliest possible moment.

The responsible heads of the two agencies have a right either to be cleared or to be held responsible for whatever situation may be developed. It is the people's money that is in question. The people are entitled to the facts.

I hope that it will not be long before an impartial, fearless, thoroughgoing investigation is inaugurated and carried to a conclusion.

Mr. PLUMLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I again wish to ask, What are we in Washington going to do for Eddie? Time is running short. Eddie has not any backlog of war profits to depend upon. Eddie is the veteran I told you about yesterday. He is trying to build up a small meat slaughtering business out in Wisconsin.

Paragraph three of his letter of May 18 states:

> However I have done everything I can possibly do to get a quota to butcher meat from the OPA but up to the present time, I have received nothing but promises—and promises don't help me much.

I fear Eddie's hair will be turning gray long before he gets help from the OPA.

I realize that our distinguished Speaker, the Honorable SAM RAYBURN, stated on the floor of the House on May 3:

> I may say to the gentleman from New York and to others that I have spoken to people in high places and told them that I think that cattle ought to be removed from control.

I realize that our distinguished colleague from Missouri, the chairman of the powerful Appropriations Committee, supported the decontrol of meat.

I realize that Secretary of Agriculture Anderson stated in the press that slaughter control should be removed in 90 days if the present program does not work better.

But Eddie cannot wait. When he was flying a bomber in India 2 years ago, the Congress spent many hours deciding on whether or not and how he could vote. You remember the bobtail ballot. But right now Eddie wants a chance to eat and a chance to make an honest living. Does this administration wish to continue the policy of allowing Eddie to kill but 10 head of cattle per month, and allow the big packers to kill thousands upon thousands? Why do not these people in high places pay attention to our Speaker who knows something about the cattle business? Can it possibly be that administration spokesmen would work both sides of the street? Or would they?

If the OPA and the office of the Secretary of Agriculture will not let cattle owners have feed for their cattle, nor permission to kill them, it is time that someone does something for the Eddies in every county in America.

I would like to ask any Member whether it makes sense to him to prohibit the killing of cattle, refuse feed for cattle, and keep the housewife from obtaining meat for her family. I will yield to any Member on either side of the aisle at this point to answer. If you cannot I shall conclude you cannot give a satisfactory answer.

I will be waiting for your answer, but in the meantime, let us really see that something is done for the deserving Eddie in my district and the thousands of Eddies in your districts as well.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. I certainly commend the gentleman for the stand he has taken. Only today I received a telegram from a constituent of mine in my good city of Houston. This man said that he had a capacity to slaughter about 110 head of cattle a day, and the quota is 18. He can get the cattle to slaughter, and yet they only give him a permit on the theory that some time in the past he had violated some of their rules and regulations. This looks to me as a good example where their rules and regulations, instead of serving the public interest, are hindering by keeping meat off the table.

Mr. MURRAY of Wisconsin. I thank the gentleman from Texas.

May I repeat this statement about people in high places. I should like to know why they do not pay more attention to the distinguished Speaker of this House. I do not want any administration, whether this one or any other, to think they are going to work both sides of the street on this matter. They are either black or white. They are one way or the other. If one group of the administration thinks they are going to make the cattle people of this country believe they are for them and some other group of the administration believe they are not for them, I think it is about time that we called their hand.

The OPA and the office of the Secretary of Agriculture will not let cattle owners kill these cattle. At this very time they will not let the man kill them, at a time when the housewife cannot go to the market and get any meat. Yet out of the other side of their mouth they tell them they cannot have any feed to feed the cattle.

I again wish to yield at this time to any Member on either side of this aisle to tell me what this administration wants the cattle owners of America to do with these cattle. Keep in mind nearly one-half of these cattle are dairy cattle. One Government agency does not want them to be killed, another Government agency does not want the cattle owners to have the feed to feed them, and in addition they do not want anyone to eat them either. I would be very glad to yield to any Member on either side of this House to answer. If that question is not answered, it shows me there is not a Member of this House on either side of the aisle that has any answer that is worth while, or else they will answer this question.

Mr. CHURCH. The gentleman is asking the wrong question. They want to regiment the Eddies.

Mr. MURRAY of Wisconsin. That is not an answer to the question.

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

Mr. MURRAY of Wisconsin. I yield to the gentleman from Nebraska.

Mr. CURTIS. Within the last few days I have received a communication from a licensed slaughterer in my territory to the effect that he consumed his entire May quota of beef cattle in the first 3 days of May. He has a plant that cost considerable money. His customers want meat, but he cannot get it because of the OPA. While the gentleman has very ably pointed out the effect on Eddie, the individual I mentioned has been in business for 30 years and has a reputable concern that has done everything it could to comply with the rules. The OPA is not only ruining those men, but it is depriving the working people, the poor people, and the middle-class people of meat. With 75 percent of our beef flowing through black-market channels, they are raising the price of meat to the consumers millions and millions of dollars above what it would be in a competitive market. All of those profits go untaxed. That may be the more abundant life and the Utopia we have been working for the last 14 years, but the folks I know do not like it.

Mr. MURRAY of Wisconsin. I do not want to get into any partisanship in connection with this particular case. Eddie happens to come from one of the real Jeffersonian Democrat families of his community. I do not know what their present political state of mind is today, but at least I know that Eddie wants to make an honest living—a living he is entitled to under the Constitution of our country. I do not think that politics is of any particular interest to Eddie right today. I have known Eddie since he was a boy. He was one of the cleanest-cut, most ambitious little chaps I ever saw. You just leave Eddie alone, and if he has his health, 10 years from now he will have a slaughterhouse in that community that will really be a good industry for the community. His county has over 60,000 cattle, and over a quarter of a million cattle are in the counties surrounding the one in which he is located. Eddie can slaughter but 10 per month, but he can do down to the depot and see carloads on the way to the big packers.

Here we are, 435 Members. We are supposed to be able to do something for these people. I do not know what kind of mail you are getting, but I get letters from people that want me to do something for them. I want to do something for people who are entitled to it. I want to do everything in the world for Eddie that I can think of. I even wrote a letter to the President of the United States, and I sent him copies of letters I had from Eddie.

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

Mr. MURRAY of Wisconsin. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The distinguished gentleman from Wisconsin is recognized as one of the agricultural experts in this House.

Mr. MURRAY of Wisconsin. But I have not yet been able to do anything much for Eddie.

Mr. CHENOWETH. He states he is trying to do something for Eddie. May I inquire if the great Committee on Agriculture of this House, of which the gentleman is a member, has brought out a resolution prohibiting the imposition of slaughter quotas? That would take care of this situation very easily and very quickly and put a stop to all of this nonsense. Why do you not do that?

Mr. MURRAY of Wisconsin. I do not think it is necessary to go back that far because it will take too long. Eddie cannot wait for the Agricultural Committee, the Rules Committee and the other body. He needs help right now.

Mr. CHENOWETH. What can we do?

Mr. MURRAY of Wisconsin. The House decided that in the OPA bill which was just sent over to the other body. They can take care of that. However, to show that I am in dead earnest about this I will introduce a resolution that will allow Eddie to make a living.

Mr. CHENOWETH. Do you think the other body will?

Mr. MURRAY of Wisconsin. I do not know. They have the responsibility and the opportunity as well as we did.

Mr. CHENOWETH. I hope you will use your influence to see that it is done.

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

Mr. MURRAY of Wisconsin. I yield.

Mr. RIZLEY. I just want to say to the gentleman I do not think Eddie or anybody else need worry too much about meat because if they are going to want sandwiches, they will have to have some bread to go along with the meat. The gentleman may or may not know that in Detroit, Mich., which is now one of the greatest industrial sections of the country, the workers at the Dodge plant have already signed a resolution to the effect that if they are not furnished bread by some time next week they are going to quit. First, the meat went out of the sandwiches, and now the bread is going out of the sandwiches. With that order that went out yesterday which had to do with wheat, I predict that it will not be but a little while before you find a situation in every industrial section in this land where you will not be able to buy a loaf of bread.

Mr. MURRAY of Wisconsin. May I answer the gentleman by saying that I am sure the wheat representatives in Congress are very capable of taking care of their own interests. I am interested in doing something for the small slaughterers of the United States.

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

Mr. MURRAY of Wisconsin. I yield.

Mr. BENDER. The gentleman is very properly described as an expert in agriculture.

Mr. MURRAY of Wisconsin. I do not care about that. I want to do something for Eddie right now.

Mr. BENDER. I do not know anything about Eddie. I want to ask the gentleman how much horse meat is being shipped to Europe for human consumption from this country. Does the gentleman know that?

Mr. MURRAY of Wisconsin. I do not for sure. I have heard that they are having difficulty in getting packers in this country to kill and dress horses because they do not want the American people to think they are putting any of it on the American market. Therefore, no great volume has ever been slaughtered in United States packing houses.

Mr. BENDER. You know that in Europe horse meat is a standard diet in many places. Does not the gentleman feel that by shipping horse meat to these European countries we might help solve this problem?

Mr. MURRAY of Wisconsin. We have 10,000,000 more cattle than we ever had before. I want Eddie to kill some of them so he can make a living and a living that he is entitled to as a citizen of the United States.

Mr. PLOESER. Mr. Chairman, I yield 9 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, the subject that has just been discussed by the other Members is a very important and vital matter concerning the American people. However, the bill we have before us for our consideration is something quite foreign to the subject matter just discussed.

It had been my intention to discuss the differences between the Committee on Appropriations and the views of the Committee on Naval Affairs as outlined by the chairman of the Committee on Naval Affairs the gentleman from Georgia [Mr. VINSON]. However, in view of comments that have been made by the members of the Committee on Appropriations and the quotations made by them voicing the statements of responsible naval officials, both civilian and military, I confess I am amazed, confounded, confused, and not a little disappointed.

May I have the attention of the gentleman from Texas [Mr. THOMAS], because I want to make sure I understood him correctly when he quoted Admiral Cochrane as saying this morning that

the Navy Department was satisfied with the amount of money allowed to them under this appropriation bill for the purpose of laying up ships; that none of the ships composing the difference between plan 1-A and plan 2 would be scrapped as to those ships which are actually in being; that they do not need additional personnel to lay up whatever ships they think should be laid up; and that the sum of $53,000,000 is sufficient to take care of their responsibilities with respect to laying up ships. Is that a substantially correct quotation?

Mr. THOMAS of Texas. The gentleman has propounded three or four questions in one. I doubt if one part of it was covered in our conversation, but he did state categorically that he had all the money he needed.

Mr. COLE of New York. I should like to make sure from some member of the Appropriations Committee who has already expressed himself that none of the ships constituting the difference between plan 1-A and plan 2 will be scrapped.

Mr. PLOESER. Mr. Chairman, will the gentleman yield.

Mr. COLE of New York. I yield.

Mr. PLOESER. I have stated on the floor my understanding and the committee's understanding of Admiral Cochrane's statement to us as of yesterday at 5 o'clock. I stated in detail some of the exact quotations he made when the Admiral was present. The gentleman's understanding is correct.

Mr. VINSON. Did you inquire of the chairman of the committee if that is his understanding also?

Mr. COLE of New York. I assume there is no disagreement between the gentlemen on the Appropriations Committee and their interpretation of what Admiral Cochrane said.

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

Mr. COLE of New York. I yield.

Mr. SHEPPARD. My impression is identical with that of the gentleman from Missouri [Mr. PLOESER]; and, in addition, about 20 minutes before I came to the floor this morning, I said, "Is this bill going to cause the scrapping of 80 ships?" His answer was, "No." I want to be absolutely fair. He said the ships are tagged for the purpose of review, to determine their eventual disposition.

Mr. COLE of New York. Since the responsible men of the Navy have taken that position, which is contrary to the statements made by them to the members of the Naval Affairs Committee, I see no other alternative than for us who are interested in reinstating some funds but to retreat and withdraw from our position. The rug has been pulled from under our feet.

It is most disconcerting, annoying, and discouraging to observe that the same men who have that responsibility tell one committee of the House of Representatives having responsibility with regard to the Navy certain statements and then to make qualifying or somewhat different statements to other Members of the House who also have an interest and responsibility with regard to the Navy.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. BRADLEY of Pennsylvania. I just want to make the observation that I share the views of the gentleman with respect to the confusion which these Navy officers have caused by their contradictory statements.

Mr. COLE of New York. All of the development that has transpired in the past 6 months with regard to the program for the future Navy is so mysterious to me that I am wondering the reason behind it. To be somewhat repetitious of what has already been said, you will recall that last summer the Navy projected a peacetime fleet as being so many ships which constituted plan 1. They presented that plan to the Budget. The Budget reduced it and came back to the Navy and insisted on a reduction. So the Navy acquiesced in plan No. 2, which is substantially the plan for which funds are made available by this appropriation bill. The difference in the number of ships between plan 1 and plan 2 is 114 ships. Whether they were actually ships afloat or in dry dock under construction is not important. The difference in the number was 114 ships. At the same time that representatives of the Navy Department, both civilian and military, appeared before the appropriations committee acquiescing in this plan No. 2, which was a substantial reduction from their previous recommendations, these same officials were appearing before the House Naval Affairs Committee recommending plan No. 1, or at least looking with disfavor upon plan No. 2. It is mysterious to me why those men who have been trained for and who have the responsibility of looking after the Navy should on the one hand tell one congressional group one thing and at the same time tell another congressional group another thing.

Frankly, I cannot help expressing publicly what probably is in the minds of everybody who is interested in the Navy, the acknowledgment that the Commander in Chief of our military forces today does not have the same interest in, the same advocacy of, the same determination to have a large naval establishment as did the predecessor Commander in Chief. At least not to the same degree.

We all recognize that the Commander in Chief today is determined, persistent, and unwavering in his decision to unify the two military forces. I cannot help but have the feeling that perhaps that situation has had some bearing on the attitude and the actions of individual naval officials in acquiescing in Budget recommendations, because of the fact that plan 1 for our Navy was a Navy man's Navy, and was approved by the Joint Chiefs of Staff. Plan 2, if you please, is a financial man's, a Budget man's, a drugstore man's, or whatever the budget officer may have been who passed upon these requisitions—it is his type of Navy. The disturbing part of it is that these budget men who have determined the type of Navy we are to have—I do not want unjustly or unfairly to characterize the men in the Budget Bureau who passed upon the Navy requisitions, but it is entirely possible that the men who used the blue pencil in Navy requisitions have had no experience with the Navy, had no understanding of naval problems, had no great appreciation of naval responsibilities, whose only training was perhaps as a bookkeeper, as a businessman, perhaps ever as a lawyer; men who are not qualified to pass upon the military requirements to defend the interests of the country, certainly in such distressing and troublesome times as we are now passing through. For that reason and in order that the people in the Navy may get back to the job of running the Navy, seeing to it that this Nation is adequately, efficiently, and completely protected, I make this protest and express the view that this determined and persistent effort to consolidate the military services is disturbing, demoralizing, and unwholesome, and the whole question should either be settled quickly or be dropped entirely in order that there may be no possible further jeopardy of our national defense responsibilities.

The CHAIRMAN. The time of the gentleman from New York has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

NAVAL ESTABLISHMENT

TITLE I—OFFICE OF THE SECRETARY

Miscellaneous expenses

For traveling expenses of civilian employees, including travel of dependents of employees to and from navy yards or stations outside the continental limits of the United States; expenses of attendants, at home and abroad, upon meetings of technical, professional, scientific, and other similar organizations when, in the judgment of the Secretary of the Navy (hereafter in this act referred to as the Secretary), such attendance would be of benefit in the conduct of the work of the Navy Department; physical examinations by civilian physicians and in other than naval hospitals of civilian employees engaged in hazardous occupations; expenses of courts and boards; purchase of law and reference books; expenses of prisoners and prisons; clerical assistance; witnesses' fees and traveling expenses; promoting accident prevention and safety in shore establishments of the Navy to be expended in the discretion of the Secretary; newspapers and periodicals for the naval service; all advertising of the Navy Department and its bureaus (except advertising for recruits for the Bureau of Naval Personnel); costs of suits; maintenance of attachés and others abroad, including office rental and pay of employees, and not to exceed $900 for any one person for allowances for living quarters, including heat, fuel and light, as authorized by the act approved June 26, 1930 (5 U. S. C. 118a), contingencies for the Chief of Naval Intelligence, to be expended in his discretion, not to exceed $5,200; collection and classification of information pertaining to Naval Intelligence; telephone, telegraph, and teletype rental and tolls (including not to exceed $300 for extension telephones between the telephone switchboards at the official stations of naval officials and the living quarters of such officials), telegrams, radiograms, and cablegrams for the Navy Department and the naval service; postage, foreign and domestic and post-office box rentals; microphotographic services; necessary expenses for interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while

under such jurisdiction; payment of claims for damages as provided in the act approved July 11, 1919 (34 U. S. C. 600), and the act approved July 3, 1944 (46 U. S. C. 797), and for the payment of claims of civilian employees of the Naval Establishment as provided in the act approved October 27, 1943 (34 U. S. C. 984), which have not been or may be eligible for payment under the provisions of the act approved March 27, 1942 (15 U. S. C. 606b-2); and other necessary and incidental expenses; $13,146,000.

Mr. SHEPPARD. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SHEPPARD: Page 3, line 24, strike out "13,146,000" and insert "$13,205,000."

Mr. SHEPPARD. Mr. Chairman, this amendment is made necessary because of an error in eliminating certain allowances for civilian employees stationed in foreign countries. The committee did cut out all allowances for living quarters of civilian employees of the Navy abroad, but through an inadvertence an amount was deducted that would have deprived these employees of all allowances. That was not the intention of the committee, so I ask the House to approve the reinstatement of this $59,000 in order that the bill will correspond with the action of the committee as stated in the report accompanying the bill.

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

Mr. Chairman, during the debate on the naval appropriation I had called to my attention an article which appeared in today's Washington Daily News. The article is headed "Russia is acting tough as Czechs go to polls." I am wondering as we are legislating here for naval appropriations just what we have in mind. Are we interested, as the gentleman from Virginia [Mr. BLAND] indicated, in preserving the peace of the world and not using our Naval Establishment for warlike pursuits? Are we helping to make the world safe for communism? Is it not a fact that our boys fought to guarantee self-determination for every nation irrespective of size. Here is an article in an American newspaper saying that the movement of Russian troops into Czechoslovakia prior to Sunday's election, which is tantamount to occupation, is regarded as a puzzling blunder. This dispatch comes from Vienna and the article is written by Parker La Moore, a newspaperman from Ohio whom I know, a man of sterling character and an honest reporter. He is telling us that the voters in Czechoslovakia are going to the polls at the point of the Russian bayonet.

The confusion, the incompetency, and the disloyalty of our representatives in permitting this sort of thing is to me most shocking. How we in America can tolerate this situation passeth all understanding.

This article, in part, reads as follows:

It's not an easy matter to fathom the Slav mind, and particularly the Kremlin's thinking these days. More to the point, as far as Americans are concerned, is the fact that they are paying the bill while this sham battle is going on and yet stand to get nothing out of it but a headache.

The Czech Government is able to maintain itself as a going concern while diverting its manufactured products to Soviet channels because the Czech state is being supported by the American taxpayers.

In other words, our money is being used to communize Czechoslovakia for the Soviet Republic's benefit.

This article goes on to say:

Money we contribute to UNRRA is converted into goods. The goods are given to the Czech Government. It sells them to the people and pockets the proceeds.

We call it relief and rehabilitation. It might more accurately be termed a subsidy. We in effect are financing the socialization of Czechoslovakia and rehabilitation of Czech industry for the benefit of Russia.

We are not even getting good will out of the deal because the state charges its people such high prices for UNRRA goods the program is by no means popular. Czech consumers naturally think we are getting the money and are profiting by their misfortune.

It's the old Uncle Shylock story all over again. Czech officials defend the high prices for UNRRA goods by saying they constitute a tax on consumption and that there is nothing else to tax. But if it is a tax, we are paying it.

I cannot conceive of a more miserable procedure than has been described herein. Here we are, right after a world war that was fought for what? To make the world safe for communism or to get rid of nazism, fascism, or any other kind of ism that was confounding and destroying the very fiber of the world's thinking and the industrial fabric of nations? I say that we in the United States Congress, when considering the expenditure of funds as we are today, should take these matters into consideration. I am in favor of the amendment to be offered by the gentleman because I believe we ought to have a strong naval establishment, especially at this particular time. But I say that we ought to have our officials, who are charged with the responsibility in dealing with foreign governments, our allies as well as our foes, appreciate and understand what it is that we were fighting for and what it is that we have in mind at this time.

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

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

Mr. Chairman, at the outset of this discussion, on my part I wish it to be understood that there is no criticism of the work of the subcommittee on naval appropriations. From a reading of their report I think they have done a splendid job, and with most of it I am heartily in accord. It gives me pleasure to commend this committee for its thoroughgoing study and report on naval appropriations.

The matter to which I shall devote my remarks can be very simply and briefly stated. It is a question of whether the Committee on Appropriations has reduced its appropriations to a point where the adequacy of the Navy, in terms of personnel and ships, is below the figure which is essential to our national security. As the report says, "many sincere minds devoted to the public weal can and do adopt many and varied conclusions" on the subject.

The Committee of the Whole will have to decide on this particular subject whether we shall have 1,079 ships or 965 ships, and whether we shall have 500,000 enlisted men and 58,000 officers, or 437,000 enlisted men and 57,800 officers as the complement at the end of the year. The first figures were contemplated in what is known as postwar plan 1-A, and the report of this Committee is a combination of what is known as postwar plan 2-A and 1-A—with less than the No. 1 plan and a little more than the No. 2 plan.

It will be noted that if the bill of the subcommittee is adopted, it will be necessary to scrap 114 ships and reduce the enlisted strength by 63,000 men, and the officer strength by 200 men. I will direct my discussion briefly to these two points. The chairman of the Naval Affairs Committee has made a very concise and full statement of the situation, and there is no need for me to take up the time of the committee with any amplification of his remarks. I am merely expressing my personal view from an intensive study of the needs of the Navy that, in my opinion, the country cannot afford at this time to have its Navy lose its complement of ships or men.

This entire matter is in the nature of a concurrent resolution known as House Concurrent Resolution 80, which was passed upon by the Naval Affairs Committee of the House, reported to the House with a full and complete report giving the reasons for the passage of such resolution, and was passed by the House of Representatives on October 30, 1945. This concurrent resolution called attention to the fact that the Congress was charged with the responsibility of providing and maintaining a navy, and that it was not necesary to retain for the Navy all of the ships, vessels, or crafts then built, building or authorized, but that it was necessary for the Congress to determine the size of the immediate postwar Navy in order to insure our national integrity, support our national policies, guard the continental United States and our overseas possessions, give protection to our commerce and citizens abroad, and to cooperate with other world powers in the maintenance of peace with an adequate fleet of supporting aircraft, personnel, bases, and establishments. A full and complete hearing was held on this resolution, and I, for one, have not changed my mind as to the maintenance of a navy as set out in detail in said resolution. It would seem strange that after the House had passed such a resolution only 6 months ago, that now it should turn around and reverse its position by reducing what at that time it said was necessary for an adequate navy for the purposes referred to.

It must be remembered that peace has not yet been declared and that as a member of the United Nations we are now engaged in conversations with the representatives of the other members of that organization to secure a lasting and durable peace. It certainly will not strengthen the hands of our representatives at that peace conference to reduce the strength and size of our Navy. In my own personal opinion, the Navy has already been reduced to the danger point.

The other nations look on us as pacifistic, and I suppose we are, in one meaning of the word, pacifistic, but it is necessary for us to have sufficient ships and personnel to support our national policies and to make a strong showing in our cooperation with other powers to maintain peace. It does not add strength to that showing to reduce the strength of our naval establishment.

It was fully understood by the committee and by the House, when it passed that resolution, that the question of the size of the Navy rested in Congress, for Congress, under the Constitution, has the function not only of providing but of maintaining the Navy. This resolution carried with it the thoroughly considered judgment of the Navy and its high-ranking officials, who had in mind not only the national security, but the cost of operation of the Naval Establishment. They are the experts, trained for the express purpose of advising the Congress as to what, in their opinion, should be the size of the Navy with reference to the national security, and the report of the Naval Affairs Committee carries the following:

> In the hearings on the resolution the Secretary of the Navy and the Chief of Naval Operations assured the committee that if this concurrent resolution was passed by the Congress and the Navy Department would consider it binding upon the Department in the establishment of the postwar Navy.

In the report of the subcommittee which we are now considering, it is stated that:

> The committee weighed the voluminous testimony of naval officers in support of plan 1-A.

Keep in mind that this plan, 1-A, was the decision of the Naval Affairs Committee based upon the recommendations, advice, and suggestions of the naval authorities. So it would seem that the plan of this subcommittee is not entirely in accord with either the views of the Naval Affairs Committee or of the Navy itself.

I am forced to the conclusion that the subcommittee has reduced the number of ships and the number of personnel below the level of safety. I hope that the Committee will, therefore, vote for the amendment offered by the chairmar of th Naval Affairs Committee under the unanimous direction of said committee, which will raise the personnel slightly and save 114 ships which might otherwise be lost.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

CONTINGENCIES OF THE NAVY

> For all emergencies and extraordinary expenses, exclusive of personal services in the Navy Department or any of its subordinate bureaus or offices at the seat of government, arising at home or abroad, but impossible to be anticipated or classified, to be expended on the approval and authority of the Secretary, and his determination shall be final and conclusive upon the accounting officers of the Government, and for examination of estimates for appropriations and of naval activities in the field for any branch of the naval service, $10C,000.

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

Mr. Chairman, I take this opportunity and time to state that a few hours ago I announced an intention to offer certain amendments to take care of some 80 ships that the Committee on Naval Affairs felt were being jeopardized by the failure to have sufficient money in the bill to carry them in an inactive status. In view of what has taken place, in view of the statement made by the distinguished gentleman from Missouri [Mr. PLOESER], in view of the statement made by the distinguished chairman of the committee, the gentleman from California [Mr. SHEPPARD], and in support of the position taken by the distinguished minority member, the gentleman from New York [Mr. COLE], I think the proper thing to do is to announce to the House that I will not present the amendment.

However, I want the record to show that at approximately 10 o'clock this morning at my cffice, in the presence of the gentleman from New York [Mr. COLE], and in the presence of Admiral Nimitz, Admiral Cochrane stated that these 80 ships could not be berthed without additional money in the bill. As a result of that statement made this morning I had an amendment prepared by the clerks of the committee to make available $14,000,000. I am unwilling to offer this amendment to spend $14,000,000 provided these 80 ships can be taken care of, in view of the statement made by these two distinguished gentlemen in charge of this bill that these ships will not be disposed of except in accordance with the act of 1882, which is applicable to all ships of the Navy.

Therefore, the House can notify the country that the Navy total combatant strength will be 1,045 ships instead of 965.

Am I in accord with the distinguished gentleman from Missouri in regard to that?

Mr. PLOESER. I concur with what the gentleman has said in regard to the strength and what he has said with regard to his understanding and his desire that not one of these ships be scrapped, and I can confirm what he said about the adequacy of the appropriation.

Mr. VINSON. Is the distinguished chairman in accord with my views on that?

Mr. SHEPPARD. I am in accord with what the gentleman has said, with this reservation, that the comment was that the ships were tagged for the discriminating consideration of the Survey Board, which will determine their disposition. That was the statement the admiral made. They were not scrapped, but they were tagged for the purpose of clearing through the Survey Board, for the Survey Board's determination.

Mr. VINSON. That is in accordance with the act of 1882, which is the only law by which a ship can be disposed of.

Mr. SHEPPARD. That is right.

Mr. COLE of New York. If the gentleman will yield, can he give us a statement as to the effect of the act of 1882?

Mr. VINSON. The act of 1882 requires that the Navy appoint a board of naval officers to make a survey of the ships, and then the board must reach the opinion that the ships are no longer useful and of any service to the Navy. The question of obsolescence is not involved. It is a question of whether they are of any more use or benefit to the Navy. That is the sole and determining factor.

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

Mr. VINSON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

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

Mr. VINSON. I yield.

Mr. PLOESER. It should be made plain, however, that what has just been said applies to every ship in the Navy.

Mr. VINSON. Certainly. That is true. Of course it applies to every ship in the Navy. Under the law, no ship in the Navy can be disposed of by the Navy unless it meets the standard required by the act of 1882. The Navy cannot give to a South American country or to any other nation any of these ships without a specific act of Congress. Therefore, we will have on hand 965 ships, plus 80 ships which as it was stated by the gentleman from California that Admiral Cochrane advised him they will be continued on the Navy list. If you add those two figures together, you have a combatant strength of 1,C45 ships. That is in line with what the Congress wanted when it passed this resolution for 1,079 ships. The only reason we do not have 1,079 ships is due to the fact that 6 of the ships are going to be used in the atomic bomb test and 28 of the ships have not yet been built. Therefore, Mr. Chairman, I notify the House that I will not offer the amendment.

Mr. BATES of Massachusetts. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I also regret there has developed a difference of opinion in respect to the needs of the Navy from the standpoint of our national security. The question as to what the size of our postwar Navy should be was gone into quite thoroughly by the House Committee on Naval Affairs. That is the committee of the House that is held responsible by the Members of Congress for the bringing in of a report after careful consideration by that committee of what we considered to be the necessary strength to safeguard the security of the United States and our outlying possessions. When the question of the postwar Navy was under consideration and the postwar fleet as stipulated in what we call postwar plan 1-A which calls for 1,079 combatant ships, in the Committee on Naval Affairs in answer to a direct question as to whether or not that size Navy was necessary and whether it was imperative from the standpoint of our national security to have that size Navy as an active fleet in the postwar period, Admiral Nimitz stated in very definite language, which is in the records of the Committee on Naval Affairs, that that size fleet was necessary and that it was imperative from the standpoint of our national security and our own defense. He said it was necessary to have a 500,000-man Navy and a 100,000-man Marine Corps with 50,000 officers in the Navy and proportionately the same

number in the Marine Corps. It was on the basis of the recommendations of the high military authorities in the Navy Department that the Committee on Naval Affairs reported out the so-called 500,000-man postwar Navy bill. We discussed that bill on the floor of the House. We went into it from many angles. We recalled to the minds of the Members of the House the situation we faced in the prewar days. We called their attention to the scrapping of a substantial part of the fleet in 1922 when we sank and scrapped 29 battleships and which we then thought was in the interest of world peace. We made up our minds that it was not going to happen again without a protest from the members of the Committee on Naval Affairs and the Members of the House of Representatives. As a result of the presentation of our case before the House, the House unanimously passed the postwar 500,000-man Navy.

We have a bill here today which contradicts in every sense of the word the recommendations that were made to our committee by the Chief of Naval Operations and Chief of Naval Personnel. This bill before us today provides for 437,000 men. We find in the record of the hearings before the Appropriations Committee the words of Admiral Nimitz where he says that this Navy with 437,000 men may be more than adequate, which again is a complete contradiction of what Admiral Nimitz told us in the Naval Affairs Committee a short time ago.

I do not know just where the change of heart took place or who brought it about. The Naval Affairs Committee still believes in a postwar Navy of 500,000 men. That is where we stand today just as we stood over a month and a half ago.

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

Mr. BATES of Massachusetts. I yield.

Mr. RIZLEY. Every Member of the House of course has implicit confidence in the distinguished chairman of the Committee on Naval Affairs, the gentleman from Georgia [Mr. VINSON]. When the gentleman from Georgia comes here and makes a statement with respect to the Navy we rely upon it. In view of what the gentleman has said and in view of what has happened here today, when one committee of this House says that those in charge of naval affairs tell the one story, and on the same day tell such distinguished men as the chairman of the Naval Affairs Committee another story, what is the average Member of the House who is not a member of either committee to rely upon? Has it come to the place in this country where everyone is making double talk out of one side of his mouth at the same time?

Mr. VINSON. It is worse than confused.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COLE of New York. Mr. Chairman, I ask unanimous consent that the gentleman have five additional minutes.

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

There was no objection.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. COLE of New York. In response to the question asked by the gentleman from Oklahoma [Mr. RIZLEY] as to what the average Member of Congress should do in the face of such confusion, I might suggest that perhaps the best step to take is to unify the military and naval services and avoid any further confusion.

Mr. BATES of Massachusetts. Of course, I do not agree with that suggestion at all.

Mr. COLE of New York. Neither do I.

Mr. BATES of Massachusetts. I am opposed with all the strength and all the energy that I possess to any plan of unification such as recommended by the Army. I think the objective in that respect is to sink the Navy completely insofar as administrative authority is concerned. Of course, we do not know—those of us on the Naval Affairs Committee—whether this reduced appropriation is the first step to accomplish that purpose in another way. I have the greatest respect for the Subcommittee on Naval Appropriations. They have backed us up completely over a period of at least 10 years to my knowledge, in every recommendation we have made to the House in prewar days, through the war period, and up to the present time. I want to compliment the gentleman from California [Mr. SHEPPARD] and other members of the subcommittee for the grand job they have done in that respect. But something has happened between the Capitol and Pennsylvania Avenue that has brought about this condition where we find ourselves today in complete disagreement.

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

Mr. BATES of Massachusetts. I yield.

Mr. SHEPPARD. In order that the gentleman and the House and the public may distinctly understand the position of the chairman of the Subcommittee on Naval Appropriations with respect to the unification objective, it will only be accomplished over my dead body.

Mr. BATES of Massachusetts. I thank the gentleman. I think the gentleman represents the viewpoint of the American people from one end of this country to the other. But in high quarters that seems to be in the wind today. Sink the Navy, no matter how you do it. But we are not going to stand idly by and permit that to be done. Those of us who have given years to the building up of the Navy and the Marine Corps can appreciate the tremendous job they had in the Pacific, the Atlantic, and the Mediterranean areas during the war period, how well that job was done and the tremendous sacrifices which were made in order victory may be ours.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield to the gentleman from Pennsylvania, a fellow member of the Naval Affairs Committee.

Mr. BRADLEY of Pennsylvania. Does not the gentleman believe our position would be very much better with regard to unification if we had an agreement of minds on the part of the naval officers in their discussions before congressional committees, in their testimony before congressional committees?

Mr. BATES of Massachusetts. I certainly do; and I do not understand—it is the first time in my long experience on the Naval Affairs Committee where any of our high-ranking naval officers have backed water on matters of such tremendous importance as the building up and the maintenance of our Navy. I have always looked upon our high-ranking naval officers with the greatest respect and admiration for the courage they displayed not only on the fighting fronts of the world but before our committee irrespective of what pressure might have been brought to bear on them by authority above. You may rest assured this confused situation is something the House Naval Affairs Committee is going into very thoroughly in order that we may defend the positions we have heretofore taken in respect to the 500,000 man postwar Navy. We have got to defend that now before the American people.

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

Mr. BATES of Massachusetts. I yield.

Mr. VINSON. It is not only the position of the committee, but it is the position of the Congress.

Mr. BATES of Massachusetts. Absolutely. We recommend a certain sized Navy to the Congress and Congress adopted our views, yet we are here confronted with the situation in the appropriations hearing where we do not know whether the present recommendation of a 437,000-man Navy is adequate, especially when they told us it was imperative for our own national security that we should have at least a 500,000-man Navy with an active fleet of approximately 1,080 ships. That leaves us in the position where it is difficult to defend ourselves with that back talk that has taken place; and I hope the chairman of the Naval Affairs Committee will call a meeting of the Naval Affairs Committee to see just where the dividing line is and when it was taken and what is responsible for high-ranking naval officers upon whom we depend for advice in matters of this kind who have back-tracked as they have in the appropriation hearing.

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

Mr. BATES of Massachusetts. I yield.

Mr. CHURCH. I wanted to ask the gentleman from Massachusetts whether he believed the Navy was making an ordered retreat.

Mr. BATES of Massachusetts. I do not know, but the Navy never retreated before gunfire and I hope it is not now retreating before political fire.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. REES of Kansas. I have the highest respect and regard for the opinion of the gentleman now addressing the House because he has given a great deal

of time and effort to this subject matter. I am not a member of either of these committees, either Military or Naval Affairs, but the statement the gentleman has just made with respect to these contradictions inclines me to support a putting together of these two services, the Army and the Navy. There is no way in view of what the gentleman has just said, if they cannot get along in their own house without having arguments among themselves, it is pretty good argument to support those of us who think there should be some kind of consolidation or combination of these two forces. That is the way I look at it in view of the gentleman's statement.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. BATES of Massachusetts. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

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

There was no objection.

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

Mr. BATES of Massachusetts. I yield.

Mr. BENDER. Will the gentleman say whether or not he thinks that possibly these naval officials have been pressured into this position.

Mr. BATES of Massachusetts. I do not know what the reason is. I would, however, hate to believe that high-ranking naval officials who brought victory to our flag together with our land and air forces, have retreated under direction from other sources. I would hate to believe that was what actually had happened but I am inclined to believe that there is probably something to the suggestion the gentleman has made.

Mr. Chairman, I yield back the balance of my time.

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

Mr. Chairman, the very able chairmen of the Senate and House Naval Affairs Legislative Committees respectively, Senator WALSH and Representative VINSON, have issued a joint statement within the past 4 or 5 days saying that in their opinion, and they make it a very vigorous opinion, the Congress would not support the consolidation or unification of the War and Navy Departments. They use the misnomer of merger—and it is quite apparent that they are worried of a very real threat of needed action.

Of course, they have a right to that viewpoint; they have a right to express it publicly and to reexpress such a sentiment. It is my feeling, however, that the only reason the Congress of the United States does not express itself affirmatively for consolidation of the services is that we have not until this date had the opportunity to vote for such a program. That is the only reason. Whenever it is brought to the floor of this House, or is brought to the floor of the Senate, both bodies will concur in some type of consolidation. Exactly what that would be perhaps few here can agree upon.

We do know that the people of the United States generally, by many polls, and the Congress in an impressive majority, will support consolidation of the armed forces of the United States. It is not an attempt to sink the Navy, or not that we give special preference to any service, but that we will for the first time in our country fashion a coordinated and coequal status of the land, the sea, and the air forces. That is all that could be or would be accomplished under a sensible reorganization of the hydra-headed program which we have continued for years in preparation and in the prosecution of wars.

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

Mr. RANDOLPH. I yield to the gentleman from Missouri.

Mr. PLOESER. Of course, the terms "unification" and "consolidation" are very general terms. They do not specify any particular type of program. So all this discussion this afternoon takes no definite form at all. It just sort of gives us an outlet for our feelings. Unification, which embodies Army monopoly, will not be passed by this House or the Congress.

Mr. RANDOLPH. The gentleman now speaking did not advocate a lopsided set-up. I said "coordinated and coequal status."

Mr. PLOESER. I did not say that the gentleman did. The gentleman will admit, however, that the only presently integrated service is the United States Navy, of land, sea, air, and beneath the sea?

Mr. RANDOLPH. No; I cannot agree with that. I cannot go into that argument now but I feel the Navy, or some top ranking officers within its framework, are grudgingly accepting the air arm for its worth. In my opinion, we have a most haphazard program in operation, and people some day will strike back against those who cling to outworn and outmoded weapons.

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

Mr. RANDOLPH. I yield to the gentleman from South Carolina.

Mr. RIVERS. Does the gentleman seriously believe this Congress will pass a unified command bill?

Mr. RANDOLPH. All we need to do so is to get the legislation to the floor. That is the only reason why the Navy and those who fight the Navy's battles continue the so-called, and I use the word advisedly, delaying tactics. They do not want such a proposal brought before the Congress because the House, then the Senate, or vice versa, will act to eliminate the present waste and duplication.

Mr. RIVERS. I disagree with the gentleman because I do not believe the House will ever follow that crackpot scheme designed by some people to bring about this phoney reorganization plan. It will never pass the House, in my opinion.

Mr. RANDOLPH. We know, and should be eager to admit, that the trouble with our Federal structure today is that it is an unsegregated, sprawling group of departments and agencies. In Congress, with our committees, we are guilty of the same offense. We know there is duplication and overlapping. The people of America are going to hold responsible the Congress of the United States some day for unification to bring about economy in time of peace and then, of course, efficiency in time of war.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

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

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

There was no objection.

Mr. RANDOLPH. Mr. Chairman, I feel it is absolutely wrong for this House to continue to appropriate large and excessive sums of money for the naval establishment. I say that advisedly, I say it with a genuine personal regard for those who have studied the question as members of the Naval Affairs Legislative Committee, and then the appropriate committee which today through its distinguished chairman, the gentleman from California [Mr. SHEPPARD] brings this bill before us. I was 1 of the 14 Members of the House who voted against the profligate expenditure of billions of dollars to complete the 14 warships urged for final construction. There will come the day when it will be acknowledged that Congress unwisely appropriated such funds—and further taxed the American citizens to the breaking point.

I asked the question of the gentleman from Georgia, Chairman VINSON, earlier this afternoon, What countries in the world today are constructing navies? He did not answer, because he knew there are no countries in the world today that are constructing navies with the exception of the United States of America and Great Britain—our ally.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. Let me make this observation to my distinguished friend, the gentleman from West Virginia. In my statement I made the assertion that it is our belief that England today is constructing 110 combat ships.

Mr. RANDOLPH. I will answer.

Mr. THOMAS of Texas. That is a fact. It is not an assertion.

Mr. RANDOLPH. Prime Minister Attlee's official manpower requirement for the British Navy for 1946 is 176,000 men. Is that not correct? The figures actually show it. But we know that the permanent English navy is not even that figure, but is to be reduced to 100,000 personnel.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

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

There was no objection.

Mr. RANDOLPH. We know that the British Empire, with all of its far-flung possessions, is beginning to pull in really, from the standpoint of the construction of naval vessels and a big force to man such a program. We know that Great

Britain is the only other country in the world that has any navy, and we know that it is between one-half and two-thirds the size of the proposal which is made for our Navy under the program which is being set forth today by big Navy advocates. Oh, that they could see the error of their way!

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Does the gentleman infer that the British Navy is in a static condition; that they do not intend to expand, in view of the terrific losses resulting from the recent war? Does the gentleman believe that Russia is going to stand by and not build a navy, especially when they get into the Adriatic? Concerning our segment at the Disarmament Conference of 1922, when we all agreed to stop building, does the gentleman believe that those who agreed actually did stop building? Are we to remain in a static position also and not be prepared to defend all of our outlying possessions if the occasion should arise? Does the gentleman mean that because they are not doing anything we should not be doing anything, and that our Navy should become completely demobilized and deteriorate and be unfit for further service? Is that the idea that the gentleman would like to leave with us this afternoon?

Mr. RANDOLPH. It is my thought, and I am sure it is shared in by others, that we show utter stupidity in gaging world events when we too quickly plunge into darkness by appropriating sums of money like are anticipated in the legislation before us. I say further that I know that the budget for the British Government this year for the navy is $1,000,000,000, not $5,000,000,000 as we are asked to approve.

Mr. BATES of Massachusetts. Then the gentleman finds himself in complete disagreement with the oustanding naval authorities of this country, and he is taking issue with them on that very important question as to the need for a navy of this country to defend our possessions and also to defend the interests of the American people.

Mr. RANDOLPH. Yes; I do find myself in disagreement. The position taken by the gentleman now speaking is one taken by many other persons in the country today. As I said, I may be in error. I do not say that my arguments are infallible or that my viewpoint is correct. I only assert that I believe that the time is long overdue when this country begins to realize that the excessive expenditures for naval appropriations are absolutely continuing a film over the eyes of the American taxpayers and they are being blinded to the facts.

Let us take this question that the gentleman from Massachusetts raises about Russia. What sort of a navy has the Soviet? We know she has an ancient collection of light, short-range vessels for the Black Sea and the Baltic. She has four battleships, completed between 1897 and 1915 and modernized somewhat in 1940. She does not have a single carrier. She is not building a single aircraft carrier. There is not a single navy in the world outside of Great Britain, other than ours, possessing a single aircraft carrier.

I believe, and I say very sincerely to the Members who bring this bill here and to those who advocate the even greater program of Chairman VINSON that the hour is soon to strike when the American people are going to rebel.

Mr. PLOESER. Mr. Chairman, in order to expedite the consideration of the bill, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

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

There was no objection.

Mr. SHEPPARD. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SHEPPARD: On page 4, line 25, after "expenses" insert a comma and the following words: "exclusive of the Naval Research Laboratory."

Mr. SHEPPARD. Mr. Chairman, it is not the intent of the committee that the limitation to which this amendment is offered shall apply to the Naval Research Laboratory. The amendment offered will clarify that situation.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from California.

The committee amendment was agreed to.

Mr. PLUMLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PLUMLEY: On page 33, line 22, before the semicolon insert: "and the compensation of the employee in charge of the Naval Academy section shall be at the base rate applying to grade 13 of the Clerical, Administrative, and Fiscal Service, so long as the position is held by the present incumbent."

Mr. SHEPPARD. Mr. Chairman, the committee has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

Mr. FORAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORAND: On page 13, line 8, after "$246,390,000" strike out the period and insert a colon and the following: "*Provided*, That no part of this or any other appropriation contained in this act shall be available for the manufacture, assembly, repair, or overhaul of torpedoes at the Naval Ordnance Plant, Forest Park, Ill."

Mr. FORAND. Mr. Chairman, the reason this amendment is offered here today is that the Navy Department, in cold blood, with utter disregard for the human element involved, has closed down, so to speak, the naval torpedo station at Newport, R. I., the oldest torpedo station in this country, built in 1869, the torpedo station at which the torpedo was invented and developed, and thrown out on the street men with more than 25 years, yes, men with more than 35 years of civil service to their credit, and last December took over a war plant built at Forest Park, Ill., from the American Can Co. and blanketed the employees there into the civil service. Men who have been employed by a private concern, men who would be eligible for unemployment compensation should they be thrown out of employment, were brought into the civil service at a pay rate averaging 20 cents an hour above that paid at Newport.

It is a most unfair way of doing business. There is a complete disregard for the loyalty, skill, and experience of men who have devoted their entire lives to the civil service in the Federal Government, men who cannot be covered by unemployment compensation and who today are below the age of 55 where they could take advantage of at least a reduced annuity under the civil-service laws. They are men who because of their age will not be hired by private concerns. You know as well as I do that once a man reaches 50 and 55 years of age, he is out. That is just what is happening in the city of Newport and in many other places throughout the country. Newport was used as a guinea pig to try out the system of kicking out men. Now, the tactics used at Newport have spread throughout the country. I am not arguing for the closing down of Forest Park. All I am asking is that whatever manufacturing of torpedoes is to be done and whatever repair or overhauling of torpedoes is to be done, should be done at the Newport station where they know how to do the work, where they have the skilled workmen, and where they have since 1869 provided what was necessary in the line of torpedoes.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I confirm the statement that the distinguished gentleman from Rhode Island has made. The closing of this historic torpedo station at Newport was tragic to hundreds of conscientious workers. Hundreds of people were thrown out of employment. Men who had given years of service; men approaching in some instances within a few years of retirement age were separated from the pay roll. These workers could have left the employ of the station for much greater remuneration. They selected to be loyal to their important war work and with the belief they could achieve the retirement benefits.

The station is an old one created by legislative act and should not have been closed by bureaucratic decision. I am in favor of the amendment of my good friend from Rhode Island and hope it will be adopted.

Mr. FORAND. I thank the gentleman. It seems to me the most foolish move in the world to throw men out of employment who have been under civil service for a quarter of a century or more, and while throwing these men out of employment in one place bringing men in from the outside who have worked in private employment during the war and putting them under civil

service and paying them 20 cents an hour more.

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

Mr. FORAND. I yield.

Mr. McCORMACK. I join my friend, the gentleman from Rhode Island, and my friend, the gentleman from Massachusetts in supporting the statements they have made. I know something about this situation. It is not a question of trying to get something for some particular section of the country. This torpedo station has been there for 75 years and has been doing efficient work. Its activities are being transferred to a place that was established during the war. It seems to me that fairness and justice call for the adoption of the amendment offered by the gentleman from Rhode Island.

Mr. FORAND. I thank the gentleman.

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

Mr. FORAND. I yield.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. FORAND. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PLUMLEY. May I say that I am perhaps more familiar with this torpedo station at Newport than the gentleman may know. I opposed the establishment of the torpedo station here at Alexandria.

Mr. FORAND. May I say to the gentleman that he was of great help to me back in 1937 and 1938 on this very same thing.

Mr. PLUMLEY. Yes, and even then I had to fight as you are fighting now to get a fair break to keep the place working. I hope your amendment is adopted.

Mr. FORAND. I thank the gentleman.

Mr. DE LACY. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield.

Mr. DE LACY. I would like to say to the gentleman that in my district too we had an old-established torpedo station which was doing excellent work and which is now cut to the bone because of this development that he speaks of, a pure wartime development. In the machine shop alone we had 625 skilled mechanics where today only 20 men, a ghost crew, are wandering around there, and the place is practically abandoned. It was one of the finest machine shops in the whole Northwest which was doing precision work that went into these torpedoes which we needed so much during the war. The whole station is virtually abandoned and cut down. The entire little community has nothing to do except a little stump farming, as we call it, or a little farming on part time. I congratulate the gentleman on the fight he is making.

Mr. FORAND. I thank the gentleman. We cannot overlook the fact that the manufacture of torpedoes is on the downgrade. It is practically at a standstill, because of the fact that we have quite an inventory of torpedoes on hand and we will not be using them except for perhaps training and practice purposes. But the fact remains that when VJ-day came Newport was already set up. In fact, we had a peak employment of 13,000 employees during the war. We were set up. The Navy Department could have brought to Newport the spare parts which they gathered from all the other plants and Newport could have completed the job. But no, these spare parts were taken out of Newport and other plants and sent to Forest Park and there the Navy set up practically a new enterprise under the Navy Department. Men who were working for a private concern are going to do the work. Henceforth the Navy Department program is for Newport to have 1,100 employees, and that takes in the over-all maintenance as well as the manufacturing, whereas Forest Park, which was taken over on December 10 1945, is scheduled to have 1,500 employees. I ask you, is that fair? That plant at Forest Park can be used by the Navy Department for the manufacture of other things beside torpedoes, and let the torpedoes be manufactured at Newport. The brains of manufacturing torpedoes are at Newport. The Navy Department throughout the war brought to Newport men from all parts of the country and trained them to man their other stations. Today the men who received their education and training in torpedo work at Newport are going to do the work, and the men at Newport are going to be trodding the streets.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield.

Mr. BATES of Massachusetts. I am quite familiar with the situation which the gentleman describes. I discussed it with the officers in charge at the Newport torpedo plant. I am thoroughly in accord with the gentleman's point of view. His amendment should be adopted by this House.

Mr. FORAND. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Rhode Island has again expired.

Mr. SHEPPARD. Mr. Chairman, I rise in opposition to the amendment.

The gentleman from Rhode Island [Mr. FORAND] appeared before our committee and made his presentation. I want to compliment him upon the fine manner in which he presented the matter. There is no question in the world but what the intention of the gentleman is magnificent insofar as representing the interests of his people are concerned and I want to compliment him accordingly. However, the committee finds itself in this position: If we were to accept an amendment of this character we deviate from legislation and go into the field of administration, and I do not think that is within the province of this committee or Members of the House. I am sure the Members of the House would not want this committee to usurp administrative prerogatives. However, as the gentleman from the great State and district which he represents has project-closing trouble, we also have had many of our projects closed down completely. On the west coast we have suffered complete closing of some of the projects and pay rolls that were really devastating from the point of local pay roll application. The gentleman says they have closed the project in his district.

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

Mr. SHEPPARD. I yield.

Mr. FORAND. In our case they took away our work and closed our plant and gave the work to another station.

Mr. SHEPPARD. Of course, that is not the way we understand it. We understood they were to continue the research and experimental work at that plant.

Mr. FORAND. Research and development work will continue but not in excess of 25 torpedoes will be manufactured at Newport. If more than 25 torpedoes are to be manufactured they will be manufactured at Forest Park, Ill. In support of my argument on that I refer you to the hearings held before the Senate Naval Affairs Committee on December 10, 1945, to the statement of Admiral Hussey himself, who at that time revealed for the first time that the Navy Department was taking over Forest Park. Honestly, I question very much the authority of the Navy Department to close a plant which has been in existence for 75 years, to take over a war plant.

Mr. SHEPPARD. I am sure the gentleman does not quite mean that, because the Navy has no authority under organic law to maintain any of its properties that were constructed by the Navy during the time of the war.

I should like to call the attention of the Members of the House and of the gentleman from Rhode Island in particular to the fact that there is $21,000,000 plus involved here in this new station that is equipped with all modern devices. I do not like personally to be put in the position of opposing the gentleman because he has made such an eloquent plea on behalf of his people, but I do not feel it is not within the province of the Committee to accept the amendment he has offered, because if the gentleman will reread his amendment it is extremely adamant, to say the least.

Mr. Chairman, I respectfully request that the Committee reject his amendment.

Mr. FORAND. Mr. Chairman, will the gentleman yield further?

Mr. SHEPPARD. I yield.

Mr. FORAND. I appreciate the gentleman's statement, I appreciate his willingness to be kind to me, but the fact still remains that if a program of retrenchment and closing down of stations is to be followed it should not be at the expense of the oldest and best equipped station the Navy has, that at Newport, R. I. It restricts operations to the manufacture of a very limited number of torpedoes and to the repair, overhaul and assembly of torpedoes. It does not take away any funds for maintenance, but if they are not going to use that station it simply takes bread and butter out of the mouths of the people of the community who have been thrown out of employment.

Mr. SHEPPARD. I may say to the gentleman that unfortunately there will be many other localities throughout the

United States which are going to suffer economic dislocations, although it is something we regret very very much.

Mr. FORAND. But when the work is taken away from one man and given to another it is quite a different story.

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

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

Mr. Chairman, I want to concur in everything my colleague from Rhode Island has said here this afternoon. He has been very diligent in his efforts to retain the torpedo work at Newport. I remember very well the workers at the torpedo station in Newport questioned, at the time these other plants were being established, whether or not we were going to retain the bulk of this work at Newport. We were led to believe, by the Bureau of Ordnance and by the Secretary of the Navy, that the work of developing and building torpedoes would remain in the city of Newport. We were assured we would get our fair share.

I disagree wholeheartedly with the chairman of this subcommittee when he says that other towns are affected the same way. They are not affected the same way. This plant at Forest Park is a wartime plant, an emergency plant. It was not established by act of Congress as a permanent organization. This station we have in Newport has been operating for 75 years. It was created by Congress. The devotion to duty, the ability of our mechanics in Newport is beyond question. They are the best available throughout this country. The workers at Forest Park are untried—they are new.

Ships and guns and munitions are important to the Navy. In time of war there must be plenty of all these categories. In time of peace there must be sufficient to provide the means for adequate training. However, there is one all important item which many seem to lose sight of. That is the men of the Navy. They are the backbone of the fleet. Not only the officers and the enlisted men—but the men at the machines who grind out and fabricate the tools without which the fleet would be a floating city of dead men.

It is of the utmost importance that these skilled mechanics be husbanded so that, should the need for intensified production ever arise, this great reservoir of skilled mechanics will not have dried up. In Newport, and the southern New England area generally, we have the greatest reservoir of skilled toolmakers, machinists, and mechanics that exists in the country. The Navy recognizes this fact. The Navy knows it must have these men available on call should the need arise. Whenever danger threatens, then these men are called into the torpedo station and the gun shops and told to get to work—night and day they work. That has been the history of Narragansett Bay region; there has always been the backbone of the Atlantic Fleet. We cannot afford, in good judgment, to permit the abandonment of this station at Newport.

Let me say this in connection with the city of Newport, that this is the only industry we have there. To disrupt this industry means to disrupt the entire economy of the city. We have no other place where the men turned out of the torpedo station can go for employment.

These men are now between 50 and 60 years of age. They do not come under the unemployment-compensation laws of our State. They will be thrust out into the streets without being given the opportunity by the Navy Department of working until their 30 years' service has been completed. Hence they cannot collect their pensions under the civil-service retirement system.

I hope every Member of this House will act sensibly in his consideration of this amendment and vote for its adoption. We are not asking for anything out of line. A vote for this amendment is a vote for justice to the men who worked faithfully and long for the Navy. It is a vote for justice to the people of the city of Newport who, throughout the city's history have done everything for the Navy. It is a vote for the permanence and stability of a great naval station.

We have given authority to lay up ships in some of these basins for possible future use. I say we should put the station at Forest Park on the same kind of stand-by basis. Let us grease the machinery and leave it there where it will be available to meet future needs, but let us keep the work at Newport instead of putting Newport on a stand-by basis; not only because the torpedo station is Newport's only industry, but because it is an essential element in the backbone of the Navy.

Mr. REED of New York. Mr. Chairman, I rise in opposition to the pro forma amendment, and ask unanimous consent to proceed out of order.

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

There was no objection.

Mr. REED of New York. Mr. Chairman, I am introducing a bill which provides relief for certain commissioned personnel who served outside of the continental United States or on sea duty during the present war. An identical bill has previously been introduced by my friend, the gentleman from Arkansas [Mr. MILLS].

Many unjust discriminations have been brought to my attention in regard to the operation of the present law on commissioned officers. Some were taken prisoner while in the Philippines and lost their exemption when they were removed from the Philippines. Others who became prisoners of war in areas outside of the Philippines, or possessions of the United States, now find themselves subject to accumulated taxes for the period of their imprisonment.

Other commissioned personnel who were in the thick of the battle have now returned to this country to find that they owe taxes beyond their present capacity to pay, the payment of which will unduly handicap them in their effort to renew their civilian ties and start business anew. We took care of this situation in the Revenue Act of 1945 so far as enlisted personnel were concerned but granted no relief to the commissioned personnel other than an extension of time.

My bill relieves commissioned officers with 10 months of overseas service in any taxable year from any tax on their service pay for active service in the present war with respect to taxable years beginning after December 31, 1940. The exemption only applies to taxable years in which 10 months or more of such service is performed on sea duty or outside the continental United States.

This bill does not eliminate the existing $1,500 exclusion applicable to commissioned personnel except as to those who are eligible to the benefit accorded by this measure.

Mr. THOMAS of Texas. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the committee finds itself in a rather awkward position. Here are two of the finest Members of the House, and if I may be personal for a minute, two of my close friends, the gentlemen from Rhode Island [Mr. FORAND and Mr. FOGARTY]. But their problem is not one resting with the Navy.

Let us analyze this proposition. Here are two stations, one in Forest Park, and the other in Newport. The one in Forest Park is perhaps the newest, the most modern and up to date plant the Bureau of Ordnance has today. For my authority I quote Admiral Hussey, Chief of the Bureau. He says:

> We do not want to close the plant at Newport and we are not going to close it. We are putting our scientific work there, and we are putting our manufacturing work in the new plant.

In truth and in fact, the problem of my two distinguished friends is a human one; it is the problem of jobs. The Navy Department has not anything to do with the civil-service rules and regulations that are knocking your people out of jobs. What is happening there is that your old-line people, and Lord bless them, there are no finer in the world, are having to give up their jobs. For whom? For members of our armed forces who are returning, who have been given a preference by this Congress. That is your problem. That is exactly what Admiral Hussey told me and I think he knows what he is talking about.

We cannot keep these plants going on the theory of making work for one community as against another. If we did that, instead of having a budget of $1,500,000,000 for the fiscal year 1947, we would have a budget here, Mr. Chairman, of ten to twelve billions.

Let us see if we cannot work this thing out in another fashion without legislating to keep a plant in a particular place. That is bad business. Let us get around and see if we cannot over on the Senate side get Admiral Hussey to go into this. Personally I will help the gentleman to see if we cannot get your people some more work there if it is humanly possible. But let us not write it into a bill like this.

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

Mr. THOMAS of Texas. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I may say that the whole New England delegation had a meeting on this, Democrats and Republicans, and we tried to do the very thing

my friend says he will try to do. But we could not do it. Of course, my friend may have more influence than the whole New England delegation, which includes the leaders on both sides of the aisle, but, with all due respect to my friend, I doubt that very much.

Mr. THOMAS of Texas. There is no need of being facetious about this.

Mr. McCORMACK. There was nothing facetious in what I said.

Mr. THOMAS of Texas. We want to try to help you; but, in all fairness, if this good city comes in and we write it into the law, we are going to put work there to the exclusion of other towns. Have you not some other fine cities in New England you would like to treat the same way? You have a lot of Navy work up there that is going to close down.

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

Mr. THOMAS of Texas. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. I appreciate all the fine things the gentleman from Texas has said about the Members from Rhode Island and about the people we have in Rhode Island, but words do not get us anywhere.

Mr. THOMAS of Texas. I feel they will get you somewhere.

Mr. FOGARTY. We have exhausted every avenue of approach in the last year and a half with the Navy Department in an attempt to get some action on the measure. This is our only opportunity. We do not believe we are asking much. We are simply asking that this new temporary plant out there in Forest Park be put in grease.

Mr. THOMAS of Texas. The gentleman means he would close up a $25,000,000 or $30,000,000 plant, the best one the Bureau of Ordnance has, and let it go to pot?

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

The question is on the amendment offered by the gentleman from Rhode Island.

The question was taken; and on a division (demanded by Mr. FORAND) there were—ayes 36, noes 27.

So the amendment was agreed to.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. SHEPPARD. Mr. Chairman, I demand tellers.

Mr. MARTIN of Massachusetts. Mr. Chairman, a point of order. The request comes too late. The Chair has recognized the gentleman from Pennsylvania.

The CHAIRMAN. The Chair sustains the point of order. The gentleman is recognized for 5 minutes.

Mr. CHURCH. Mr. Chairman, a point of order. I was on my feet addressing the Chair, and the gentleman from Pennsylvania was recognized first. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, first I want to compliment the two gentlemen from Rhode Island [Mr. FORAND and Mr. FOGARTY] for their astuteness in having this amendment prevail.

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

Mr. BRADLEY of Pennsylvania. I am very sorry that I cannot yield to the gentleman.

I think it is apropos at the present time to direct the attention of the House, and particularly the members of the Committee on Naval Affairs and the Subcommittee on Naval Appropriations, to a habit which is prevailing at most of the naval establishments on both the east and the west coasts with respect to repair work. I find that despite repeated assurances from officials of the Navy Department that they have corrected conditions complained of these conditions still exist, and they are leading to the unemployment of thousands of men, many of whom have been employed by the Government at navy yards for 25 to 30 years. I find that the Navy Department at the Philadelphia Navy Yard, and I think in other navy yards, is utilizing enlisted and commissioned personnel to do work that should be done and which was always done in the past by civilian civil-service employees.

Mr. Chairman, this is a serious thing. I am not speaking of the ordinary maintenance work which one would expect the crews to perform, I am speaking of major repair jobs. The Navy is using enlisted men and thereby retaining in the service reservists who could be discharged to civil life, and in addition it is throwing out of employment thousands of men; and this is not because of a curtailment program. We all anticipate that. We know that we cannot employ as many men in the Navy yards as we did during the war. We know that the number of employees has to be halved, and probably we will have to go beyond that. But I do think it is a serious thing when the Navy Department permits crews to perform major repair work, and they are doing it although they have repeatedly denied to those of us who have made representations to them that these practices were indulged in. But the complaints come in. We have investigated them in Philadelphia and we know that those complaints are true.

I hope that the members of the Committee on Naval Affairs, particularly those whose districts are adjacent to or near Navy yards, will take it upon themselves to investigate these things for the benefit of these men, who really need some help and protection against these practices, which I think are beyond the scope of the intention of the Congress of the United States. The Navy Department should not be permitted to keep these men in the service solely for the purpose of performing work that was and should now be done by civilian personnel at the Navy yards throughout the country.

Mr. BLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 45, line 20, after "including" insert the following: "personal services at the seat of government" and a semicolon.

Mr. BLAND. Mr. Chairman, I ask unanimous consent that the other amendment I have at the desk be read. I think the committee is willing to accept both of them.

The CHAIRMAN. Without objection, the Clerk will report the other amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 46, line 4, before the colon insert a semicolon and the following: "expenses of attendance, when specifically authorized by the chairman, at meetings concerned with the work of the Commission."

Mr. SHEPPARD. Mr. Chairman, the committee accepts those two amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Virginia.

The amendments were agreed to.

Mr. SHEPPARD. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee arose; and the Speaker having resumed the chair, Mr. STIGLER, 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. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendations that the amendments be agreed to and that the bill as amended do pass.

Mr. SHEPPARD. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

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

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO REVISE AND EXTEND

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that all Members of the House have five legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. PLOESER asked and was given permission to revise and extend the remarks he made in Committee of the Whole today and include an article from

the St. Louis Post-Dispatch and also an editorial from the same paper.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a speech, and in the other an editorial.

SPECIAL ORDER GRANTED

Mr. HENRY. Mr. Speaker, I ask unanimous consent that on June 3 next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, my colleague, the gentleman from Wisconsin [Mr. STEVENSON] may be permitted to address the House for 30 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include a statement before the House Committee on Ways and Means in connection with the general hearings on social security.

NO UNNECESSARY CONTROLS

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

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

There was no objection.

Mr. GAVIN. Mr. Speaker, the air waves are loaded every night and part of the day with talks, sermons, and short "plugs" on the future of price control and what it will mean to the American people. Extreme positions are taken both by those who are for and against. It is represented that without control—and particularly without the kind of control that the Office of Price Administration chooses to dispense unhampered and unchallenged—prices will rise so high that a dollar will have scarcely no purchasing power.

On the other side it is contended that great material blessings would appear quickly if price controls were abandoned forthwith.

Usually the true situation lies somewhere between the extremes of the debates on public questions. The recent action by the House of Representatives on the extension of price control and the continuance of the OPA is evidence that a great majority of those who participated in the action were seeking, first, to make price control function without retarding production; and second, to remove controls that are plainly useless and injurious.

Over a period of several months administration leaders have said repeatedly that it was their policy to apply price controls to scarce commodities and facilities only. Nothing of any consequence was done to make good on their declarations. The House of Representatives has provided the means of return to a free economy just as rapidly as the production in an industry is equal to the consumer's needs. If the other body of Congress agrees, price control just for the sake of control will pass.

In my several statements in the House while the bill was under consideration I used the petroleum industry as an example of continued price control after the necessity had passed. It was found possible to lift gasoline and other petroleum products rationing the day after the Japanese stopped fighting. The ending of rationing was evidence that the supply was adequate. Price control should have been lifted at the same time, but it is here yet. To contend that petroleum prices to the consumer would go into "runaway inflation," as the OPA expresses it, except for control, would be to argue stupidly. With a plentiful supply and with the competition that exists in the industry, prices could not run far. There are some needed adjustments to be made for the sake of providing for future production, and they will not be made as long as the OPA is in the saddle. After such adjustments occur, I predict that petroleum will be still selling far below its value with relation to other commodities.

During the war we suspended our free economy for the sake of one purpose on which we all agree. That was to win the war. The Congress obviously did not agree when it voted the broad powers to the President to do the things needful to wage war that it was voting to make a permanent change in the form of government or in the free enterprise system of the Nation. There are those who would like to keep up the wartime controls, the wartime spending and the wartime jobs for those who do the controlling. There are others who seek political advancement by advocating the continuance of the controls, the spending and the jobs. Some of these are most hysterical in their pleas not to "cripple OPA," or to "cut the heart out of OPA."

An automobile must have an accelerator as well as a brake. The OPA has never appeared to recognize anything except the brake and under its philosophy the car never moves at all.

As passed by the House, the bill affords plenty of room to control prices where through scarcity prices might be bid up to injurious levels. The bill does require that in scarcity industries prices shall not be kept down to where no increase in production is possible and on plentiful articles, OPA is simply to get out of the way.

EXTENSION OF REMARKS

Mr. GERLACH asked and was given permission to extend his remarks in the RECORD and include a letter from one of his constituents and, further, to extend his remarks in another instance and to also include another letter from another constituent.

FRANKLIN D. ROOSEVELT MEMORIAL DAY—JULY 1, 1946

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 152.

The Clerk read as follows:

Resolved, That Monday, the 1st day of July 1946, be set aside as the day upon which there shall be held a joint session of the Senate and the House of Representatives for appropriate exercises in commemoration of the life, character, and public service of the late Franklin D. Roosevelt, former President of the United States.

That a joint committee, to consist of three Senators and five Members of the House of Representatives, to be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives, respectively, shall be named, with full power to make all arrangements and publish a suitable program for the joint session of Congress herein authorized, and to issue the invitations hereinafter mentioned.

That invitations shall be extended to the President of the United States, the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, and such other invitations shall be issued as to the said committee shall seem best.

That all expenses incurred by the committee in the execution of the provisions of this resolution shall be paid, one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives.

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

Mr. MARTIN of Massachusetts. Reserving the right to object—and I am not going to object—this is the usual memorial service that follows the death of any President?

Mr. BULWINKLE. That is absolutely correct, with one exception: Heretofore there have been five Senators and seven Members of the House.

Mr. MARTIN of Massachusetts. But this is the usual procedure. I was not mentioning the number on the committee.

Mr. BULWINKLE. The gentleman is correct.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING ADDITIONAL COPIES OF THE FIRST INTERIM REPORT, NO. 1888, OF THE COMMITTEE ON SMALL BUSINESS

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 2109) a privileged resolution (H. Res. 634), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Small Business of the House of Representatives 3,000 additional copies of its first interim report, No. 1888, current session, submitted pursuant to the Resolution No. 64, creating a Select Committee on Small Business of the House of Representatives and defining its powers and duties.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. NEELY. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a timely address delivered over Station WOR, New York, on May 7, by former Postmaster General James A. Farley, now chairman of the Coca-Cola Board of Export Corp., on the subject, "Government Aid in the Prevention and Cure of Cancer."

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

There was no objection.

UNIFORM SYSTEM OF BANKRUPTCY

Mr. HOBBS. Mr. Speaker, I call up the conference report on the bill (H. R. 5504) entitled "An act to establish a uniform system of bankruptcy throughout the United States," and ask unanimous consent that the statement be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5504) entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

Instead of "June 4, 1946" as proposed by the Senate insert "March 31, 1947"; and the Senate agree to the same.

HATTON W. SUMNERS,
SAM HOBBS,
EARL C. MICHENER,
Managers on the Part of the House.

PAT MCCARRAN,
ABE MURDOCK,
CHAPMAN REVERCOMB,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The House bill provided that section 75 (c) of the Bankruptcy Act (which expired March 4, 1946) be extended to June 4, 1947. The Senate amendment provided that this section be extended to June 4, 1946. The conference agreement extends the section to March 31, 1947.

HATTON W. SUMNERS,
SAM HOBBS,
EARL C. MICHENER,
Managers on the Part of the House.

The conference report was agreed to.

BILL OF RIGHTS DAY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 273) authorizing and requesting the President to issue annually a proclamation designating December 15 as Bill of Rights Day, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Line 3, after "is" insert "hereby."
Line 4 strike out "annually."
Line 5, after "15" insert ", 1946."

Mr. MARTIN of Massachusetts. Reserving the right to object, what is the effect of the Senate amendment?

Mr. HOBBS. It simply puts in what the House committee recommended and which had substituted for the 1-year observance a regular annual permanent observance.

I have conferred with the distinguished author of the bill, the gentleman from New York [Mr. WADSWORTH], and he states that while he is disappointed that the Senate struck out the permanency feature and substituted only a 1-year observance, that he has no objection to it.

Mr. MARTIN of Massachusetts. As it now stands, it is for 1 year only.

Mr. HOBBS. That is right.

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

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to revise and extend the remarks he made in the Committee of the Whole this afternoon and include certain correspondence.

Mr. IZAC (at the request of Mr. DOYLE) was given permission to extend his remarks in the RECORD.

ANNOUNCEMENT

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

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

There was no objection.

Mr. DOYLE. Mr. Speaker, this morning the House convened at the hour of 11 instead of its usual hour of 12. Then, instead of there being the usual approximate length of time for 1-minute speeches, unanimous consents, and other items of business, an early roll call was had on House Joint Resolution 305 providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization. I was present throughout the most interesting and encouraging debate on the subject matter of this important resolution and the roll call vote thereon went over from Wednesday until today. I was not present at the roll call nor did I have notice thereof that it was being called. I was on official business and unavoidably absent, but I want the House to know that if I had been present in person, I would most sincerely and cordially have voted "Aye" for, Mr. Speaker, I am very sure that the most lasting and enduring peace possible in the world will come only through sensible, sound, and adequate emphasis upon educational, scientific, and cultural understanding and participation by the peoples of the world. We must learn to live as neighbors in a world neighborhood else with atomic energy and with results of that discovery and experiment, we very easily, almost instantly, could blow our neighbors and ourselves into eternity. Force, violence, destruction are never a solution for settlement of differences between men; nor, do they form a sound foundation for the settlement of differences between nations.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. DE LACY) was given permission to extend his remarks in the RECORD and include therein a statement on the National Committee on Labor Law of the National Lawyers' Guild.

Mr. COFFEE asked and was given permission to extend his remarks in the Appendix in three separate instances, and in connection therewith to include excerpts from newspaper and magazine articles.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Washington Star of May 22, entitled "Crisis in Poland."

PROGRAM FOR TOMORROW AND PART OF NEXT WEEK

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 take this time to inquire of the gentleman from Massachusetts [Mr. McCORMACK] the program for tomorrow.

Mr. McCORMACK. Mr. Speaker, in response to the inquiry of the gentleman from Massachusetts, I may say that the first order of business tomorrow will be the consideration of the bill S. 7, the administrative court bill. If this bill is disposed of in time to take up another bill (S. 752) relating to strategic materials, known as the stock-pile bill, it also will be brought up. From information I have received, I understand there is no opposition. I believe both bills come with unanimous reports. If we can dispose of those tomorrow we will do so; but in any event that will be the order of business.

Mr. MARTIN of Massachusetts. Has the gentleman any information yet as to the program for next week?

Mr. McCORMACK. With the indulgence of my friend I will answer that tomorrow, except to say that next week will be a very light one. I can state now, however, that on Tuesday next there will be the House memorial services. There will be no legislation on that day. Then Thursday, of course, is the national Memorial Day.

Mr. MARTIN of Massachusetts. And we are in agreement that not much progress can be made on Wednesday.

Mr. McCORMACK. Unless in view of the very light week there should be no opposition to my request to dispense with business in order on Calendar Wednesday. In any event it will be a light legislative week.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of next week be dispensed with.

Mr. POWELL. Mr. Speaker, reserving the right to object, and I will not; in view of the very light calendar for next week, I think it only fair that no objection be raised to dispensing with business in order on Calendar Wednesday of that week; but I hope in view of this that our friends will likewise cooperate week after next.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. BIEMILLER, from May 24 to June 1, inclusive, on account of official business.

To Mr. TALBOT (at the request of Mr. MARTIN of Massachusetts), for 2 days, on account of official business.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4763. An act for the relief of R. L. Benton; and

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 203. An act for the relief of Margery Anderson Bridges;

S. 875. An act for the relief of Mercy Duke Boehl;

S. 1201. An act for the relief of Arthur F. Downs;

S. 1563. An act for the relief of Ferris Ruggles;

S. 1604. An act for the relief of Leo Stuhr;

S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; and

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.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Friday, May 24, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

On Monday, May 27, 1946, Subcommittee No. 4 of the Committee on the Judiciary will start public hearings on the following pending measures with respect to the cessation of hostilities and termination of the war and emergencies: House Concurrent Resolution 85, House Concurrent Resolution 86, House Concurrent Resolution 91, House Concurrent Resolution 98, House Concurrent Resolution 132, House Concurrent Resolution 133, House Joint Resolution 245, House Joint Resolution 272, House Joint Resolution 287.

The hearings will be held in the Judiciary Committee room, 346 House Office Building, beginning at 10 a. m.

On Thursday, June 6, 1946, Subcommittee No. 2 of the Committee on the Judiciary will continue hearings on the bill (H. R. 6301) to supplement existing laws against unlawful restraints and monopolies, and for other purposes. The hearings will begin at 10 a. m. and will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON PATENTS

The Committee on Patents will begin hearings Tuesday, June 4, 1946, at 10 a. m., in the Patents Committee room, 416 House Office Building, on the following bills:

H. R. 3694 (HARTLEY): A bill to declare the national policy regarding the test for determining invention.

H. R. 5841 (BOYKIN): A bill fixing the date of the termination of World War II, for special purposes.

H. R. 5940 (LANHAM): A bill to make Government-owned patents freely available for use by citizens of the United States, its Territories, and possessions.

These hearings will be continued on succeeding days until concluded or until this notice is superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1324. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to acquire in fee or otherwise certain lands and rights in land on the island of Guam, and for other purposes; to the Committee on Naval Affairs.

1325. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to amend the Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

1326. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of $45,000, and for the fiscal year 1947 in the amount of $46,000, in all, $91,000, for the legislative branch, House of Representatives (H. Doc. No. 605); to the Committee on Appropriations and ordered to be printed.

1327. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $7,500 for the Department of Justice (H. Doc. No. 606); to the Committee on Appropriations and ordered to be printed.

1328. A communication from the President of the United States, transmitting the budget for the fiscal year 1947 in the amount of $20,600,000, for the Civilian Production Administration (H. Doc. No. 607); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. SABATH: Committee on Rules. House Resolution 635. Resolution providing for the consideration of H. R. 1362, a bill to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and to waive points of order; without amendment (Rept. No. 2103). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 636. Resolution providing for the consideration of H. R. 2871, a bill to create a commission to be known as the Alaskan International Highway Commission; without amendment (Rept. No. 2104). Referred to the House Calendar.

Mr. VINSON: Committee on Naval Affairs. H. R. 5426. A bill to provide for the training of officers for the naval service, and for other purposes; with amendment (Rept. No. 2105). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 4486. A bill to abolish the Santa Rosa Island National Monument and to provide for the conveyance to Escambia County, State of Florida, of that portion of Santa Rosa Island which is under the jurisdiction of the Department of the Interior; without amendment (Rept. No. 2106). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Flood Control. H. R. 5508. A bill to authorize the return of the Grand River Dam project to the Grand River Dam Authority and the adjustment and settlement of accounts between the Authority and the United States, and for other purposes; without amendment (Rept. No. 2107). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLEIN: Committee on Immigration and Naturalization. H. R. 6279. A bill to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States; with amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the State of the Union.

Mr. BULWINKLE: Committee on Printing. House Resolution 634. Resolution authorizing that there be printed for the use of the Committee on Small Business of the House of Representatives additional copies of its first interim report, No. 1888, current session,

submitted pursuant to the resolution No. 64, creating a select committee on small business of the House of Representatives and defining its powers and duties; without amendment (Rept. No. 2109). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BURCH:

H. R. 6528. A bill to authorize the coinage of 50-cent pieces to commemorate the life and perpetuate the ideals and teachings of Booker T. Washington; to the Committee on Coinage, Weights, and Measures.

By Mr. KEARNEY:

H. R. 6529. A bill to provide increased compensations for the widows and children of deceased veterans; to the Committee on World War Veterans' Legislation.

By Mr. BALDWIN of New York:

H. R. 6530. A bill to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through civilian employment with countries allied with the United States in the Second World War; to the Committee on Immigration and Naturalization.

By Mr. BARRETT of Pennsylvania:

H. R. 6531. A bill to amend section 101 of the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

By Mr. McGEHEE:

H. R. 6532. A bill to provide a method for payment in certain Government establishments of overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General, and for other purposes; to the Committee on Claims.

By Mr. MANASCO:

H. R. 6533. A bill to authorize certain administrative expenses in the Government service, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. JOHNSON of Oklahoma:

H. J. Res. 357. Joint resolution proposing an amendment to the Constitution of the United States extending the right to vote to all citizens 18 years of age or older; to the Committee on the Judiciary.

By Mr. REED of New York:

H. J. Res. 358. Joint resolution granting additional allowance for military and naval personnel; to the Committee on Ways and Means.

By Mr. PITTENGER:

H. Con. Res. 151. Concurrent resolution against adoption of Reorganization Plan No. 2 of Ma. 16, 1946; to the Committee on Expenditures in the Executive Departments.

By Mr. VINSON:

H. Res. 637. Resolution providing for the consideration of H. R. 5915, a bill to amend the Naval Reserve Act of 1938, as amended, so as to establish the Women's Reserve on a permanent basis, and for other purposes; to the Committee on Rules.

H. Res. 638. Resolution providing for the consideration of H. R. 5426, a bill to provide for the training of officers for the naval service, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROWN of Georgia:

H. R. 6534. A bill to restore to the Lombard Iron Works Co., of Augusta, Ga., the right to appeal to the Secretary of War with respect to certain questions arising in connection with termination of contract No. W-41-040, CWS 309; to the Committee on Claims.

By Mr. GORE:

H. R. 6535. A bill for the relief of the estate of W. H. Rodgers, deceased; to the Committee on Claims.

By Mr. HOBBS:

H. R. 6536. A bill for the relief of Southeastern Sand & Gravel Co.; to the Committee on Claims.

By Mr. LUDLOW:

H. R. 6537. A bill for the relief of Emma L. Jackson; to the Committee on Claims.

By Mr. PATTERSON:

H. R. 6538. A bill for the relief of Robert B. Jones; to the Committee on Claims.

By Mr. SHORT:

H. R. 6539. A bill for the relief of the estate of William A. Hamilton, deceased; to the Committee on Claims.

By Mr. VOORHIS of California:

H. R. 6540. A bill for the relief of the dependents of Carl B. Sanborn; 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:

1906. By Mr. HANCOCK: Petition of Mrs. C. W. Carlton and other residents of Onondaga County, N. Y., urging that Congress pass legislation authorizing the President and the Secretary of Agriculture to issue directives preventing the use of grain for the manufacture of alcoholic beverages; to the Commitee on Agriculture.

1907. By Mr. RESA: Petition of several Townsend Clubs in Chicago, urging the enactment of legislation proposed in House bills 2229 and 2230; to the Committee on Ways and Means.

1908. By the Speaker: Petition of South Jersey Industrial Union Council, petitioning consideration of their resolution with reference to price control; to the Committee on Banking and Currency.

SENATE

FRIDAY, MAY 24, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

O merciful God, whose law is truth and whose statutes stand forever, we beseech Thee to grant unto us who in the morning seek Thy face, fervently to desire, wisely to trace and obediently to fulfill all that is pleasing unto Thee. Unite our hearts and minds to bear the burdens that are laid upon us. Grant unto us all that, laying aside any partisan divisions, we may be given tallness of stature to see above the walls of our prideful opinions the good of the largest number. And in these perplexing times that try our souls and test our character may Thy strength sustain us, may Thy grace preserve us, may Thy wisdom instruct us, may Thy might protect us, may Thy hand direct us, this day and evermore. Amen.

THE JOURNAL

On request of Mr. PEPPER, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 23, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he also announced that the President had approved and signed the act (S. 1980) 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.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 273) authorizing and requesting the President to issue annually a proclamation designating December 15 as Bill of Rights Day.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The message further announced that the House had passed a bill (H. R. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 152) providing for a joint session of Congress for the purpose of holding appropriate exercises in commemoration of the life, character, and public services of the late Franklin D. Roosevelt, former President of the United States, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 5504. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H. J. Res. 273. Joint resolution to provide for the proper observance of the one hundred and fifty-fifth anniversary of the adoption of the first 10 amendments to the Constitution, known as the Bill of Rights.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted: