

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DAVIS:

H. R. 4192. A bill for the relief of the estate of Mary B. Buckley; to the Committee on Claims.

H. R. 4193. A bill for the relief of the estate of Chambers H. Buckley; to the Committee on Claims.

H. R. 4194. A bill for the relief of Alice Randolph; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1196. Mr. KEARNEY presented a petition containing the signatures of 34 citizens of the Thirty-first Congressional District, State of New York, advocating the enactment by the Congress of prohibition legislation (H. R. 2082), which was referred to the Committee on the Judiciary.

SENATE

THURSDAY, SEPTEMBER 27, 1945

(Legislative day of Monday, September 10, 1945)

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

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

O Thou who are the light behind life's shadows and the love behind life's sorrows, stooping to our low estate, give to us, we beseech Thee, sufficient of Thy light for us in the dark to rise by. Thus in the constant radiance of Thy presence may we walk life's common way in fortitude and singleness of heart. Our fathers trusted in Thee and were not confounded as in Thy name they laid the deep foundations of this free land. In dark days Thou didst lead them along a toilsome and tedious road. So may our hearts be sensitive to Thy guidance and our daily service worthy of the trust which the Nation has committed to our hands.

We ask it in that name which is above every name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., September 27, 1945.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ELBERT D. THOMAS, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. THOMAS of Utah thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on September 26, 1945, the President had

approved and signed the joint resolution (S. J. Res. 78) to provide for designation of the Veterans' Administration hospital at Crugers-on-Hudson, near Peekskill, N. Y., as Franklin Delano Roosevelt Hospital.

The PRESIDENT pro tempore. The message will be received.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, September 26, 1945, was dispensed with, and the Journal was approved.

OCCUPANCY OF THE CHAIR

Mr. TOBEY. Mr. President, I just noticed with interest the announcement read from the desk about the necessary absence of the distinguished President pro tempore of the Senate and appointing the honorable Senator from Utah [Mr. THOMAS] in his place. As I looked up I saw a transition taking place, mirabile dictu, and my mind went back to an epitaph on a tombstone in a graveyard in a small New Hampshire town. A little child had been born and died at the tender age of 3 weeks. The epitaph on her tombstone reads this way:

It is so soon that I am done for;
I wonder what I was begun for.

The Senator from Utah may feel that way.

Mr. THOMAS of UTAH. I thank the Senator from New Hampshire.

Mr. BARKLEY. Mr. President, whatever else happened, it was certainly a temporary absence. I congratulate the Senator from Utah, and I also congratulate the Senator from Tennessee on being able so promptly to resume the duties of the Chair, which he performs with such great ability.

The PRESIDENT pro tempore. The Chair makes this statement: He thanks the Senator from Utah very earnestly and heartily for his kindness in opening the Senate proceedings; the Chair appreciates it very much. The Chair also thanks the Senator from Kentucky for his kind reference to the present occupant of the chair.

LEAVE OF ABSENCE

Mr. THOMAS of Utah. Mr. President, I have been appointed by the President of the United States a national delegate to the International Labor Organization Conference. I therefore ask to be excused from the sessions of the Senate while I am performing the duties incident to that appointment.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Utah is excused.

NOTICE OF HEARING ON NOMINATION OF WILLIAM C. MATHES TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF CALIFORNIA

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 Friday, October 5, 1945, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of William C. Mathes, of California, to be

United States district judge for the southern district of California, vice Ralph E. Jenney, deceased. 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 Utah [Mr. MURDOCK], and the Senator from Wisconsin [Mr. WILEY].

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Democratic Central Committee of San Mateo County, Calif., favoring an appropriation for the construction of the Pillar Point breakwater at Half Moon Bay, San Mateo County, Calif., which was referred to the Committee on Commerce.

REMOVAL OF CHEESE AND BUTTER FROM RATIONING—RESOLUTION OF WISCONSIN LEGISLATURE

Mr. WILEY. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the Record a joint resolution passed by both houses of the Wisconsin Legislature urging the removal of cheese and butter from rationing.

Since the passage of this resolution, cheese has been removed from rationing.

However, butter still remains on the ration lists. I have repeatedly urged of Secretary of Agriculture Anderson that all points be taken off this latter natural item. But to date my efforts have been unavailing.

May I therefore resubmit my recommendation, along with that of the Wisconsin Legislature, that butter be immediately removed from rationing. It is essential that the Nation's dairy farmers be permitted immediately to readjust to their normal peacetime markets. I need only recall to you that butter has normally supplied a market for 36 to 45 percent of the total milk production of this country. Butter has furnished a ready cash market for the producers, large and small, who are situated in remote areas and who do not have access to markets for whole milk, as well as to producers located more favorably for markets.

In the years since the start of the war literally hundreds of creameries have been forced to close their doors. It is therefore an act of simple justice, both to the American dairy farmer as well as to the entire American people whose prosperity will depend in part upon the well-being of our dairy farmers, to remove butter immediately from rationing.

There being no objection, the joint resolution presented by Mr. WILEY was received, referred to the Committee on Banking and Currency, and, under the rule, ordered to be printed in the RECORD, as follows:

Joint resolution petitioning the Office of Price Administration to abolish rationing of butter and cheese

Whereas rationing was created as a wartime emergency measure and it now appears unnecessary to continue rationing of butter and cheese; and

Whereas in order to protect the dairy interests of Wisconsin and other dairy States, it is urgent that rationing of butter and

cheese be dispensed with immediately: Now, therefore, be it

Resolved, by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully petitions the Office of Price Administration to forthwith abolish rationing of butter and cheese; and be it further

Resolved, That duly attested copies of this resolution be sent to the Office of Price Administration, both Houses of Congress, and to each Wisconsin Member thereof.

CONSTRUCTION OF CERTAIN FLOOD-CONTROL PROJECTS IN KANSAS AND MISSOURI

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the flood-control committee of the Citizens' Regional Planning Council which covers the counties of Wyandotte and Johnson in Kansas, and Jackson, Clay, and Platte Counties in Missouri, relating to the construction of certain flood-control projects in Kansas and Missouri.

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

Whereas with the end of the war both in Europe and the Pacific, material and labor will soon be available for the construction of flood-control works in the Missouri River Basin; and

Whereas in each of the past 4 years there have been threats of serious damage in the greater Kansas City area as well as elsewhere in the valley, especially in 1942, 1943, and 1944, an additional rise of 2 feet in the river would have flooded both the Kansas City, Mo., Municipal Airport and the entire central industrial districts both in Kansas City, Kans. and Mo. The resulting damage would have been tremendous. A disastrous flood may occur in the near future; and

Whereas at the outbreak of the war, work had already been started on major flood control works in Kansas and necessary funds had been appropriated and allocated for certain projects including the protection of the central industrial districts in Kansas City; when the war started this work was stopped and funds were withdrawn; and

Whereas the Congress in the flood-control bill of 1944 authorized a complete flood-control project for the Missouri River Basin in what is known as the Pick-Sloan plan, under this authorization the project will be planned and constructed by the United States Engineers Corps and Bureau of Reclamation. Many of these plans are well advanced needing only the appropriation of funds for the beginning of construction: Now, therefore, be it

Resolved by the Regional Planning Council, That through action by its flood-control committee and approved by the executive committee, we urge the Congress of the United States as follows:

1. To reappropriate funds to continue construction of those projects in this area already started, and to start construction of those projects in this area for which funds had previously been appropriated; and appropriate funds for the early start of the projects covered by the Pick-Sloan plan, as such appropriations may be requested by the Corps of Engineers and the Bureau of Reclamation, and as material and labor become available for their construction as follows (these projects have already been approved by Army engineers for the protection of the Kansas City area):

A. Retention reservoirs on tributaries of the Kansas River:

Kanapolis Dam on the Smoky Hill River in Kansas. Reservoir on the Republican River

in Harlan County, Nebr. Tuttle Creek Reservoir on the Blue River in Kansas. Milford Reservoir on the Republican River in Kansas.

B. Liberty Bend cut-off on the Missouri below Kansas City, Mo., to lower flood heights at the Kansas City.

C. Flood protection works on the Missouri River for the protection of the following districts:

Birmingham levee district, Clay County, Mo.

Blue Valley industrial district, Jackson County, Mo.

Northeast industrial district, Kansas City, Mo.

North Kansas City industrial district.

Municipal Airport and water supply works of Kansas City, Mo.

Central industrial district of Kansas City, Mo.

Fairfax industrial district, Kansas City, Kans.

D. Flood protection works on the Kansas River for the protection of the following districts:

Central industrial district, Kansas City, Mo. and Kansas City, Kans.

Armourdale industrial district, Kansas City, Kans.

Argentine industrial district, Kansas City, Kans.

Turner, Kans., district.

2. That no action be taken by the Congress that will create any over-all authority by whatever name to carry out the construction of the works provided for by the Pick-Sloan plan as already authorized. That these works be planned and constructed by the Corps of Engineers and the Bureau of Reclamation as already provided for in the Flood Control Act of 1944.

RESOLUTION OF ASSOCIATED NEEDLE INDUSTRIES OF OMAHA, NEBR.

Mr. BUTLER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Associated Needle Industries of Omaha, Nebr., proposing certain policies with reference to employment, fair competition, and inflation.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas the Associated Needle Industries of Omaha, a nonprofit association of 14 manufacturers, is vitally concerned with the reconversion of the Nation, and particularly concerned for the reconversion of the members of this association to a peacetime basis; and

Whereas the association and its members are opposed to policies which—

- (1) Do not expedite employment;
- (2) Do not permit and encourage fair competition;
- (3) Promote inflation by artificial restrictions of production; and

Whereas this association and its members are firmly convinced that present OPA policies will close plants, increase unemployment, stifle competition, promote chiseling and black-market operations through its artificial barriers to production and result in devastating inflation; and

Whereas this association and its members firmly believe that present practices impeding the release and disposal of Government-owned surplus materials contribute substantially to the afore-mentioned evils and, further, will result in financial loss to the Government; and

Whereas this association and its members do firmly believe that insured competition and all-out production provide the only avenues by which we can encourage invest-

ments, increase employment, eliminate black markets, prevent inflation and maintain a free economy and a free people: Be it hereby

Resolved, That in the best interests of the Nation, the Congress be respectfully requested to—

(1) Promote and insure fair and free competition;

(2) Expedite the disposal of surplus materials;

(3) Abolish unnecessary price controls;

(4) Abolish unnecessary material controls; and further be it hereby

Resolved, That copies of this resolution be transmitted by the president of this association to Senators WHEARY and BUTLER and to Congressmen BUFFETT, CURTIS, MILLER, and STEFAN, and to the Omaha Chamber of Commerce and to the National Chamber of Commerce.

N. B. LAMM,

President, Associated Needle Industries.

Subscribed and signed before me on this 15th day of September 1945.

[SEAL]

ANNA K. SCHMITZ,

Notary Public.

BILLS INTRODUCED

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

(Mr. WALSH introduced Senate bill 1438, which was referred to the Committee on Naval Affairs, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 1439. A bill to amend section 2 of the act of January 29, 1942 (53 Stat. 21), relating to the refund of taxes illegally paid by Indian citizens; to the Committee on Indian Affairs.

(Mr. FULBRIGHT introduced Senate bill 1440, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

INDUCEMENT TO CITIZENS TO MAKE THE NAVY A CAREER

Mr. WALSH. Mr. President, I ask unanimous consent to introduce for reference to the Committee on Naval Affairs a bill to provide additional inducements to citizens of the United States to make the United States Navy a career. I ask that a brief statement explanatory of the bill be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

The bill (S. 1438) to provide additional inducements to citizens of the United States to make the United States Navy a career was read twice by its title and referred to the Committee on Naval Affairs.

The explanatory statement presented by Mr. WALSH is as follows:

The bill is intended to provide more incentives for men to make the Navy a career for 16 or 20 years and thereafter transfer to the Fleet Reserve. The Navy has had a Reserve force ever since 1916. In both World War I and World War II the men and officers of the Reserve have been of great value to the Navy, as they provide a large reservoir of trained men who were immediately available for active service with the fleet and who were available to train the additional personnel needed as the numbers of naval vessels continued to increase.

The Naval Reserve occupies an important place in our plans for the future security of our Nation, and officers and men of the Reserves are needed to augment the Regular Navy immediately on the outbreak of war and with the Regular Navy to bear the first shock of battle in meeting an enemy attack.

Under existing law men may transfer to the Fleet Naval Reserve after 20 years of service. The privilege of transferring to the Fleet Naval Reserve after 16 years of naval service is limited to those who enlisted in the Navy before July 1, 1925. Section 1 of Senator WALSH's bill would extend this privilege of transferring after 16 years of service to those who have enlisted since July 1, 1925; to those who have served in World War II; and to those who first enlist in the Regular Navy within 120 days after enactment of the bill.

Enlisted men who have first enlisted in the Navy since July 1, 1925, and who have transferred to the Fleet Naval Reserve after 20 years of service have received pay at the rate of one-half of the base pay to which they were entitled at the time of transfer. This retainer pay has not included permanent additions to their basic pay nor has it contained a provision for increase of pay due to heroic action. Section 2 of the bill would provide that naval personnel who transfer to the Fleet Reserve after 20 years of service would receive retainer pay at the rate of 2½ percent of the base pay with permanent additions thereto that they were receiving at the time of transfer, multiplied by the number of years of service. There would be an additional increase of 10 percent for men who have been credited with extraordinary heroism in the line of duty or whose average marks in conduct are not less than 95 percent of the maximum. Any increase of pay to which individuals might become entitled under this section would commence on July 1, 1945.

At the present time members of the Fleet Reserve, once they have been transferred thereto, are not able to count additional active service, even though it be wartime service, for purposes of increasing the pay they receive as members of the Fleet Reserve. Section 3 of the bill would permit all active-duty service performed by Fleet Reservists during time of war or between September 8, 1939, and December 7, 1941, for purposes of increasing their pay after they have returned to an inactive-duty status as members of the Fleet Naval Reserve.

To encourage immediate reenlistments the act of August 18, 1941, permitted the payment of double-enlistment allowances to members of the naval service who in time of war or national emergency reenlisted within 24 hours at the ship or station from which discharged. The Pay Readjustment Act of 1942 suspended authority to make payments of these double-enlistment allowances because adequate numbers of men were then being supplied through selective service. Section 4 would reinstate the authority of the Navy Department to make the double-enlisted allowance payments which were authorized by the act of August 18, 1941.

The act of July 24, 1941, permits retired officers of the Navy who had been placed upon the retired list for physical disability to be advanced on the retired list of the Navy to the highest temporary rank held during the war with 75 percent of the active-duty pay to which they were entitled while serving in that higher rank, provided he encountered further physical disability while serving on active duty. The law makes no similar provision for retired enlisted men of the Navy. Section 5 of the bill would grant to retired enlisted men of the Navy the same privilege enjoyed by officers.

The act of July 24, 1941, does not authorize officers and men of the Fleet Reserve (enlisted men transferred to the Reserve after 16 or 20 years of service) who served on active duty during the war and who received temporary advancements during the war to retain these higher ranks while on an inactive duty status. Section 6 of the bill would provide that Fleet Reservists, when returned to an inactive duty status, would retain the

highest ranks to which they were temporarily promoted during the war if their services in those ranks were satisfactory. If again called to active duty, however, these officers or men would return in a rank or rating no higher than that in which they were serving at the time of release.

Under existing law, officers and enlisted men of the Naval Reserve when they are placed upon inactive duty after their service in this war is complete must return in their permanent ranks or ratings. Section 7 of the bill would permit them to return to the inactive list of the Naval Reserve in the highest rank or rating held by them while on active duty if their performance in that rank or rating was satisfactory. It is provided that they would receive no pay increases as a result of occupying a higher rank or rating while on the inactive list of the Naval Reserve and that if recalled to active duty, they would return in their permanent ranks or ratings.

PROMOTION OF INTERNATIONAL GOOD WILL THROUGH EXCHANGE OF STUDENTS IN THE FIELDS OF EDUCATION, ETC.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to introduce a bill, for reference to the Committee on Military Affairs, authorizing the use of credits established through the sale of surplus properties abroad for the promotion of international good will through the exchange of students in the fields of education, culture, and science.

Mr. President, the enactment of this bill will assure that at least a part of the returns from the sale of our surplus materials to foreign countries will accrue to the interest of America. Most of the nations desiring to purchase our trucks, railroad equipment, and so forth, abroad, do not have American dollars, or even the goods, to pay and it will, therefore, be necessary for our Government to establish credits for this purpose. These debts may never be paid in full and might, like the war debts after World War I, become a source of irritation between nations and prevent the orderly reestablishment of trade and commerce and the strengthening of our political relations with other countries.

I do not mean that other countries have any plans to try to cheat our country. It is merely a recognition of the facts as they exist today with regard to the international exchange, and ability to make settlements as between nations.

If this bill is approved, the funds will be utilized to exchange students, create a better understanding of our mutual problems, and promote friendly relations, while avoiding possible ill feelings between Nations resulting from inability to meet obligations set up in accordance with traditional methods.

The Surplus Property Administrator has recently indicated that the disposal of surplus property abroad would be placed under the jurisdiction of the Secretary of State, to assure conformity to American foreign policies. The disposition of such funds as may be allocated for this educational fund as proposed in this bill will be in accord with such regulations as may be prescribed by the Secretary of State.

This bill also provides that expenditures shall be made in accordance with the program to be initiated under the

Social and Economic Council of the United Nations, under which the proposed educational and cultural organization of the United Nations will be established under the United Nations Charter, so as to coordinate all educational activities in the international field.

A precedent for this program may be found in our action with regard to the indemnity paid this country as a result of the Boxer Rebellion in China in July 1900. By the protocol of September 7, 1901, an indemnity of \$333,000,000 was imposed upon China payable to those countries who were involved in the Boxer Rebellion in the preceding year. Of this amount the United States had claimed \$25,000,000. This proved more than adequate to indemnify the claims of nationals of the United States and in 1908, approximately \$10,000,000 was returned to the Chinese Government. The Chinese Government placed the money in a trust fund for the education of Chinese youth in China and in the United States. The balance of the amount due, slightly over \$6,000,000, was remitted by the United States in 1924. These remunerations were made by Senate Joint Resolution 23, May 25, 1908, and House Joint Resolution 248, May 1, 1924.

This act of friendship has had a very great influence in the promotion of the good will and friendly relations that have prevailed between the people of America and the Chinese. I do not think that one can deny that the exchange of students has been one of the most successful of our international policies. The foresight of our Government, nearly 50 years ago, has paid great dividends in our relations with the people of Asia. The good will and understanding created by the exchange of students has been our greatest bulwark against unfriendly criticism of our policies in the Far East. Many students of the Chinese and other Asiatic peoples agree that our enlightened attitude toward China was our greatest defense to the propaganda of the Japanese in recent years and is to a great extent accountable for the loyalty of these people during the recent war. I think it is reasonable to assume that if a similar program can be intelligently administered among the several nations in recent years and is to a great contribution will have been made to the future peace of the world.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Arkansas will be received and referred as requested.

The bill (S. 1440) authorizing use of credits established through the sale of surplus properties abroad for the promotion of international good will through the exchange of students in the fields of education, culture, and science introduced by Mr. FULBRIGHT, was read twice by its title and referred to the Committee on Military Affairs.

FULL EMPLOYMENT ACT OF 1945—AMENDMENTS

Mr. TYDINGS submitted three amendments intended to be proposed by him to the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free

competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government, which were severally ordered to lie on the table and to be printed.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944—AMENDMENTS

Mr. McFARLAND. Mr. President, I ask unanimous consent to submit amendments intended to be proposed by me to the bill (H. R. 3749) to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II, which I ask to have printed and referred to the Committee on Finance.

Mr. President, these amendments would strike from the GI bill of rights section 1505, which provides:

In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit.

This section of the GI bill of rights is being used as an argument to veterans returning from the war that the Government is not giving them anything, is not helping them, is merely letting them have their own money to pay the expenses of their education, and that they are being required to pay their own tuition and pay for their own books under the GI bill of rights.

This section was placed in the bill by the House, and certainly it should be repealed. If we pass an adjusted pay bill, which I hope we shall do in the future, we can take this matter up then, but under no circumstances should a veteran ever be compelled to pay for his tuition and books. I certainly do not think he should be compelled to pay back the \$50 or \$75 a month, or whatever sum he may have received for educational benefits.

The PRESIDENT pro tempore. Without objection, the amendments submitted by the Senator from Arizona will be received, printed, and referred to the Committee on Finance, as requested.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT OF 1940—AMENDMENTS

Mr. McFARLAND. Mr. President, at this time I also ask unanimous consent to submit amendments to the bill (S. 650) to amend the National Service Life Insurance Act, 1940, as amended, which I introduced on February 27, 1945. The effect of these amendments would make payable to the beneficiaries of veterans the amount of their insurance in a lump sum, or in cash payments in such amount as the insured may designate, and the remainder in installments.

I ask that the amendments to my own bill be referred to the Committee on Finance for its consideration.

The PRESIDENT pro tempore. Without objection, the amendments submitted by the Senator from Arizona will be received, printed, and referred to the Committee on Finance as requested.

PRESIDENTIAL TENURE—STATEMENT BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a statement made by him before the subcommittee of the Committee on the Judiciary in support of Senate Resolution 1, in relation to Presidential tenure, which appears in the Appendix.]

WARNING IN 1934 BY EDWIN GORDON LAWRENCE OF TROUBLE WITH JAPAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial from the El Paso Times of September 20, 1945, containing a warning by Edwin Gordon Lawrence of trouble with Japan, which appears in the Appendix.]

IMPROVEMENT OF THE SOIL—ADDRESS BY MRS. ROY C. F. WEAGLY

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an address entitled "For Land's Sake and for Life's Sake," dealing with improvement of the soil, delivered by Mrs. Roy C. F. Weagly at the Northeast Farm Bureau Conference in New York on September 18, 1945, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY—EDITORIAL FROM THE CHICAGO DAILY NEWS

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD an editorial entitled "We Need Power Plus the Seaway," from the Chicago Daily News, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY

[Mr. AIKEN asked and obtained leave to have printed in the RECORD two editorials dealing with the St. Lawrence Seaway, one entitled "Biggest Power Source," from the Democrat and Chronicle, of Rochester, N. Y., and the other, entitled "Labrador Ore and the Canal," from the Vindicator of Youngstown, Ohio, which appear in the Appendix.]

A STRONGER CONCILIATION SERVICE—EDITORIAL FROM THE JOURNAL OF COMMERCE

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial entitled "A Stronger Conciliation Service," published in the Journal of Commerce of New York, on September 25, 1945, which appears in the Appendix.]

PRICES OF POULTRY AND EGGS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram received from the Barney Mercantile Co., Raymond Olson, manager, of Barney, N. Dak., and a letter from Ray Thompson, of Walcott, N. Dak., one of the outstanding farmers of our State, dealing with the prices of eggs and poultry.

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

BARNEY, N. DAK., September 26, 1945.
Senator WILLIAM LANGER,
Senate Chamber, Washington, D. C.:

We are with you on your fight for farm prices. Eggs dropped 13 cents, poultry 7 cents per pound. Protect farm prices and we will all get along.

BARNEY MERCANTILE CO.,
RAYMOND OLSON,
Manager.

WALCOTT, N. DAK., September 11, 1945.

HON. WILLIAM LANGER,
Washington, D. C.

DEAR SIR: The price of eggs has dropped 9 cents here the past 4 days. Poultry for market is also dropping. Is this the assurance that farmers had, that an abrupt end of the war would not leave them holding the bag?

I hope you can look into the situation, and expose it to some bright publicity. That might help. I have also notified the Secretary of Agriculture.

Yours truly,

RAY THOMPSON,
Walcott, N. Dak.

P. S.—Aandahl must be asleep, or don't care.

RELIEF FROM ACTIVE DUTY OF OFFICERS, WARRANT OFFICERS, AND FLIGHT OFFICERS

Mr. MAYBANK. Mr. President, in view of the fact that the wish closest to the hearts of the people today is the return of members of families to civilian life, certainly all of us have been and are now doing everything we can in the interest of having members of the armed forces returned home, which they justly deserve and desire.

I therefore ask unanimous consent to have printed in the RECORD an excellent document printed by the War Department which goes into many details for the relief from active duty of officers, warrant officers, and flight officers. Of course this goes beyond the point system for discharge and perhaps is not generally known. I hope this will be read not only by those immediately interested but by the hundreds of thousands of readers of the CONGRESSIONAL RECORD in the United States, so that those far removed from here may know the proper procedure.

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

(Circular No. 290)

WAR DEPARTMENT,
Washington, D. C., September 22, 1945.

(Effective until March 22, 1947, unless sooner rescinded or superseded)

RELIEF OF OFFICERS, WARRANT OFFICERS, AND FLIGHT OFFICERS FROM ACTIVE DUTY

SECTION 1. GENERAL

1. Introduction and applicability: a. The purpose of this circular is to inform all concerned of current War Department policies regarding the relief from active duty of officers, warrant officers, or flight officers, hereinafter collectively referred to as officers, who have served honorably and who do not qualify for release under the Readjustment Regulations.

b. All applications for relief from active duty in accordance with the provisions of this circular will be considered first under the provisions of Readjustment Regulations 1-5, as amended. The separation, if approved, will be effected under the regulation which is the most appropriate in each case.

SECTION II. RELEASE OF SURPLUS OFFICERS

2. General: The provisions of this section are applicable to officers—

a. Who have completed a reasonable tour of service and

b. Who are surplus to the needs of the Army on the basis of their present qualifications and

c. Whose retraining in a skill needed by the Army would be uneconomical within the

time they could reasonably be expected to serve before becoming otherwise eligible for separation.

3. Recommendations for relief from active duty: a. Recommendation for relief of an officer under paragraph 2 will be submitted by the officer's immediate commander under the provisions of this section whenever he becomes surplus to the needs of the command. Prior to recommending an officer for relief under this section, consideration will be given to retraining for a different category of assignment. In the event that retraining is considered uneconomical, the recommendation for relief from active duty will be submitted without further delay.

b. In cases of officers serving in the zone of the interior, recommendations will be forwarded through command channels for final approval to the commanding general of the major command or to The Adjutant General for those officers not under the assignment jurisdiction of a major command. Except in cases of Medical Corps officers and officers who are eligible for overseas duty and have completed less than 2 years' active, honorable military service since September 16, 1940, the authority to finally approve recommendations may be delegated to, but not below those commanders specified in paragraph 9b (4), (5), and (6), AR 605-12, August 17, 1944. The authority to finally approve recommendations for the relief of Medical Corps officers and officers who are eligible for overseas duty and have completed less than 2 years' active honorable military service since September 16, 1940, will not be delegated below the War Department.

c. In cases of officers serving in overseas theaters, recommendations for relief from active duty will be made by the officer's immediate commander and forwarded through command channels to The Adjutant General, Attention: Officers' Branch, Separation Section, Munitions Building, Washington, D. C. Recommendations disapproved by the theater commander will not be forwarded.

d. The recommendations will include the following:

(1) Date the officer reported on extended active duty, his age, his adjusted service rating score as of September 2, 1945, and his desires as to retention in the service.

(2) Statement of duty assignments for which the officer concerned is qualified by training and experience and by civilian occupational background.

(3) Statement that a surplus exists in the command jurisdiction of officers of the particular grade or any higher grade who are qualified to fill these duty assignments.

(4) Statement that the officer is entitled to separation under honorable conditions.

(5) Statement that no disciplinary action or reclassification proceedings under AR 605-230 are pending or appropriate in the case.

(6) Statement that no hospital disposition board or Army retiring board proceedings are pending or believed to be appropriate.

(7) A complete and up-to-date copy of officer's qualification card (not original).

e. Each commander taking action on a recommendation for relief from active duty will either reassign the officer within his jurisdiction or forward the recommendation, including in his indorsement the statement required by d (3) above, pertaining to surplus of officers in his command.

4. Requests for relief from active duty: Individual application for relief from active duty under the provisions of this section is not authorized.

5. Approval: a. The headquarters in the zone of the interior authorized to finally approve recommendations for relief from active duty under this section will, upon approval of the recommendation, issue necessary instructions to accomplish the release of the officer.

b. Commanders of overseas theaters are authorized to return to the continental

United States officers whose recommendations for relief from active duty they have approved. Radio report of such cases will be made to The Adjutant General. The return of officers from overseas under provisions of this section will not serve to displace high-score officers or enlisted men.

6. Release of officers of particular categories: The use of the provisions of this section by the major forces to provide for bloc release of officers of particular categories surplus to the Army-wide needs may be authorized by the Assistant Chief of Staff, G-1, War Department General Staff, on specific request of the major force. Such requests, when submitted, will be accompanied by complete data establishing the bloc as surplus to Army-wide needs.

7. Controls: The commanding generals of the major commands will establish the necessary controls to insure that:

a. Releases of officers in accordance with the provisions of this section are accomplished generally in the order of merit established by their adjusted service rating scores.

b. No releases of officers under this section will operate to defer the relief from active duty of officers or the discharge of enlisted personnel entitled to separation under the readjustment regulations.

8. Miscellaneous provisions: a. Forwarding endorsements of recommendations for relief from active duty may contain any additional details deemed desirable but not specifically required by paragraph 3. In the event that approval is recommended when all the required statements cannot be made, full particulars justifying exceptional action in the case will be furnished.

b. Officers relieved from active duty under the provisions of this section are relieved for the convenience of the Government, and if otherwise eligible, are entitled to mustering-out pay.

SECTION III. RELEASE ESSENTIAL TO NATIONAL HEALTH, SAFETY, OR INTEREST

9. Applications: In particular instances when it can be definitely determined on documentary evidence that an officer can render more valuable service to the Nation in a civilian capacity, he may apply for release from active duty under the provisions of this section. Releases in accordance with the provisions of this section will be held to a minimum, and applications for release will be carefully scrutinized and approved only in cases where it is clearly indicated that release of the individual from active military service is essential from a national point of view. Careful consideration will be given to determining that the application is based on the national interest rather than on the personal desire and interests of the individuals concerned. An application for relief from active duty under the provisions of this section must originate with the officer. An application submitted in his behalf will be referred to him without action. Applications will be accompanied by documentary evidence in the form of affidavits, statements, letters, or telegrams, setting forth the need of the services of the individual applicant. They will include the following information:

a. Date the officer reported on extended active duty, his adjusted-service rating score computed as of September 2, 1945, and age.

b. Name of firm, or agency, or description of individual enterprise.

c. Product manufactured or services rendered.

d. Title and description of position to be filled.

e. Connection with the activity prior to military service.

f. His qualifications for the position.

g. Letter from a responsible official of the firm, corporation, or agency substantiating the facts given above.

10. Forwarding of applications: (a) Applications will be forwarded as prescribed in paragraphs 3b and c.

b. The first forwarding endorsement will include the following statements:

(1) Approved or disapproved.

(2) This officer is (or is not) occupying a "key" position and a replacement will (or will not) be required.

(3) Services of officer have been such as to entitle him to separation under honorable conditions.

(4) No hospital disposition board or Army retiring board proceedings are pending or believed appropriate.

(5) Complete and up-to-date copies of officer's qualifications card (not original) are attached.

(6) No disciplinary action or reclassification proceedings under AR 605-230 are pending or appropriate in the case.

c. Subsequent forwarding endorsements will include statements b, (1), and (2) and such other remarks as may be deemed pertinent.

11. Approval: a. The headquarters of the final approving authority will, upon approval of the application, issue necessary instructions to accomplish the release of the applicant. Disapproved applications will be forwarded to The Adjutant General, Attention: Officers' Branch, Separations Section for final consideration, accompanied by an endorsement stating reasons upon which action was based.

b. Eligibility for mustering-out pay will be determined by the provisions of AR 35-2490.

SECTION IV. RELEASE BECAUSE OF UNDUE HARDSHIP

12. Application: a. Application of an officer may be made for relief from active duty because of undue hardship, either to the individual or his family. An application for relief from active duty under the provisions of this section must originate with the officer. An application submitted in his behalf will be referred to him without action. Applications will be forwarded in the manner prescribed in paragraphs 3b and c above and will include a statement of the date the officer reported on extended active duty, his adjusted-service rating score computed as of September 2, 1945, and age.

b. Such applications must establish the following:

(1) The individual or his family is undergoing hardships greater than the normal hardships which are being experienced by all members or families of members of the military service.

(2) The hardship is not of temporary nature.

(3) There are no means of alleviating the condition other than by relieving the officer.

(4) Upon release, the officer will be able to eliminate or materially alleviate the condition.

c. Documentary evidence in the form of letters, telegrams, or affidavits establishing the necessity for relief from active duty will accompany each application.

d. Application for relief from active duty for undue hardship of officers temporarily in the United States from overseas theaters will be submitted to the commanding officer of the installation to which the individual concerned has been directed to report upon expiration of temporary duty or leave. The commanding officer of such station will process the application in accordance with the procedures prescribed by the major force having command jurisdiction over the installation.

e. The headquarters of the final approving authority will, upon approval of the application, issue necessary instructions to accomplish the relief of the applicant. Disapproved applications will be forwarded to The Adjutant General, Attention: Officers' Branch, Separation Section, for final consideration, accompanied by an indorsement stating reasons upon which action was based.

13. a. During the period of active hostilities the Army's pressing need for manpower

necessitated that extremely rigid standards be observed in reviewing applications for separation for hardship. With the Army now in the process of demobilization it is desired that these rigid standards be relaxed. However, the basic principle of demobilization which contemplates the release, in order of merit, of those most deserving of separation will be considered in reviewing requests under this section.

b. Eligibility for mustering-out pay will be determined by the provisions of AR 35-2490.

SECTION V. RELEASE BECAUSE OF AGE

14. Requests: Male officers who have attained the age of 50 years and female officers who have attained the age of 40 years will be relieved from active duty under the provisions of this section providing:

- They request such relief in writing.
- They are entitled to separation under honorable conditions.
- No disciplinary action or reclassification proceedings under AR 605-230 are pending or appropriate.
- No hospital disposition board or Army retiring board proceedings are pending or believed to be appropriate.

15. Separation: Officers who apply for relief from active duty under provisions of this section will be reported for separation without delay and in no case later than 60 days after application is made.

SECTION VI. MISCELLANEOUS GENERAL PROVISIONS

16. Granting of accrued leave. a. An officer who has been recommended for or has requested relief from active duty may, with his consent, be granted accrued leave pending final action in the case.

b. An officer granted such leave will be specifically notified that he is subject to reassignment.

c. Prior to final separation from active service, an officer will be granted, when practicable, terminal leave under the provisions of AR 605-115.

17. Retention of commissions after relief from active duty: A commissioned officer relieved from active duty under the provisions of this circular will be furnished a certificate of service and may retain his commissioned status, as follows:

a. An officer holding an appointment in the National Guard of the United States or in the Officers' Reserve Corps will return to inactive status in the grade held upon relief from active duty. If he holds an appointment to higher temporary grade in the Army of the United States, he will retain this grade until 6 months after the termination of the war.

b. An officer holding an appointment in the Army of the United States only will retain his appointment on inactive status until 6 months after the termination of the war.

c. Any appointment to a temporary grade in the Army of the United States (Air Corps) made under the provisions of Public Law 453—Seventy-seventh Congress, will be terminated.

d. Any officer relieved from active duty under the provisions of this circular may submit his resignation, if he so desires, at the time of relief or at any time while on inactive duty.

18. Special provisions for National Guard officers: In the case of a National Guard officer relieved from active duty under the provisions of this circular, The Adjutant General will notify the Chief, National Guard Bureau, and the adjutant general of the State of origin, in order that appropriate action may be taken with respect to the status of the officer in the State organization.

19. Special provisions for battle wounded: Special consideration will be given to the desires of combat wounded officers who, as a result of their wounds, are permanently below the physical standards for general service. Such personnel who so desire will be relieved from active duty whenever prac-

ticable. However, if any individual specifically requests to be retained on active duty, special consideration will be given his retention provided his physical condition, experience, and the needs of the service will permit useful employment. Combat disabled officers will not be encouraged to remain on active duty.

20. Rescission. a. The following publications are rescinded:

(1) War Department Circular 485, 1944, subject: Relief of Officers, Warrant Officers, and Flight Officers from Active Duty.

(2) Section VII, War Department Circular 137, 1945.

(3) Section V, War Department Circular 150, 1945.

(4) Letter, AGPO-S-A-220.8 (August 18, 1945) dated August 29, 1945, subject: Release of Physically Qualified Military Personnel by Means Other Than Readjustment Regulations.

b. Cases initiated under the provisions of rescinded publications prior to receipt of this circular will be processed for final action under the provisions of this circular.

(AG 210.8 (September 14, 1945)).

By order of the Secretary of War:

Official:

G. C. MARSHALL,
Chief of Staff.

EDWARD F. WITZELL,
Major General,
Acting The Adjutant General.

FULL EMPLOYMENT ACT OF 1945

The Senate resumed the consideration of the bill (S. 330) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Maryland [Mr. RADCLIFFE] for himself and the Senator from Ohio [Mr. TAFT] striking out all after line 19, on page 14, down to and including the word "Such", in line 25, and inserting in lieu thereof certain language which has heretofore been stated.

The Senator from Maryland is recognized.

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

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

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

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

Mr. HILL. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from West Virginia [Mr. KILGORE] is detained because of illness in his family.

The Senator from Kentucky [Mr. CHANDLER] is absent on public business.

The Senator from Florida [Mr. PEPPER] is absent on official business.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], the Senator from South Dakota [Mr. BUSHFIELD], and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present, and the junior Senator from Maryland [Mr. RADCLIFFE] is recognized.

Mr. RADCLIFFE. Mr. President, it is not my intention today to detain the Senate by any extended remarks. Yesterday a discussion occurred which lasted several hours, on the amendment which the Senator from Ohio [Mr. TAFT] and I had jointly offered. The discussion also covered certain phases of the bill. I think the discussion of yesterday was very helpful in bringing out clearly the definite issue which is presented by the amendment. It is this: Does the Senate of the United States want to adopt the theory that it will give an unqualified guarantee to labor or any other form of industry, or does it want to consider that other obligations of the Federal Government, no matter what they may be, must also be considered?

When we attempt to establish a policy or doctrine, as the pending bill proposes to do, we ought to be sure that it is a sound and not a one-sided doctrine. If it is our intent and purpose to make the flatfooted statement that labor or capital or some other form of human endeavor shall be preferred at all times over all other forms of activity which the Government is under obligation to protect, then let us say so.

That point is clearly in issue before the Senate, because objection has been raised again and again to a clause which appears in the amendment offered by the Senator from Ohio and me. The amendment was drafted by me in the subcommittee while the bill was under consideration there, and it was discussed freely in the subcommittee and in the full committee, as it has been on the floor of the Senate yesterday. The language in the amendment to which I refer especially is this: In referring to the obligation of the Federal Government to proceed with a program of public works it states that it shall be "consistent with its needs, obligations, and other essential considerations of national policy."

That means what it states. It means that any obligation which the Federal Government assumes under this bill must be considered consistent with any other obligations it has. Such obligations may include matters of national defense, matters of government, or matters affecting other activities of the Federal Government in behalf of its citizens.

When I suggested that if the language contained in the amendment was not satisfactory, then the conclusion was inevitable that those who objected approved the converse, I think the position I took was a sound one. If those who oppose it do not think it is consistent with the aims and purposes of the bill, then they must consider it inconsistent. The suggestion was made, however, that we should not have to say anything about it; that we should ignore the whole point. I do not think that is treating the great principle involved with frankness and candor. If we are going to make the unqualified statement that a particular activity in this country, either on the part of its citizens or on the part of the Government, is paramount, and at the same time we have a mental reservation that someday we are going to change that situation, we are not proceeding soundly. I do not feel that the Congress in establishing or attempting to establish a general principle should do so with any mental reservations that it does not mean exactly what it says. I have not heard any Senator on the floor of the Senate or in the committee state unqualifiedly that the obligation to labor in this country must come ahead of everything else. Yet when I try to insert in the bill language which embodies that idea, opposition is raised.

This is a time when we should be entirely frank and candid with ourselves and with the country. If it is our intent and purpose to take the position that the demands of labor, whatever they may be, must always be paramount, and, in stating a principle, we are unwilling that to provide that what may be done under the bill should be consistent with other obligations which may not be foreseen at this time, then we ought to say so. We ought not to be evasive, and we ought not to ignore the point.

With respect to labor, everyone knows that labor plays an indispensable role in this country. It is entitled to a full opportunity, and the language of the bill attempts to set that forth, and no objection is raised to it. I am heartily in favor of such a policy and have so voted and will continue to do so. Again and again I have supported measures which were favored by labor, and I know I shall do so again. But this is the first time since I have been a member of this body that I have been asked to take the position that the rights of any segment of industry are paramount and come ahead of every other obligation, even ahead of the safety of our country, and of most important matters relating to our Treasury and our budget—a phase of the matter which will be discussed a little later.

This is new doctrine, and I do not subscribe to it, and I do not propose to take the position that any one obligation of the Federal Government must under all circumstances be paramount. Each obligation must be considered in connection with all others which may exist at the time, and then we should reach a conclusion as to the course to be followed. That is the only sound way to operate. That is the way every businessman, every farmer, and every professional man operates. He considers the facts at the particular time, and then makes his de-

cision as to their relative value and as to what he shall do. That is the way we have always operated. Yet we are now called upon to take the position that one industry, one activity should be singled out, and the unqualified statement should be made that it must always be paramount. Either we mean it or we do not mean it. If we mean it, let us say so; but let us say it with our eyes wide open, in full realization of the significance of the position we are taking. If we do not mean it, and if we have in mind that when circumstances arise affecting national defense, agriculture, or other activities toward which the Government has an obligation, we will then, if necessary, give such activities at times, precedence over or equality with the demands of labor, why is there objection to the provision of the amendment which reads "consistent with its needs, obligations, and other essential considerations of national policy"?

We either mean that whatever we do shall be consistent, or we do not mean it.

Mr. President, I shall not at this time attempt to develop this idea further. It was discussed at considerable length yesterday, and doubtless during the debate much will be said on the subject. Quite likely I shall attempt to make further comments, but I think the issue is clear before the Senate. I understand that the Senator from Ohio [Mr. TAFT] desires to discuss this question. He and I have an amendment which is very closely correlated with this amendment, an amendment which is not in any sense antagonistic, but which may in many ways be considered to rest on the language of this amendment.

The words "consistent with its needs, obligations, and other essential considerations of national policy" refer among other things to efforts to try to balance the Budget or to adopt procedures looking in that direction. I shall not discuss that point at this time. I simply wish to say that the amendment which will be offered by the Senator from Ohio and myself, and which I understand he desires to discuss today in connection with other matters, is closely tied in and interrelated with this amendment. It carries out the same idea. It emphasizes in a concrete way what this amendment states in a general way, that there may be other obligations, now or later, which are entitled to consideration. When we establish our policy we should bear that fact in mind, and not attempt to proclaim something which states very conclusively on its face that there is one paramount obligation, and that therefore under all circumstances it must control.

Mr. O'MAHONEY. Mr. President, I regret very much that circumstances have prevented me from being present in the Chamber during all of the previous discussion on the bill, particularly inasmuch as the remarks which have just been made by the Senator from Maryland indicate again the complete misconception upon which the opposition to the bill is based.

The Senator from Maryland is evidently under the impression that the purpose of the bill is to place industrial

labor ahead of all other considerations. It seems to me that it is clearly written into the bill that this is not so. In the bill as it has been reported by the Committee on Banking and Currency there is a clear statement of the very point which the Senator from Maryland seeks to cover by his amendment. I refer to the provision on page 13, in subsection (d) of section 2. It reads as follows:

To that end—

That is, the end of establishing free enterprise and full employment—

the Federal Government shall, in cooperation with industry, agriculture, labor, State and local government, and others, develop and pursue a consistent and carefully planned economic program with respect to, but not limited to, taxation; banking, credit, and currency; monopoly and monopolistic practices; wages, hours, and working conditions; foreign trade and investment; agriculture; education; housing; social security; natural resources; the provision of public services, works, and research; and other revenue, investment, expenditure, service, or regulatory activities of the Federal Government.

It seems to me to be obvious that this language makes it altogether clear that the Senator, in making his argument and offering his amendment, is doing so under the misapprehension that the purpose of the bill is to provide only for industrial labor.

Mr. RADCLIFFE and Mr. HATCH addressed the Chair.

Mr. O'MAHONEY. I yield first to the Senator from Maryland.

Mr. RADCLIFFE. Let me remind the Senator from Wyoming that the language to which he refers must be considered in connection with section 4, on page 14. It is true that the bill states that we must establish policies of that sort, but there is no unqualified guarantee of anything except in section 4. There is no statement in the section to which the Senator from Wyoming referred that the position of that obligation must be established and maintained at all cost. If he will turn to section 4, he will find this language:

To the extent that continuing full employment cannot otherwise be assured, provide such volume of Federal investment and expenditure as may be needed, in addition to the investment and expenditure by private enterprises, consumers, and State and local governments, to assure continuing full employment.

That is an unqualified pledge of the United States Government that it will provide full employment. There is no pledge in the other language as to any other form of industry. One statement in the bill is a pledge, and the other is a statement of policy of fostering which we advocate.

Mr. O'MAHONEY. The Senator referred to section 4. I turned to section 4. From reading it, I saw that the Senator was not referring to section 4, but to subparagraph (4) of section 2.

Mr. RADCLIFFE. On page 14.

Mr. O'MAHONEY. My eye was directed to section 4 because of the Senator's inadvertency. Let me read what section 4 (b) says. This is on page 17:

(b) The President shall consult with industry, agriculture, labor, consumers, State

and local governments, and others, with regard to the preparation of the National Budget, and for this purpose shall establish such advisory boards, committees, or commissions as he may deem desirable.

That is a clear and explicit declaration, in words that cannot be misunderstood, that the purpose of the bill is to deal with the entire economy, and not with a single phase of it, as the Senator mistakenly asserts.

Let me turn now to subparagraph (4) of section 2, on page 14, the one to which the Senator refers. It reads as follows:

(4) to the extent that continuing full employment cannot otherwise be assured, provide such volume of Federal investment and expenditure as may be needed, in addition to the investment and expenditure by private enterprises, consumers, and State and local governments, to assure continuing full employment. Such Federal investment and expenditure, whether direct or indirect, or whether for public works, for public services, for assistance to business, agriculture, home owners, veterans, or consumers, or for other purposes, shall be designed to contribute to the national wealth and well-being and to stimulate increased employment opportunities by private enterprises. Any such Federal investment and expenditure calling for the construction of public works by the Federal Government shall provide for the performance of the necessary construction work by private enterprises under contract, except where the performance of such work by some other method is necessary by reason of special circumstances or is authorized by other provisions of law; and all such work shall be performed in accordance with all applicable laws, including laws relating to labor standards.

Mr. President, the burden of my argument is that the language to which the Senator has alluded and which I have just read does not lend itself at all to the interpretation which he has placed upon it. I am aware, of course, of the fear that activates many, if not most, of the opponents of this measure. I wish to discuss that, Mr. President. But before doing so, since there are several Senators on their feet, who apparently desire to interrogate me, I shall be very glad to yield; and first I yield to the Senator from Utah, who was first on his feet.

Mr. MURDOCK. Mr. President, I simply wished to call the attention of the Senator to the fact that during the committee hearings this question was argued, reargued, and reargued. The very distinguished senior Senator from Ohio [Mr. TAFT], who is a member of the subcommittee, called attention to the fact that although in section 2 there was language which read as follows:

(d) To that end the Federal Government shall, in cooperation with industry, agriculture, labor, State and local governments, and others, develop and pursue a consistent economic program.

There should be written into the bill additional language, and the distinguished Senator offered the language "and carefully planned" to be inserted after the word "consistent." The subcommittee, the supporters of the theory of the bill, and the supporters of the bill, very willingly agreed to include the language "carefully planned." But, Mr. President, after my experience with the subcommittee it seems to me that the opposition to the bill in the subcommittee

will not stop at any language until the entire philosophy and theory of the bill are sabotaged. They say, "Yes; we earnestly believe in full employment, but—" And, Mr. President, regardless of how many times we include the phrase "carefully planned economic program," it is my opinion that they will not be satisfied. If the philosophy of the bill is not to have the Federal Government give the people of the United States to understand that, if and when everything else fails, the Federal Government will, to the extent necessary, see that there shall not be any appreciable or material permanent unemployment in this country, then I simply do not understand it. After the experience we went through in the thirties, if we have not learned that it is the responsibility of the Federal Government not only to say to the people, "We will not tolerate any great unemployment permanently in this country," but to say, "If and when everything else fails, the Federal Government has the duty to step into the picture with all the resources at its command and see that unemployment in great numbers does not exist," then I think we blind ourselves to the necessities of the situation.

Mr. TAFT, Mr. RADCLIFFE, and other Senators addressed the Chair.

Mr. O'MAHONEY. Mr. President, I am very grateful to the Senator from Utah for the statement he just made. Before yielding to the other Senators who are claiming my attention, I merely wish to make a remark which is evoked by the statement made by the Senator from Utah.

The truth of the matter is—as is clearly demonstrated by the report of the minority—that the real issue here is whether we shall proceed into the future upon a program which shall make direct relief or work-relief by the Federal Government necessary or whether we shall undertake to proceed on a program which will eliminate that. The Senators who are opposing the bill denounce "Federal investment and expenditure," but what do they say in their report? Let me read it. I read now from page 5:

It is said that the refusal to make up the theoretical deficit by public spending means the starvation of the unemployed. Of course, this is not true. Our policy requires that everyone in this country receive a proper standard of food, clothing, housing, and medical care, and we are making substantial provision to carry out that policy. If unemployment exists, many persons live with their families or expend their savings without any application to the Government for aid. Many persons draw unemployment compensation such as that we have just provided for the unemployed and for the veterans. Others are provided with work relief or direct relief.

Mr. President, it is perfectly clear that the issue here is whether we shall follow the policy thus proclaimed by the sponsors of the amendment, the authors of the minority report, namely, a policy of work relief or direct relief, or whether we shall pursue a policy intended so to organize our whole economic machine, including agriculture, consumers, self-employers, and every other category of our population, that there shall be full employment by private enterprise.

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

Mr. O'MAHONEY. Mr. President, I yield first to the Senator from New Mexico, who has been on his feet seeking recognition for some time.

Mr. HATCH. Mr. President, I do not think I can be classified as one who opposes at least the objectives of this bill.

Mr. O'MAHONEY. I am sure the Senator cannot be so classified.

Mr. HATCH. Certainly I am not a member of the committee and I have not indulged in any of the controversies which evidently have been rather warm within the committee itself. I know nothing about the suggestions which were made there in opposition; but I know that I was concerned about this particular paragraph (4) when I first read it.

Mr. O'MAHONEY. Naturally, the Senator would be.

Mr. HATCH. And I was concerned about what it meant. I was interested in the explanation made yesterday by the Senator from Maryland.

In the light of what the Senator from Wyoming has said as to the meaning of paragraph (4) and the entire bill, wherein would that meaning be changed or destroyed in any way by this particular amendment? If there is a real, genuine difference between the amendment and the provisions of the bill as the Senator has stated them, I should like to have the Senator explain the difference.

Mr. RADCLIFFE and Mr. TAFT addressed the Chair.

Mr. O'MAHONEY. I yield first to the Senator from Maryland.

Mr. TAFT. Mr. President, let me say—

Mr. O'MAHONEY. Mr. President, I have yielded to the Senator from Maryland.

Mr. TAFT. Will the Senator yield to me for just a moment, to make a brief comment?

Mr. O'MAHONEY. I shall yield to the Senator in a moment.

Mr. TAFT. I do not wish to make a speech.

Mr. O'MAHONEY. That is all right; I am always glad to yield to the Senator, to hear either his speeches or his comments.

Mr. RADCLIFFE. Mr. President, the Senator said I had taken the position that other activities were either ignored or bypassed. That is not the case. The language in the bill clearly states that we shall foster and stimulate activities other than labor, but the absolute pledge is only in regard to one, and that is labor.

Mr. O'MAHONEY. Mr. President, the Senator is absolutely wrong. Employment does not mean employment by industrial labor only. It means employment by the Senator from Maryland in his own office; it means the employment of the head of a great insurance company; it means the employment of a lawyer or of a doctor or of a physician or of a dentist. It means the employment of an engineer. It does not mean labor alone; it means the self-employed; it means the businessman.

Mr. RADCLIFFE. Of course, that is true. But let me ask the Senator a question. If his interpretation of the language of paragraph (4) is correct and if it is not an unqualified pledge, then the language of the amendment I have proposed, which calls for action by the Federal Government "consistent with its needs, obligations, and other essential considerations of national policy" is nothing more than a clarifying amendment. If paragraph (4) is not an unequivocal pledge, then the language I have offered in the amendment clarifies it. What is the Senator's objection to the language of the amendment?

Mr. O'MAHONEY. Mr. President, the objection is in the implication which would inevitably follow the adoption of the amendment based upon the language of the minority report, which is a clear declaration for work relief or direct relief. I am against another WPA, and I am against the so-called security wages paid by WPA, as I have always been. I am in favor of free enterprise and the democratic system and the system of private property. But if the Senator will bear with me for just a moment, by the time I get through I think my position will be clear.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me first, to answer one question?

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

Mr. O'MAHONEY. Certainly; I yield.

Mr. RADCLIFFE. On the theory which the Senator has just advanced, namely, that this pledge is not unequivocal, what is his objection to the language beginning with the words "consistent with its need"?

Mr. O'MAHONEY. I object to it because it is already in the bill. Apparently this matter was debated over and over again within the Committee on Banking and Currency, and every concession that was made by the sponsors of the bill was met by another amendment on the part of those who opposed it.

Mr. RADCLIFFE. Will the Senator tell me where there occurs anywhere in the bill the language beginning with the words "consistent with its needs"?

Mr. O'MAHONEY. Certainly.

Mr. RADCLIFFE. If the Senator endorses the idea, why does he object to it?

Mr. O'MAHONEY. Because it is already in the bill.

Mr. RADCLIFFE. Then, the Senator thinks it is surplusage and not harmful.

Mr. O'MAHONEY. Mr. President, we could spend the whole day arguing back and forth with reference to the meaning of a few words.

Before I allow any further interruptions by the Senator from Maryland I shall yield for a few moments to the Senator from Ohio [Mr. TAFT], whom I see standing.

Mr. TAFT. The Senator read the first part of paragraph (d) on which he has relied, as shown on page 14. The language is as follows:

To that end the Federal Government shall, in cooperation with industry, agriculture, labor, State and local governments, and others, develop and pursue a consistent and

carefully planned economic program with respect to, but not limited to, taxation, banking, credit, and currency; monopoly and monopolistic practices; wages, hours, and working conditions; foreign trade and investment; agriculture; education; housing; social security; national resources; the provision of public services, works, and research—

The language includes public works as well as everything else—

And other revenue, investment, expenditure, service, or regulatory activities of the Federal Government.

Why can we not stop right there? If the Senator would eliminate the remainder of the section I would vote for the bill and support it, and we could dispose of it within 5 minutes. In other words, I fully agree with the Senator that the part of the section which I have just read is sound. I agree that we should have an economic program, but I want to know why the remainder of the section, which attempts to prescribe definite requirements, should not be eliminated?

Mr. O'MAHONEY. Mr. President, I am glad the Senator has asked the question because, of course, it goes to the very heart of this debate.

The reason I would be opposed to eliminating the remainder of the section is that it undertakes to implement the declaration of policy. It calls, first, for a program—I now read from page 14, beginning with line 8:

(1) Stimulate, encourage, and assist private enterprises to provide, through an expanding production and distribution of goods and services, the largest feasible volume of employment opportunities.

Why should I agree to strike that language out? I would not agree to strike it out because I want it to be clearly written into the bill at the very head of the list—just as it is written in the bill in its present form—that the purpose of the bill is to stimulate free private enterprise. That is what we are shooting at.

Mr. TAFT. It is already in section 2 (a). It is in the first paragraph of the bill.

Mr. O'MAHONEY. To further answer the Senator from Ohio, I turn to the next paragraph on page 14, beginning with line 12, and read:

(2) Stimulate, encourage, and assist State and local governments, through the exercise of their respective functions, to make their most effective contribution to assuring continuing full employment.

Mr. TAFT. Why is not that in what I have just read?

Mr. O'MAHONEY. Now we come, of course, to the very heart of the discussion. What the Senator from Ohio and the Senator from Maryland fear is unlimited Federal spending. They say this bill constitutes a pledge for unlimited Federal spending. That is not the case. What subsection (4) does is merely to declare that after the new economic Budget Bureau, which is to be established under the bill, has surveyed the whole situation and has made its recommendations to the Congress with respect to what can be done to stimulate free private enterprise, and after it has made its recommendations as to what can be

done and what will be done by State and local governments in meeting the great issue of our time, if it should then appear that the activity of private enterprise, the investment and the expenditure of private enterprise, and the activities and actions of State and local governments are not sufficient, the Federal Government shall step in. What is wrong about that?

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

Mr. O'MAHONEY. Of course, if we were dependent solely upon Federal spending, if we were dependent upon deficit spending in order to provide employment, the outlook would be dreary and dark indeed. I do not hesitate to say that if we are driven again to that point it will be difficult to imagine that our system of private enterprise can endure. I am against creating a situation which will threaten our system of private enterprise, our system of democratic economy, or our political democracy. I believe with everything that is in me in maintaining a system of individual enterprise and individual economic freedom. Senators who are opposing this proposal, as well as some newspapers and some persons from the financial centers in New York city and elsewhere who condemn it, do so with the fear that if we undertake to place responsibility upon a governmental agency to undertake some planning in order to save free enterprise, it will be impossible to escape totalitarianism. I deny that.

Mr. TAFT. The Senator, unfortunately, was not present yesterday. I wonder if he will agree with the statement of one of the authors of the bill, that the language in paragraph (4) on page 14, reading:

To the extent that continuing full employment cannot otherwise be assured, provide such volume of Federal investment and expenditure as may be needed, in addition to the investment and expenditure by private enterprises, consumers, and State and local governments, to assure continuing full employment.

Is the very heart of the bill. That is what one of the authors of the bill said yesterday. I wonder if the Senator agrees that what I have read is the heart of the bill?

Mr. O'MAHONEY. Yes, I do.

Mr. TAFT. It is the heart of the bill?

Mr. O'MAHONEY. Yes, because if we permit unemployment to raise its ugly head in America again, our system will be in danger—a fact which I shall prove before the debate is concluded.

Mr. TAFT. If the Senator says that the language to which I have referred is the heart of the bill, then he cannot say that this is a deficit-spending program?

Mr. O'MAHONEY. Oh, that does not follow at all. The Senator from Ohio has in mind the difficulties of our problem and not the philosophy of the bill. I can understand, Mr. President, why there is opposition to this measure growing out of the fear of totalitarianism. We look abroad and we see totalitarianism on the march. We know that here in America alone the rank and file of the people still hold to the theory of eco-

conomic freedom and individual free enterprise.

But I wish to invite the attention of Senators to the chart on the back of the wall on which there is outlined the record of prosperity periods and depression periods in the United States from 1860 down to the present hour. The chart was not prepared by the authors of the bill; it was not prepared by any "leftists." It did not come from any organization that is interested in Federal spending. It came from the Cleveland Press Co., of Cleveland, Ohio. The chart is taken from another chart which was prepared, in the first instance, by the National Association of Purchasing Agents, based upon sound statistical data.

Senators will see that from 1860 down to this hour the history of our Government has been a history of great booms and great depressions; but the unfortunate fact is that the depression which began in 1929 was the deepest and the most prolonged of all. We were rescued from that depression only by the deficit spending of the war. Shall it be said that a free democratic country does not dare to attack this problem? Shall it be said, in the implication of the report of the minority, that we must be content to go forward in the future as we have gone in the past, depending upon work relief, relief of some kind or another from public agencies?

Mr. President, is it not worth something to attempt to make the free economy work and to set up an agency of government whose responsibility it will be to seek to do that thing? There is great danger, as shown by our experience. There is a reason for the fact that the depression which began in 1929 was so deep and so prolonged. The reason is that there has been a tremendous change in our economy and in the instruments and methods by which our economy is administered.

A few days ago I was reading in the newspapers about the flight from the northern islands of Japan of General LeMay and the others. They flew over seas and over land from Japan to Chicago in 26 hours. Do you suppose, Mr. President, that that is a fact that is without significance? It is a most significant fact, because it illustrates the great change which has come over our economy.

Back in 1860, before we had begun to build transcontinental railroads, ours was principally an individual economy. In all the States people were doing almost exactly the same things. The communities and the States were practically self-sufficient. They were engaged in producing their own food, in manufacturing their own clothing, in manufacturing their own shoes, in manufacturing, for the most part, all the things they needed. But science and invention, which improved the means of communication and transportation, have changed our economy to such a marked degree that the individual no longer is in control of his own economic destiny, because the tools with which we work—like the great airplanes which brought the fliers from Japan—are beyond the command of the individual.

The result of this has been such that there was published recently by the Committee on Economic Development a booklet on little business and the necessity of encouraging little business. Remember, the Committee on Economic Development is not a committee of leftists, it is not a committee of long-haired theorists, it is not a committee of deficit spenders. It is a committee of businessmen, business leaders of America.

In their pamphlet about little business they point out that there has been such a tremendous concentration of economic power in the United States that more than 50 percent of all the industrial workers in America are employed by less than 2 percent of the employers. That is what has happened to us. The individual is not the commander of his economic destiny, and if we are to say that government must take its hands off, that government cannot step in, then, Mr. President, there is no possibility of escaping another depression when this war ends, as I shall presently demonstrate.

Mr. WHERRY and Mr. JOHNSON of Colorado addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Nebraska.

Mr. WHERRY. In connection with the thought about concentration of business in the hands of a few, would the provisions of the pending bill correct that situation?

Mr. O'MAHONEY. Oh, no; this bill is not a panacea.

Mr. WHERRY. I was called from the Senate Chamber, and I did not know what the Senator's position was.

Mr. O'MAHONEY. Not at all.

Mr. WHERRY. It is a question of enforcement to see that these huge concentrations do not happen, and that is the responsibility of the enforcement branch of the Government, is it not?

Mr. O'MAHONEY. Oh, Mr. President, to accomplish this program of preserving free enterprise, the capitalistic system, and economic independence for the masses of the people, for the farmers of the West, for the ranchers of the West, as well as for the workers in the settlements, there must be a well-rounded policy, which will be developed, I hope, by the committee to be established under the bill.

Let me say to the Senator, I concede that the provisions of the bill which call for the establishment of a special joint committee, made up both of Democrats and Republicans, the leading members of the leading committees of the Senate and of the House, to review any recommendation which may be made by the Executive, is one of the most important legislative proposals that has ever come before the Congress.

Mr. WHERRY. Will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I appreciate the remarks of the Senator from Wyoming, and I know what an intense interest he has had in small business, and of the activity which he has helped to create within the Small Business Committee,

and also in the Smaller War Plants Corporation, in order to foster new business and to place private business on its feet. But I am also interested, as I am sure the Senator is as well, in the huge concentrations. I believe the Senator's statement was that less than 2 percent of employers of the country employ 50 percent of the workers.

Mr. O'MAHONEY. That is the statement of the Committee on Economic Development.

Mr. WHERRY. That is something which is under the jurisdiction of the judicial branch of the Government, the enforcement branch, is it not?

Mr. O'MAHONEY. No; I think it is much more than that. It goes to the creation of an atmosphere in which the investment of private capital may be encouraged. I believe it is based primarily upon a system of incentive taxation, taxation that will stimulate the owner of private capital to put his money into new enterprises. That is lacking now because of many factors of our taxation system which I do not desire to go into now. But the second method of preserving and stimulating free enterprise would be to develop such a policy toward monopoly or concentrated power as to stake out a region in which little business would be free from suppression by the powers of concentrated economy.

Mr. JOHNSON of Colorado. Mr. President—

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Wyoming yield to the Senator from Colorado?

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. The Senator's answer to the Senator from Nebraska [Mr. WHERRY] has cleared up one of the questions I wanted to ask the Senator. I have generally regarded this bill as perhaps ineffective. First, let me say that unemployment is an evil. I think all of us are agreed that unemployment is a great evil, and that we have to find a solution for it. My greatest disappointment in the bill is that I cannot find in it a solution for that evil. Perhaps I am too pessimistic about it. I should like to have the Senator describe its application. Suppose Congress had enacted into law such a bill as is now pending, and it had been on the books at the time Cleveland made the statement that the people should support the Government, and not the Government support the people. Suppose we had such a law on the books at that time, how would it have changed conditions?

Mr. O'MAHONEY. It would have helped President Cleveland to create the conditions under which the people could support the Government.

Mr. JOHNSON of Colorado. The Senator thinks it would have been a welcome and progressive move?

Mr. O'MAHONEY. I will say to the Senator that properly understood this bill will do precisely that. As I said at the outset, the objection to the bill arises from misapprehension and misunderstanding. I picked up a newspaper the other day and read in it a letter which was written supposedly by a veteran. He was declaiming against the bill on the ground that it was going

to put government into industry. Of course it does nothing of the kind, but there is that misapprehension that the purpose of the bill is to put the Government of the United States into competition with private business. The reverse is the truth.

What I want to say to the Senator—and I think this is the explicit answer to the question he has in his mind—is that our economy has become so complex and so complicated that if we are to preserve freedom, local freedom, freedom for the people of Colorado and Wyoming in their industries, as well as freedom for the individuals, we have got to undertake to have the Government do a little planning in order to preserve that freedom. Do not imagine that we are going to get away from planning. Planning is being done every day and every week of the year by concentrated private enterprises, so called. They call themselves private enterprises, but they are not private in any sense. They are great public institutions with hundreds of thousands of stockholders and hundreds of thousands of employees. That is not private enterprise in the sense in which I mean it. It is private enterprise, of course, as distinct from government enterprise.

But here is a bill the direct purpose of which is, and the provision is written into the bill, that, so far as any Government contracts for Government public workers or other investments are made, they shall be carried out by contract with private enterprise and not by Government enterprise.

Mr. JOHNSON of Colorado. There are two other applications I should like to have the Senator discuss. The second application is this: Suppose the bill had been on the books during the depression which began in 1929, would it have saved the very bad situation which followed?

Mr. O'MAHONEY. I think it would have done so. If the Senator will look at the chart which hangs on the back wall of the Chamber he will see what happened at that time because we did not have such a law on the books. The depression beginning in 1929 ran deeper than any other previous depression. It ran through 1936. Nineteen hundred and thirty-seven shows a little above the line, that is to say our economy got out of the red, so to speak. But that was the year that the President of the United States sent a budget to Congress cutting down expenditures, and when that budget came here, and the first appropriation bill in obedience to the budget was below what had been spent in years before, then from every desk in this Chamber there came the cry to resume the spending.

Mr. President, I am not an advocate of spending, but what I am saying to the Senate is that unless we have a plan we cannot avoid it. This bill is an attempt to create the possibility of a plan to prevent the need and necessity of deficit spending.

Mr. JOHNSON of Colorado. I have one more application in mind, because I am trying to understand the bill by its application to the problem we are facing. The third application I should like to have the Senator discuss, if he will, is

the situation we faced after 1933 when a new administration came into power. Is there anything in the bill which is contrary or in opposition to the remedies which were put into effect under the New Deal? Is there anything in the bill which is in the nature of a cure other than deficit spending?

Mr. O'MAHONEY. Oh, yes; of course. Mr. JOHNSON of Colorado. Is it dependent entirely on deficit spending?

Mr. O'MAHONEY. Oh, certainly not. Mr. JOHNSON of Colorado. As I interpret it, the remedy which the New Deal brought forth was based entirely upon deficit spending, and I wonder how this bill would have changed the situation which existed from March 4, 1933, on.

Mr. O'MAHONEY. It would have changed the situation in this respect: The Senator will remember that in 1933 one of the very first acts of the administration was to have passed what was known as the national industrial recovery bill. Strangely enough that bill, or the idea upon which it was based, came from the United States Chamber of Commerce, at a convention of the United States Chamber of Commerce in San Francisco, held years before the adoption of the NRA, with its program of turning over to industry the power to regulate itself, as it was politely described. That idea came from organized industry. One of its factors was accompanied by an extension of public works, and an appropriation was made under which public works were to be authorized. Those public works were being administered by the Public Works Administration under Secretary Ickes in accordance with the free enterprise system, under contract with contractors, but because the job was so great and unemployment was not being reduced, then the administration, by Executive order, an order with which I never agreed, took \$500,000,000 away from the Public Works Administration and created the other Administration which turned out to be in its last analysis the WPA. That was a mistake, I will say to the Senator from Colorado.

If this bill had been in existence, if it had been passed in the Hoover administration, and the capacity of our Government leaders and our business leaders had been concentrated upon an effort to stimulate little business all over the country, we never would have had to resort to the WPA, with its security wage and its Government-made work.

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

Mr. O'MAHONEY. I say to the Senate that the report of the minority of the committee is clearly a declaration for the resumption of that philosophy. In the conditions which exist in the world today it is perfectly absurd.

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

Mr. O'MAHONEY. I yield.

Mr. AIKEN. First, I wish to compliment the able Senator from Wyoming for his presentation of the situation which now confronts the United States. We may well consider this bill, instead of being a bill to put the Government

generally into business, as some of its opponents seem to fear, as a declaration that we will do everything in our power to create and maintain such conditions as will keep the Government from going into business. We ought to be able to conceive, and I think all of us do conceive, that if the time comes when there are 10,000,000 or 15,000,000 unemployed persons in this country, which will mean from 30,000,000 to 50,000,000 people in need, pressure will be exerted upon the Congress to have the Government operate plants. I do not wish to see the Government enter into the operation of plants. I hope that time will not come. That is the reason why I am one of the sponsors of this bill. I feel that we can create and maintain such conditions as will enable us successfully to resist any demand or urge for the Government to go into business in competition with private business. But there are certain activities which the Government can carry on which encourage private business rather than compete with it.

I think the Senator from Wyoming is presenting the situation very clearly and is doing a great service.

Mr. O'MAHONEY. The Senator is very kind.

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

Mr. O'MAHONEY. I yield.

Mr. BAILEY. I wish to join in the compliment. The Senator is very clear, very forceful, and really eloquent. But I wish to add a footnote by way of contradiction.

Mr. O'MAHONEY. I am very glad that the Senator added the word "note" after "foot." I do not wish to get the foot from him. [Laughter.]

Mr. BAILEY. One of the greatest Presidents this country ever had or ever will have was Grover Cleveland, a great man and a brave man. The Senator did not say that we owed to Grover Cleveland our recovery from the very severe panic of the 1890's. I do not charge the Senator with ignorance or willfulness on that point, because he was not there. I was there. I was 21 years of age when Grover Cleveland was elected the second time, and I voted for him. This country got out of that depression just in time for William McKinley, another great and good man, to obtain the benefit of the foundations which Cleveland had laid.

What were the foundations? That is why I rose. It makes no difference what we say about people of the past and what they did, or whether we give them credit or not. What was Grover Cleveland's method, and on what foundations laid by him did McKinley and Theodore Roosevelt build?

The first foundation was order. We cannot have a stable economy without order. When Cleveland called out the troops to put an end to the so-called Pullman strike and let the people of the country know that there was a Government at Washington that governed, that was the foundation of the recovery.

He did another thing. When the air was filled in our party—I am sorry to say—with talk about the free and unlimited coinage of silver at the immortal ratio of 16 to 1, Grover Cleveland erected

the standard of sound money; and upon the foundation of order and sound money we had the glorious prosperity of McKinley and Theodore Roosevelt.

That is only one point, but to my way of thinking, it is a monument. I do not see any end to this sort of thing. I believe that the American people can build a successful economy if we have order and a stable currency.

The Senator spoke of the year 1937 as a year which gave some promise of recovery. He went so far as to say that that was due to spending, and that the recession occurred in that year because the spending was withdrawn, although all of us demanded a renewal of it. I am sure that I did not. I have a recollection of my course. But I wish to point out to the Senate that 1937 was the year of the sit-down strikes, which shook the economy of this country to its foundations.

Mr. President, I merely wished to introduce a little footnote of history from my point of view.

Mr. O'MAHONEY. Mr. President, the interruptions of the Senator from North Carolina are always very valuable, and personally I always enjoy them. The Senator goes into another question which I shall not discuss at this moment.

The Senator's reference to Grover Cleveland as the man who laid the foundation upon which there was recovery later in the McKinley administration reminds me of the fact that in one of his messages Grover Cleveland outlined as clearly as it has ever been outlined the danger which this country was confronting from the concentration of economic power. We are suffering now, and have been for 20 years, from the ill effects which President Cleveland foretold when he warned the Congress and the people of the United States against monopoly.

Mr. WHERRY. Mr. President, will the Senator yield before he leaves that point?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. If the pending bill were a law today, would it provide full employment, and would we have assurance that employment would result?

Mr. O'MAHONEY. No. This bill is not a panacea. I have not sponsored it as a panacea. What I am urging upon the Senate is that we must undertake this Government study if we are to escape disaster; and I shall demonstrate that to be so.

Mr. WHERRY. Is there any way to avert unemployment if we cannot get labor back to work? What purpose would such a statute serve if we could not get labor back to work?

Mr. O'MAHONEY. Of course, if people will not work, we have an altogether different problem. But I am acting upon the assumption, which I think has been very well demonstrated, that most people want to work. But that, of course, is an entirely different question.

Mr. WHERRY. Was there ever a time in the history of this country when there was more work to be done than there is now?

Mr. O'MAHONEY. In my judgment 90 percent of the people still want to work.

Mr. WHERRY. Was there ever a time when there was more work to be done? We talk about freedom of enterprise.

We have an enormous consumer demand from one end of the country to the other. There is a demand for the production of 5,000,000 automobiles. There is also a demand for hundreds of articles such as refrigerators, radios, and almost anything we can think of.

Mr. O'MAHONEY. Let me say to the Senator that this issue cannot be confused by dragging across the trail the controversy between labor and capital. Of course there are ills. Of course there are wrongs. Of course, as I have said, this bill is not a panacea. But in my judgment the conditions which we have in this country with respect to strikes were promoted by fear. Fear is the source of most of our unwise actions. Fear is what plunged the world into war.

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

Mr. O'MAHONEY. I have yielded about an hour of time to the Senator. If he will be good enough to postpone his observations until after I have developed my principal discussion, I shall be very glad to yield to him then.

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

Mr. O'MAHONEY. Not having previously yielded to the Senator from Arkansas, I now yield to him.

Mr. McCLELLAN. Mr. President, I wish to make only one observation. The Senator from Wyoming has spoken of conditions which now obtain, emanating from "fear." Let me say to the Senator that, in my humble judgment, there is more "fear" right here in Washington and in the Senate of the United States than anywhere else. It is "fear" that is prompting this legislation, and such "fear" at this time and under present conditions is wholly unjustified. By this course we are absolutely generating "fear" in the minds of the people throughout the country, and they are becoming afraid that Washington is not competent to take care of the situation, and in that respect we are doing much to justify that apprehension.

Mr. O'MAHONEY. Well, Mr. President, the discussions which occurred in the Committee on Banking and Currency and the discussions which have taken place on the floor of the Senate demonstrate conclusively, in my opinion, that the Senator is mistaken in his diagnosis of the situation.

Now let me demonstrate the situation from the chart which I have had placed at the front of the Chamber. I made this demonstration to the Committee on Banking and Currency on the first day of the hearings on the bill. Bear in mind that I pointed out that all over the world the problem of adjusting the economic systems of the peoples of the world to the conditions which existed had been so great as to plunge the world into a war. It was the failure of business leadership and government leadership to make it possible for people to support themselves that brought about the war. I say to you, Mr. President, that the danger of communism and of totalitarianism in this world proceeds, not from a measure of this kind, but from the failure to adopt a measure of this kind. Look at the chart; look at the history of our experiences. We cannot

afford to drift. If we drift, if we say that the Government must keep its hands off, then be sure we shall have disaster.

It has been said by some of those who oppose this bill that no system except communism can provide full employment. Is not that a profound confession of defeatism? Is not that statement a profound acknowledgment of a belief that the free-enterprise system cannot provide full employment? That is why the minority have submitted their report in which they talk about work relief and relief by means of Government spending as if it were something inevitable. I refuse to believe that it is inevitable. I believe that if we look at this matter intelligently, with our eyes open, and free from preconceived notions and fears about what is intended, we shall understand that a great, free government which planned a successful war on two continents can successfully plan to maintain and keep the free-enterprise system.

Mr. President, the chart entitled "Mass Market for American Business" was prepared at my direction from the hearings of the Senate Committee on Finance on May 9, 1944, when figures were presented showing the total amount of income received by persons in various salary brackets. The Committee on Finance was trying to determine what steps should be taken to raise the largest possible amount of taxes to finance the war, and the committee wanted the facts. I requested the draftsman to prepare this chart in the form of a flagpole resting upon a base, the base being—as shown by the testimony before the Finance Committee in 1944—the total amount of money received by everyone in the United States whose income was less than \$2,000 a year, the total amount of money received by everyone in the United States whose income was more than \$2,000 a year and less than \$4,000 a year, and the total amount of money received by everyone in the United States whose income was from \$4,000 to \$5,000 a year. There it lies—the base of the flagpole.

The flagpole consists of the total amount of money received by those whose incomes ranged from \$5,000 to \$10,000 a year; in another bracket the flagpole consists of those whose incomes ranged from \$10,000 to \$25,000 a year.

Mr. WILEY. Mr. President, is that in the record?

Mr. O'MAHONEY. Yes; it is in the record, I will say to the Senator from Wisconsin.

Mr. President, then there is another bracket. It is for those who received \$25,000 a year and more.

It will be observed that in drawing the chart provision was not made for each bracket in the rising scale. That is why the flagpole is broken at the top. As I told the Committee on Banking and Currency, if that chart had been drawn to represent the total amount of money received by those who were receiving, let us say, from \$30,000 to \$40,000 a year, from \$40,000 to \$50,000 a year, from \$50,000 to \$75,000 a year, from \$75,000 to \$100,000 a year, from \$100,000 to \$250,000 a year, and so on, up to the 79 individuals who in that year were receiving \$1,000,000

or more each, there would not have been sufficient space in the Senate Chamber for the column which would have had to be drawn to make that representation.

Mr. President, this reminds me that at every step in the way toward progressive legislation which would preserve a free economy there has been resistance by those who feared that a radical result would follow. Many of the present Members of the Senate were here when the Federal Deposit Insurance Corporation bill was under discussion, and they will remember that it was denounced by many of the Senators who now denounce the pending bill.

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

Mr. O'MAHONEY. I yield.

Mr. TAFT. I call attention to the fact that the Federal Deposit Insurance Corporation bill was sponsored by the distinguished senior Senator from Michigan [Mr. VANDENBERG], who opposes the pending bill in its present form.

Mr. O'MAHONEY. Oh, Mr. President, I understand that. I do not believe the Senator from Michigan is always wrong, and I do not believe the Senator from Ohio is always wrong—

Mr. TAFT. I appreciate that.

Mr. O'MAHONEY. But, Mr. President, here on the chart there is a representation of the total economy. It will be observed that the total receipts of those receiving \$25,000 a year or more were \$7,700,000,000, and the total receipts of those receiving from \$10,000 to \$25,000 a year were \$7,500,000,000. If we add them together, we find that they total \$15,200,000,000 for everyone in the United States receiving more than \$10,000 a year.

Mr. President, every penny of that money could be taken by taxation, and it would not make a dent upon our Government economy. Those who are under the impression that we can tax wealth to support a free government are utterly mistaken. The money is not there. Of course, \$15,000,000,000 is a lot of money in any man's language. But the whole amount received by those who are receiving \$2,000 a year or less is \$45,700,000,000. Forty-five billion dollars is three times the amount received by those in the \$10,000-and-up brackets.

Add to those who are receiving \$2,000 or less the total amount received by those whose incomes are from \$2,000 to \$4,000, aggregating \$44,000,000,000, and the total is \$89,700,000,000, which was the amount received by the people of the United States whose income was less than \$4,000, as compared with less than \$16,000,000,000 for those in the \$10,000 brackets and up. Add those who were receiving from \$5,000 up to the upper brackets, and it amounts to \$8,900,000,000.

Mr. President, is it not clear that our economy is based upon the masses of the people, and upon their ability to earn money, whether it be in agriculture, industry, or in any of the professions? Unless the masses of the people who constitute the base of this flagpole are fully employed and drawing compensation there can be no security for those whose incomes put them in the flagpole.

I recall that in 1932, before the change of administration, when the Federal guaranty of bank deposits was being discussed, a great Chicago banker by the name of Traylor was mentioned several times in the Democratic convention of that year as a possible candidate for Vice President. During the depression he learned a lesson which converted him from opposing the guaranty of deposits to the support of such a program. That was because there was a run on his bank. One day, because of that run, he went down to the bank, lined up a number of friends who had funds to deposit, and persuaded them that it would be in the interest of keeping open the bank for them to deposit funds. He made a drama out of it. He stood in the lobby of the bank and said to the depositors who were clamoring for their money, "Do not take your money out; these gentlemen are depositing money. We are ready to pay you, of course." However, the run continued. And then Mr. Traylor, when he had changed his opinion about the desirability of a Federal guaranty of bank deposits, made this wise remark: "I have come to the conclusion that unless we make certain that people in the lower scale of income have their feet upon the ladder there is no security for us who are at the top." No truer words were ever spoken.

Mr. President, is it clear why I am talking in behalf of this bill? I am speaking in its behalf because I know that if we permit unemployment to cut down receipts of the millions who are receiving the \$89,000,000,000, then we destroy purchasing power. We destroy it for every farmer, every rancher, every small businessman, every small bank, and every small grocery store. We destroy the capacity of the people to buy the things which they need. If we fail to maintain the power to buy and prevent unemployment from developing, and at the same time permit purchasing power to disappear, then beware. We already see written in the international sky what can happen when Government fails in its task.

The danger, Mr. President, is even greater. Here is a chart which I had prepared for the purpose of showing what to my mind is the most significant fact in America, but one to which we blithely close our eyes. This chart shows three lines. One of them represents the national income, or the amount of money received by all the people and all businesses. Another represents the national debt. Another represents Federal revenue. Observe that the chart runs from 1933 to 1945.

The national income in 1933, at the depth of the depression, is clear from the first chart which I presented. That is, the income of all the people was only about \$47,000,000,000. That is why the stores were closed. The people did not have money with which to buy. That is why the price of wool went so low. That is why the price of copper went so low. That is why the price of every commodity produced by agriculture and other industries went so low. The people did not have the money with which to buy the things they needed.

We came into the year 1933 without a law which required any agency of the Government to study ways and means of keeping the people employed. So we had no recourse. It is true that under the Hoover administration there were some public works. Some postoffices were constructed. But the catastrophe was so great that little could be done about it. We had waited too long. We had not acted in advance. We were following the philosophy which is represented here by the minority views in connection with this bill. That philosophy was, "Let it run. Presently we will go around the corner. Presently somehow there will be purchasing power reestablished. "Oh," it is said, "let us lend some money to the big fellows at the top." So we set up the Reconstruction Finance Corporation, and we spent Government money, deficit money, to make loans to the banks, the insurance companies, and the railroads. No one was talking about deficit spending then. But what difference is there between turning money from the Federal Treasury over to large enterprises in the hope that somehow or other it will percolate through and reach the people at the bottom—what difference is there between that and spending for public works and WPA?

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

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. Is not the great difference that the money which was loaned was paid back, and that it did not represent deficit spending at all?

Mr. O'MAHONEY. I think the Senator, if he will examine the reports of the RFC, will discover that it was not by any means all paid back. Much of it was lost.

However, the point I am making is that the national income was down in 1933. Under the impetus of the then Government program, which was, I may say, a hand-to-mouth program, adopted because we had to have something—"We have to do something" was the cry—there was an increase in the national income. It went up to about \$74,000,000,000. Then there was another recession in 1937. We may debate about what was the cause of that recession, but the fact remains that that was the year when an effort was made to cut down Federal spending.

Mr. MURRAY. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. MURRAY. At the same time was there not a move in the country on the part of industry to raise prices, and did not that rise in prices on the part of the big basic corporations of the United States have some effect? The records show that in 1937 the basic corporations of the United States made more profit than they did in 1929, and it seems to me that had some bearing.

Mr. O'MAHONEY. I think the Senator is correct; I think there was an effort to raise prices that year.

Mr. McCLELLAN. If the Senator will yield, is it not true that the President of the United States, speaking with respect to that recession, said that it was planned that way?

Mr. O'MAHONEY. Oh, no.

Mr. McCLELLAN. Did he not say, "We planned it that way"?

Mr. O'MAHONEY. Oh, no; he was not talking about the recession; he was talking about an utterly different thing.

Mr. MURRAY. President Roosevelt in 1937 warned the country against the rapid rise in prices that was taking place, and singled out the copper interests as having raised their prices excessively. Furthermore, is it not a fact that Secretary Ickes and the Interior Department, which conducted public works, complained constantly about the rise of the price of everything that was going into public works?

Mr. O'MAHONEY. As I remarked to the Senator from Montana once before, I know he is very familiar with the copper industry and with the cement industry, and what was done with regard to them. But I am not concerned about the mistakes of the past. Mistakes have been made on both sides.

Mr. TAFT. Mr. President, will the Senator from Wyoming yield to me merely to correct the Senator from Montana?

Mr. O'MAHONEY. I yield.

Mr. TAFT. In the first place, commodity prices as a whole did not rise before 1940. They did not rise in 1938. On the other hand, wages did rise. That was the period of the sit-down strikes in the motor industry, and a very substantial increase in all railroad wages took place. So that if there was any inflation at all, it was in connection with wages, as much as profits.

The Senator also made the statement that the large corporations made more in 1938 than in 1929, which is not accurate. Their profits were away below what they were in 1929. The figures which the Senator from Montana put into the Record show that only 130 out of 600 corporations—and they were not particularly the large ones—made more money in 1938 or 1937 than they did in 1929. They had expanded their businesses, they had grown, whereas 470 made very much less. So that the statements made by the Senator from Montana are not correct.

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

Mr. O'MAHONEY. I should like to develop my theory.

Mr. MURRAY. Would the Senator permit me to make a very short reply?

Mr. O'MAHONEY. I yield.

Mr. MURRAY. I do not claim that industry as a whole raised prices or made more profits or that commodity prices rose, but I do claim that the basic industries of the country—steel, cement, copper, oil, and the other basic industries—raised their prices, and that the corporations which were noncompetitive were the ones which raised the prices, which had its effect on the whole economy. There was, of course, a very broad segment of business that was in competition, and they did not raise their prices. They could not. They were compelled to hold down their prices.

Mr. O'MAHONEY. Mr. President, the debate between the Senator from Montana and the Senator from Ohio goes into one of the subjects which would have to be discussed by the agency which is

to be set up under the bill, and which would then have to be pursued by the joint committee which is to be created by the bill.

Since I have referred to the joint committee, let me remark again that there is nothing in the bill which authorizes the Executive to indulge in deficit spending. It does not authorize the Executive to spend a dime. It merely authorizes the executive agency to make a plan, and that plan, far from being guaranteed, must then, under the terms of the bill, pass the scrutiny of both Houses of Congress, first through the joint committee which is to be set up, a committee which is designed to coordinate our economic system, a committee from the lack of which much of our trouble probably has arisen. Then, after that joint committee has made its recommendations, any measures which are suggested will have to go through the consideration of the respective standing committees of the Senate and the House.

Mr. President, this is a bill to vest in Congress the power and the responsibility of meeting the issue, instead of continually delegating the power to the executive branch of the Government. This Mr. President, is a bill to restore the functions of Congress.

Let me refer again to the national income. In 1939 the war broke out in Europe, and in 1940 our businesses and industries began to feel the impetus, because money was being spent, some of it by the French Government, some of it by the British Government. Some of it was being spent by our Government for purposes of war. Immediately the national income began to rise.

Then, after we got into the war, in 1942 the national income jumped from less than \$75,000,000,000, in 1937, to almost \$125,000,000,000, because we were manufacturing the commodities of war. The expenditures for war reached their peak in 1945, and the Federal debt reached its peak the same year, \$261,000,000,000.

Who knows what \$261,000,000,000 is? Two hundred and sixty-one thousand million dollars—who knows what that is? But whatever it is, it is our debt. It is represented by bonds held by banks and insurance companies, by bonds held by veterans, veterans of the Army and of the Navy, it is represented by bonds held by the common people of the United States.

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

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. At the proper time I should like to ask the distinguished Senator a question about this chart. What he has described, as I understand it, is the so-called Hanson theory.

Mr. O'MAHONEY. No; the Senator is quite wrong. I am not describing the Hanson theory. I am describing the financial condition of this Government and of the people.

Mr. SALTONSTALL. I beg the Senator's pardon.

Mr. O'MAHONEY. I am not an advocate of deficit spending.

Mr. SALTONSTALL. Let me ask my question in this form, then, without putting in the name of Professor Hanson, whose theory I cannot understand.

The debt of the country has been going up very substantially. The income is rising, and the revenues of the Government are rising more slowly. In the fiscal year 1945, when the income of the country was up to about \$170,000,000,000, approximately \$95,000,000,000 of that was represented by purchases by the Federal Government, and the balance by our people. That was in time of war. The honorable Senator in his previous chart shows that the great purchasing power of the country came from persons with \$4,000 and less income a year.

Mr. O'MAHONEY. Individual purchasing power.

Mr. SALTONSTALL. Individual purchasing power. In peacetime much of that great Government purchasing of approximately \$95,000,000,000 by the Federal Government has got to stop. Much of the purchasing must be by private individuals. My question is this: In the opinion of the distinguished Senator can the debt of the Federal Government keep on going up or remain as much as it is above the revenues of the Treasury, and still make it possible for the individual to have that purchasing power?

Mr. O'MAHONEY. Certainly not. Of course it cannot. That is what I am arguing against. I am arguing against deficit spending. I am arguing against a situation that compels it. I am arguing against the work-relief proposal of the minority, which is deficit spending. I am arguing for the investment of private capital under a free-enterprise system, and the elimination of deficit spending.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. O'MAHONEY. Certainly.

Mr. SALTONSTALL. The bill in one of its provisions seeks to provide for Federal investment and expenditure.

Mr. O'MAHONEY. Yes; certainly.

Mr. SALTONSTALL. Can the Federal Government do that successfully to help the purchasing power of individuals, and do it without providing taxation to meet the cost and yet avoid deficit spending?

Mr. O'MAHONEY. I think the Government can avoid deficit spending by stimulating the investment of private capital in independent local enterprise. I should like to see the industries of Massachusetts restored to what they used to be before some of them moved out of the State of Massachusetts.

Mr. SALTONSTALL. May I ask the Senator whether he is speaking as a former resident of Massachusetts or as the Senator from Wyoming?

Mr. O'MAHONEY. I am speaking as a Senator from Wyoming and as a native of the State of Massachusetts, a State which I am proud to say has always been very progressive in its attitude toward public affairs, a State which I am sure would endorse the principle which I am advocating here today.

Mr. SALTONSTALL. May I ask the Senator one more question in a serious vein?

Mr. O'MAHONEY. I am serious all the time, and even in the last remark. [Laughter.]

Mr. SALTONSTALL. That stands as the record of the Senator from Wyoming, and I appreciate it.

How can the theory which the Senator has just advocated be carried out without some form of the Hanson theory of borrowing from one's self?

Mr. O'MAHONEY. If the Senator will pardon me, I will come to that in a moment. It is represented on another chart which I have here. I am very happy the Senator has asked the question.

Mr. MORSE. Mr. President, will the Senator yield so I may suggest the absence of a quorum?

Mr. O'MAHONEY. Mr. President, I think Senators who are busy in their offices or who are having their lunch do not care to be disturbed. I think those who are absent because of the lunch hour will be here presently. I would just as soon proceed.

Mr. MORSE. I merely want to add the comment that there is a possibility that we may reach a vote on this important amendment, and insofar as our side of the proposition is concerned I think the distinguished Senator is presenting the objective data which every Senator ought to have clearly in mind before he makes up his mind as to how he will vote on the amendment.

Mr. O'MAHONEY. Mr. President, I greatly appreciate the comment of the Senator from Oregon.

A discussion of the chart, I may say, so that it may be in the RECORD, and of all the charts that I present, will be found in connection with reproductions of the charts in the first part of the hearings of the Banking and Currency Committee, so those who wish to review this matter later will have the opportunity to do so by looking through the hearings.

The point of it all is, of course, that in 1943 the national debt, which in 1933 was a little less than \$25,000,000,000, and which at the very height of the depression spending during the New Deal administration was only about 46 or 47 billion dollars—I am reciting the figures from the chart as it is and not from the statistical data which will be found in the hearings—the national debt, as soon as we started preparing for war, began to skyrocket. Between 1940 and 1945 it rose from \$50,000,000,000 to \$261,000,000,000. That, Mr. President, represents deficit spending for war. But in 1943 for the first time in the history of this Nation the national debt was greater than the total national income of all the people of the United States for a single year. Never before in all the history of this Government has that happened. Never before has it happened in the history of any government that was able to survive.

Back in the administration of Andrew Johnson, after the Civil War, the national debt was about two and one-half billion dollars. It remained there almost constant until after we entered World War I. Just before we entered World War I, in the Wilson administration, the national debt was \$3,000,000,000, an increase of only \$500,000,000 in all the years since Andrew Johnson.

When we came out of that war the national debt was about \$25,000,000,000 or \$26,000,000,000, and we were so much concerned then as a government in reducing taxes, instead of paying off the debt, that by the time the depression hit us the debt had been decreased by only \$9,000,000,000. That is why at the beginning of the Roosevelt administration we had a debt almost as great as that with which we issued from World War I.

Never in all that long history, from the beginning of the national debt down through World War I, did the national debt ever even approximate the national income of the people. Not until 1943, when it exceeded it. And now it is almost \$100,000,000,000 greater than the national income, which for 1945 was \$161,000,000,000, although the national income has already dropped with the cancellation of war contracts.

Let me say to the Senator from Massachusetts, whose questions were most pertinent, if the national income drops, the Federal revenue raised by taxation will drop. And when the Federal revenue by taxation drops it will be difficult if not impossible to carry the interest on the national debt.

When the Bureau of the Budget sent its recommendations to Congress at the beginning of this Congress for the appropriations which were made for the fiscal year ended June 30 next, it was set forth that the interest upon the national debt for the ensuing year would probably be about \$4,500,000,000. The cost of all the executive civilian branches of the Government, as set forth in that same Budget, was only about \$1,080,000,000. Add the cost of the Executive Office of the President, the cost of all the courts, and even the cost of Congress, and it is scarcely enough to make the total more than \$2,000,000,000. In other words, the interest upon the national debt for the next fiscal year, as estimated by the Bureau of the Budget, is almost twice as much as the entire cost of all the executive, legislative, and civil branches of Government.

Mr. President, that is what is wrong with the world. We have not taken the time as a people to plant to keep the free-enterprise system working. We have not taken the time as a government to plant to keep the system of private property working. We have not taken the time as a Congress to set up an agency the duty of which would be to see to it that this system shall not fail. It is to accomplish this purpose that the bill has been introduced. The opponents of the bill criticize it upon the ground that we cannot provide for public works and Federal expenditures without increasing the debt. Mr. President, the answer to that is that we cannot pay the interest on the national debt unless we have full employment; and if we are going to avoid full employment by the Government under some totalitarian system, then I say that a democratic legislature had better get busy planning to avoid totalitarianism.

We cannot permit the national income to drop and hope to keep the Federal revenue high. If we permit the national

income to drop, the revenue will fall off; but whether or not we allow the revenue to drop, the debt will stay where it is.

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

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Wyoming yield to the Senator from Maryland?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Assuming that the Federal Government supports such a program of public works as is necessary under the philosophy outlined by the Senator from Wyoming, and that it is necessary for Congress to appropriate large amounts of money to sustain such a program, is it or is it not the Senator's opinion that that program ought to be sustained by current revenue, as a result of taxation levied by Congress, to pay for the program at the time it is projected?

Mr. O'MAHONEY. Not necessarily. I am thinking now of a Federal expenditure which is most profitable. I think of the building of Boulder Dam, authorized by the Congress under the Hoover administration. I think of the billions of dollars which were expended from the Federal Treasury in the construction of that dam. Every penny of that expenditure has been justified, because it produced business. It created income, not only for the people who were employed upon the project, but for those who supplied materials and commodities in connection with its construction. It provided income for cities and States. It was in every sense of the word an expenditure which produced revenue.

Mr. TYDINGS. Then I take it that the answer to my question is that the Senator is not greatly concerned about a further increase in the national debt.

Mr. O'MAHONEY. Oh, yes; I am terribly concerned about it. I do not wish to see an increase in the national debt. I wish to prevent it.

Mr. TYDINGS. How can we prevent it unless we are to pay currently for any program which the Government undertakes?

Mr. O'MAHONEY. As I have just pointed out, the cost of Boulder Dam was not paid currently.

Mr. TYDINGS. I did not mean to imply that the revenue must necessarily be raised in the same year. My question implied that we should simultaneously enact other measures which eventually would liquidate the cost.

Mr. O'MAHONEY. Yes; and the bill provides for that. The bill calls for other measures—taxation and the like—to do that.

Mr. TYDINGS. Then, I take it that it is the Senator's answer that concurrently with any sustained program of Government public works there should be provided taxation, either immediate or eventual, to liquidate any increase in the national debt to pay for such a program.

Mr. O'MAHONEY. I will not say to the Senator that in no event should we undertake any increase of the national debt.

Mr. TYDINGS. I did not put the question in that way. The Senator misunderstood me.

Mr. O'MAHONEY. No; I understood the Senator perfectly, but I did not want to give an answer which would be less than frank. It was necessary to indulge in deficit spending to fight this war. If a situation should arise in which the stimulation of private expenditure and the investment of Federal and State funds in revenue-producing public works and in other enterprises were not sufficient to provide full employment, I do not wish to say that in this bill we should declare that a future Congress should not do what the Senator from Maryland and the Senator from Wyoming have already done by their votes in the past.

Mr. TYDINGS. I do not wish to engage in polemics with the Senator from Wyoming at this juncture of the debate, when he is explaining very interestingly the data which he has assembled, but I think it is fair to assume from the answers he has given that the Senator favors, with some possible exceptions, a program which will either currently or eventually pay for any increase in the national debt.

Mr. O'MAHONEY. I want a sound fiscal system, and I am working for a sound fiscal system. But I wish to point out to the Senator that less than 3 weeks ago this body passed a bill which authorized the expenditure of \$75,000,000 every year for 5 years in the construction, by the Federal Government in conjunction with the States, of airports. There was no provision in the bill or in the tax law for immediate revenues. Of course, I believe that that is an expenditure which will be productive of employment and of tax revenue to the Government, as well as of new business, and which will eventually pay for itself.

Mr. TYDINGS. To state the obvious, the Senator opened his discussion with the statement that it would take as much to pay the interest on the national debt alone, to use my own words, as the Government received in revenue annually prior to 1933.

Mr. O'MAHONEY. That is correct.

Mr. TYDINGS. Therefore, he said it would be very difficult for us to sustain our economy unless the income of the Nation was kept up so as to furnish the necessary revenue to keep things current.

Mr. O'MAHONEY. That is correct.

Mr. TYDINGS. Therefore, by any kind of logic, the conclusion must follow that the higher the national debt is allowed to go, the more difficult it will be to meet what the Senator now says is almost an impossible problem; and I think one may draw the conclusion that in any program which we may promulgate for unemployment, it is absolutely essential that currently or eventually it be accompanied by a program which will insure, directly or indirectly, its repayment to the Federal Treasury, or else we shall face real disaster.

Mr. SMITH. Mr. President, will the Senator yield in that connection?

Mr. O'MAHONEY. I ask the Senator to wait a minute, please.

Mr. President, I thank the Senator from Maryland for his contribution to the argument. I am in substantial agreement with what he has said, of course. But so far as this particular bill is concerned, I do not wish to cut off by any declaration the power of a future Congress to meet a crisis which may develop.

I say to the Senator that under the bill, as it is drawn, it becomes the duty of the new executive agency which is to be set up and the duty of the joint committee which is to be created to review exactly such contingencies, and it will be my hope that both the Executive and the congressional joint committee will devise ways and means whereby all these expenditures can pay for themselves.

What I have in mind at the moment is, for instance, Rock Creek Park, through which I drive almost every day in coming to the Capitol. There is an example of the expenditure of Federal funds without any thought of direct or, I may say, even indirect revenue. It was an expenditure by the Federal Government.

In New York and Connecticut there is a magnificent highway over which I have driven many times. There is in Pennsylvania a very magnificent highway. They were built at the expenditure of a tremendous amount of money. But in each of those instances tolls are exacted; the people who use those highways pay a toll. The result is that we have a system of parks and transportation combined which is sustained in the first analysis, by Federal investment and expenditure, and subsequently is repaid not only in the comfort and pleasure they provide to those who use the parks but in the tolls they pay. I understand that the tolls produced a very large sum of money.

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

Mr. O'MAHONEY. I yield.

Mr. TAFT. It seems to me nothing the Senator has said is inconsistent with the other amendment which the Senator from Maryland [Mr. RADCLIFFE] and I propose to offer, which reads:

Provided, That any program of Federal investment and expenditure for the fiscal year 1948 or any subsequent fiscal year when the Nation is at peace shall be accompanied by a program of taxation designed and calculated to prevent any net increase in the national debt (other than debt incurred for self-liquidating projects and other reimbursable expenditures)—

Those are the things the Senator has been saying we should use unless others more desirable are available.

Mr. O'MAHONEY. No; I say we should not use anything which is not a self-liquidating investment.

Mr. TAFT. Our amendment concludes with the following words:

over a period comprising the year in question and the ensuing 5 years, without interfering with the goal of full employment.

I wonder whether the Senator is prepared to endorse that principle, namely, that if a large plan for Federal expenditures is submitted, there should also be submitted, at least, a program of tax-

tion, not designed to balance the budget that year, necessarily, but designed over a 10-year period to be sufficient to meet the contemplated program of expenditures.

Mr. O'MAHONEY. I think the Senator's amendment would be a dangerous one because of the fact that it is accompanied by the defeatist minority report which shows that those who have been opposing the bill and who are suggesting the amendment are activated by the desire, somehow or other, to secure a declaration of principles which will be antagonistic to the desire to maintain full employment.

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

Mr. O'MAHONEY. I yield.

Mr. TAFT. Then, do I correctly understand that the only objection the Senator has is to the motive or alleged motive of those who propose the amendment, and not to the amendment itself?

Mr. O'MAHONEY. Oh, no; I do not. We have here a bill the philosophy of which is being attacked. I may say that amendments which proceed from those who have persistently and upon every possible occasion attacked the fundamental purpose of the bill and would have prevented its report, if they had been able to do so, would be like gifts borne by Greeks; I would be very, very suspicious.

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

Mr. O'MAHONEY. If the Senator will permit me to do so, I should like to proceed with my statement.

Mr. TYDINGS. Very well; I shall not interrupt the Senator if he does not care to be interrupted.

Mr. O'MAHONEY. I have been on my feet for a long time, and I should like to complete this presentation.

Mr. TYDINGS. That is perfectly agreeable to me.

Mr. O'MAHONEY. Because of the question asked by the Senator from Massachusetts regarding the financing of the debt, I present this chart, which I also presented to the Committee on Banking and Currency. It is entitled "Who Buys the National Product?" It will be observed that the first column, which is labeled "1940," shows, first, the amount of purchasing power provided by consumers. That is shown by the heavy black column. Above that is shown the amount of purchasing power provided by business. That is shown by the cross-hatched column. The next block in the column is a speckled one. It represents Government nonwar spending. The little black cap at the top of the column represents Government war expenditures. So, Mr. President, in 1940, before we entered the war, the great bulk of our expenditures comprised those which were made by consumers; the great bulk of the expenditures was made up of what the people of the United States purchased for their needs and desires. Let us say that was approximately \$90,000,000,000; the exact figures will appear in the hearings. The amount expended by business was only a little more than \$10,000,000,000 or \$12,000,000,000. The amount spent by Government in nonwar

expenditures was approximately the same. The Government war expenditures amounted to very little.

But in 1944, after we had been waging the war for 3 or 4 years, consumers' expenditures had increased, of course, almost to \$100,000,000,000. Business expenditures had also increased. Why? Because the investment in war plants was made substantially by the Government. Most of the expenditures which were made to build our war plants came from the deficit. It was Government spending, not business spending.

Then the huge black column at the top, showing Government war expenditures, teaches us that for the war we were spending, in 1944, almost as much, through the Government, out of the deficit, as all the people of the United States had spent in 1940. The truth of the matter is that for purposes of the war the Government has bought almost 50 percent of all goods and services which were produced in the United States. Because the Government was doing that, the national income increased, as I have shown.

It is estimated by financial experts, of whom I am not one, that if we are to carry the national debt, that is to say, if we are to secure to the Federal Government revenue which will be sufficient to pay interest of \$4,500,000,000 upon the national debt, we shall have to keep the national income up to approximately \$200,000,000,000. If we permit that income to fall, our revenue will fall.

So the question which Senators must decide is, who will furnish the purchasing power necessary to maintain the national income at a level which will carry the national debt after the Government stops purchasing for war, as it has done?

I assert that that is a problem of such magnitude that we cannot afford to fail to establish an agency to study the matter. We must establish such an agency and allow it to work without any restrictions, and without any false attacks being made upon it such as those which are now based upon a misinterpretation of the intent of the bill.

Mr. TYDINGS. Mr. President, of course there is one element which the experts never seem to mention, although it is a very important element in connection with the \$200,000,000,000 expenditure of 1944. The Senator is too wise a student of economy to overlook it. The fact is that in 1944 the black line superimposed upon Government, non-war expenditures really resulted from a reduction in wages. That may seem to be an astounding statement. But we must realize that when the American people submitted to very high wartime taxes in order to create money in the Federal Treasury which the Government spent, they correspondingly reduced their own income, except to the extent that it showed up in the form of savings.

We must also realize that the people loaned the Government for the purchase of war bonds a portion of their wages which they had not paid in taxes.

So while the economists point to a \$200,000,000,000 income, in truth and by every standard from the economic standpoint, the gross income should be reduced by the amount of wartime taxes, and by

the amount we loaned to the Government. Otherwise the picture is totally erroneous.

Mr. O'MAHONEY. Mr. President, I might agree with the Senator without any effect upon the argument which is here being presented. I merely wish to reassert that, as I see it, there is a complete misconception upon the part of many persons, particularly those who are in the upper brackets of income, that, somehow or other, they will be the ones who will be obliged to pay the cost. That is a great mistake.

When I had prepared the chart which I was discussing a little while ago, I called up officials of the Treasury Department and asked them if they could give me the figures relative to the proceeds received by the Federal Government by way of income taxes in 1944, and if so, would they divide it into classifications with reference to salary brackets. They did so. I am sorry I did not have a chart made of the information. Other things prevented my doing so at the time.

Mr. President, here is an interesting fact: The total estimated tax receipts for 1944, according to the Treasury Department, were \$17,800,000,000.

Mr. TYDINGS. Exclusive of corporations.

Mr. O'MAHONEY. The figure I have given represents, as I understand it, income tax receipts.

Persons with incomes of \$25,000 and more paid \$4,200,000,000. Those who were in the brackets between \$10,000 and \$25,000 paid \$2,100,000,000. Those who were in the brackets between \$5,000 and \$10,000 paid into the Treasury in the form of taxes \$1,700,000,000. Those whose incomes were from \$3,000 to \$5,000 paid in the form of taxes \$3,300,000,000. Those whose incomes were from \$2,000 to \$3,000 paid in the form of taxes \$2,800,000,000. Those whose incomes were from \$1,000 to \$2,000 paid \$3,200,000,000. Persons with incomes of less than \$1,000 paid \$500,000,000.

I ask Senators to observe this: Those who received less than \$3,000 paid to the Government \$6,500,000,000. Those who received \$10,000 and more paid to the Government \$6,300,000,000, or \$200,000,000 less than those at the bottom of the scale receiving less than \$3,000.

If we were to compute those figures on the basis of the persons who received more than \$5,000, and also those who were receiving less than \$5,000, we would arrive at the following result: The total taxes received by the Federal Government from persons receiving more than \$5,000 a year was \$8,000,000,000. The total receipts from those receiving less than \$5,000 a year was \$9,800,000,000, or \$1,800,000,000 more than the amount which the Government received from persons with incomes of more than \$5,000 a year.

Mr. TYDINGS. I should like to say to the Senator that my recollection is that just prior to the outbreak of World War II in 1939 the Treasury Department estimated that if every person receiving \$100,000 a year or more, or having an income of \$100,000 a year or more, were to turn into the Government his entire income and retain nothing whatever, the

total amount which would be received from such sources would be only a little more than \$1,000,000,000.

Mr. O'MAHONEY. I may say to the Senator that I made substantially the same statement before he came upon the floor.

Mr. President, I now find that I have on my desk some notes which I made when I appeared before the Banking and Currency Committee. If the Senator will have in mind the original chart showing the total amount received by persons in the various brackets he will see that those who received \$2,000 each or less, the total amounting to \$45,700,000,000, numbered 32,500,000. Those in the brackets from \$2,000 to \$4,000 numbered 14,600,000. Those in the brackets from \$4,000 to \$5,000 numbered 2,000,000. Those in the brackets from \$5,000 to \$10,000 numbered 1,200,000. Those receiving from \$10,000 to \$25,000 a year each numbered 446,000. Those in the brackets of \$25,000 and more numbered 129,000.

The Senator is quite correct. The Government could take the entire revenue of those who are in the income brackets above \$10,000 without affecting in any material way its ability to meet its problem. The problem, Mr. President, is to stimulate the purchasing power of the masses. The solution of the problem which confronts us today is what America has been proud of doing from the very beginning, that is to say, to increase, improve, and elevate the standard of living of the people of America. The more people there are who receive \$2,000 a year the better off we are, and if they could be receiving \$5,000 a year we would be substantially better off.

Mr. HICKENLOOPER. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. Roughly calculating the figures as to incomes just given by the Senator, I have tabulated in my own mind about fifty million. Does the Senator have a recapitulation of that number?

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. HICKENLOOPER. I tabulated in my own mind, as the Senator read the last figures about classified incomes, that there were about 50,000,000 people paying income taxes.

Mr. O'MAHONEY. Just about fifty million; 32.5, plus 14.6, plus 2, plus 1.2, plus .446, plus .129—a little more than fifty million.

Mr. HICKENLOOPER. That was for the year 1944?

Mr. O'MAHONEY. Nineteen hundred and forty-four, yes.

Mr. HICKENLOOPER. As I understand the proposal generally advanced by the sponsors of the bill, it contemplates a 60,000,000-job program of full employment. Is that substantially correct?

Mr. O'MAHONEY. The "60,000,000 jobs" was a phrase that came out of a political campaign. As I understand, it was intended to dramatize the number of persons in the United States who would be self-employed, who would be employed in professions, school teach-

ing, medical professions, and the like, in business, little business and big business, in industry, in agriculture, and in all the callings which the people of America follow. It was based solely upon a computation of proportion of the population in 1950, as I recall, which would in the normal course of events not be in school, but wanting in some way or other to earn a living.

Mr. HICKENLOOPER. We have often heard, in connection with this program, about people employed and full-employment opportunities, and reference to 60,000,000 jobs. I merely wanted to call the attention of the Senator to the fact that in 1944, which undoubtedly was the saturation point of employment in this country, so far as everyone who wanted to work having a job was concerned—

Mr. O'MAHONEY. In what year?

Mr. HICKENLOOPER. Nineteen hundred and forty-four; people looking for employees could not find them. I want to know whether, based upon these statistics, the estimates are not a little high as to the number of persons who can be put to work under any kind of a program in peacetime in this country.

Mr. O'MAHONEY. Mr. President, that, of course, is the very issue of the bill. I do not believe that we have to throw up our hands and say a free enterprise system cannot provide sufficient employment. That, I say, is a completely defeatist attitude, and I want to fight to make it possible for enterprise to furnish the work.

Mr. HICKENLOOPER. I am completely committed, in my own thinking and my belief, to the idea that if we let private enterprise operate freely, it will provide full-employment opportunities.

Mr. O'MAHONEY. Then, the Senator and I are in agreement.

Mr. HICKENLOOPER. The question is whether or not the goal we are approaching, at least in argument, is not, after all, in the light of all the provable and producible facts as to employment in this country, and taking into consideration all the factors, one which, from a practical standpoint, we have never reached up to the present, and are we not "kidding" ourselves, in a way, in thinking that we can reach it under such a program?

Mr. O'MAHONEY. If the Senator will pardon me, in just a moment I shall show him a chart which will answer the question.

Mr. JOHNSON of Colorado. Does the Senator still have the so-called "flagpole chart"?

Mr. O'MAHONEY. Yes, it is here.

Mr. JOHNSON of Colorado. Will the Senator recur to that for a moment, when he gets through with what he is now discussing?

Mr. O'MAHONEY. Yes. Addressing myself to the inquiry of the Senator from Iowa, I wish to call his attention to the chart entitled "Labor Force and Employment in the United States, 1900 to 1944." This appears in the hearings on page 27.

The heavy line on this chart indicates the actual employment, year by year, from 1900 to 1944. The top line running diagonally across the chart represents the so-called labor force, the num-

ber of employable people in the United States who naturally and normally are available for work.

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

Mr. O'MAHONEY. I yield.

Mr. SMITH. How are those statistics gotten together? The Labor Department gives us one set of figures, the labor unions another set, and the Industrial Conference Board gives us another. I am interested in knowing on what this chart is based, and whether the Senator believes there are any reliable figures on which we can all rely as a basis for our argument.

Mr. O'MAHONEY. I hope the Senator can rely upon this chart, because I took the utmost care in having it prepared. Members of the staff of the Committee on Economic Development, of the National Planning Association, and of the Department of Commerce, as well as the Department of Labor, furnished the basic material upon which the chart was drawn. I believe it to be accurate.

Mr. SMITH. The Senator thinks that in the future we can work out some plan so that we can be agreed as to what are the correct figures?

Mr. O'MAHONEY. Yes; I think we can.

Mr. SMITH. I think that is very important, in connection with the whole discussion.

Mr. O'MAHONEY. I agree with the Senator. I was going to say that the lower line on the chart, running diagonally across it, represents the employment in prosperity years. In other words, if we had had what is called substantially full employment all through this period, the lower diagonal line would represent it. The area between the lower line and the upper line, that narrow ribbon, represents what the economists call the frictional unemployment, those who are out of jobs because they are going from place to place, those who have quit work on the farm because they want to go into town for a little vacation, or for some other reason, school teachers who have quit because they do not want to work the remainder of the year; in other words, people who for their own personal reasons do not want to accept jobs which are available. That is the so-called "frictional unemployment." In other words, the number of people employed in a free economy may reasonably be expected to be a million or two million or perhaps three million below the entire labor force, without doing any harm to anyone. The danger comes when conditions are such that people who want jobs are unable to find them.

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

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. Then, let me ask the Senator this question: Is it the Senator's view that under the proposals of the pending bill it is the responsibility of the Government to furnish job opportunities for all, including the "frictional" labor group that is constantly unemployed? In other words, what I am trying to get at is, how extensively should this planning be made? Should it encompass the entire economy to the point where there is a shortage of labor, or

should it only attempt to get up to the point where the reasonable demands for jobs is met—up to the point where "frictional" unemployment may begin?

Mr. O'MAHONEY. For my part, I believe in the reasonable definition. I do not believe in trying to create a system whereby people would be attracted into employment who should not in the public interest be employed.

Mr. HICKENLOOPER. To my mind, it is extremely important to arrive at an understanding as to whether we should attempt to aim at a full saturation of opportunities in this country for all possible employees, all those who might at some time or other, willy-nilly, want a job, or whether we should say that our attempt is to arrive at a place where our economy will be efficiently complete, so far as jobs are concerned, with respect to the labor market and everything else, if we come as near as we can to reasonable employment. I am confused on that point.

Mr. O'MAHONEY. No; I do not think the Senator is confused at all.

Mr. HICKENLOOPER. I think it is important for us to know just how far the planning is to go.

Mr. O'MAHONEY. My best answer to the Senator is this: The first Presidential campaign I remember anything about in any detail was the campaign of William McKinley for the Presidency, and I remember that the battle cry in that campaign was the "full dinner pail." How full was the "full dinner pail"? What they were talking about was—

Mr. HICKENLOOPER. Mr. President, if I may say so to the Senator, as I understand, in acting on the pending bill we are going beyond any political shibboleth.

Mr. O'MAHONEY. Oh, yes; of course.

Mr. HICKENLOOPER. Or political arguments, or vote-catching phrases. At least I hope the bill is of that sincerity, and I rely upon it being so. We are now faced with a program-making or policy-making bill, and getting down to brass tacks as to what we are going to do, because we are announcing a policy by which we plan to assume responsibility for this economic measure, and not to shirk the responsibility when the votes are counted and say that the bill is nothing but a campaign promise made in the heat of a campaign. Therefore, I think it is important that we should narrow the issue and reach as full an understanding as possible so as to know what may reasonably be expected in connection with the measure.

Mr. O'MAHONEY. Mr. President, I want to say first that the details of whatever plan is presented will have to be worked out by the agency which is established and by the joint committee. There is nothing in the bill which guarantees a job to anybody.

Mr. HICKENLOOPER. I thoroughly agree with the Senator.

Mr. O'MAHONEY. Let alone to the full labor force. There is nothing in the bill which declares that the Government should not be satisfied with the reasonable sort of employment which, as shown on this chart, we would have had in prosperous years.

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

Mr. O'MAHONEY. I yield.

Mr. WHEELER. I agree with what the Senator from Wyoming has said and what the Senator from Iowa has just stated. I wish to say, however, that on frequent trips to Montana I have visited a good many farmers. I find they are very much worried. I thoroughly agree with the philosophy of the bill that if private industry and local governments, cities, and counties, cannot furnish sufficient employment to the people of the country, the Government itself must do so, whether we like it or not, simply for the preservation of our own country. I think that is intelligent self-interest.

But let me call attention to the language of paragraph (b) of section 2:

All Americans able to work and desiring to work are entitled to an opportunity for useful, remunerative, regular, and full-time employment.

The Senator will find that a great many stockmen and farmers in his State of Wyoming are very much afraid that that language will result in some individuals deciding that they do not want to work on the farm or work elsewhere; that they will say that "The Government of the United States owes us a job at a remuneration such as we think we ought to get."

Of course, I appreciate that that is not the intention of the bill. We cannot write into a law much of what has been said during political campaigns. Frankly, I am afraid that many of the workers throughout the country are going to be misled by this particular statement of the bill. Many people are afraid of what may happen as a result of this particular language being in the bill.

It seems to me, Mr. President, something should be done to clarify that language, so we would not be holding out a promise to individuals which we all know cannot be fulfilled and will not be fulfilled in the sense that everyone will be furnished work. Take the housewife, for instance, who ought to be at home taking care of her children or taking care of the home. She may want to have part-time work in order to make a little money. We cannot guarantee work to such a woman. In wartime many women were employed because there was great need for them to help out in industry to carry on the war program.

A short time ago the Senator spoke of the committee which was to be set up. I understood the Senator to say that some persons were opposed to such a committee. Does the Senator know of anyone who is opposed to the committee being set up?

Mr. O'MAHONEY. I did not say that, Mr. President. I do not know of anyone who is opposed to it.

Mr. WHEELER. I thought the Senator made that statement.

Mr. O'MAHONEY. No; I did not say that.

Mr. WHEELER. I think it is absolutely essential that a committee be set up in order to study the economic situation with which we shall be faced in a comparatively short time. I do not, however, like to hold out to the workers

of this country a promise which I know cannot be fulfilled or upon which they can place a wrong interpretation.

Mr. O'MAHONEY. Mr. President, I think it would be utterly impossible to draft any bill or pass any law which would not be subject to misinterpretation somewhere along the line. I think the record which has been made by the people of this country in producing for the war, by the people on farms and ranches, as well as people in the factories, demonstrates beyond any peradventure of a doubt that the masses of the people of the United States are sound. The people of this country are not chisellers. There are some who do not want to work; there are some who want to get by on their wits; but we cannot afford to lay down an economic program upon the basis of possible misuse or abuse. We have got to lay down our program upon the basis of the record which has been established by the people of America, who have just come through one of the most magnificent demonstrations of their industry and patriotism that anybody could imagine.

[Manifestations of applause in the galleries.]

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

The PRESIDING OFFICER (Mr. McMAHON in the chair). Does the Senator from Wyoming yield to the Senator from Montana?

Mr. O'MAHONEY. Yes; I am glad to yield.

Mr. WHEELER. Does the Senator think for one moment that any statement I have made assumes that I have come to such a conclusion?

Mr. O'MAHONEY. Oh, no; I know the Senator has not.

Mr. WHEELER. No; not at all.

Mr. O'MAHONEY. The Senator has pointed out that there are some people who have that point of view.

Mr. WHEELER. Certainly; and I do not want to hold out to our people the promise of something the Congress will not do or that the people as a whole will not do. In my judgment, the language I referred to is causing most of the misunderstanding that exists with reference to this particular piece of legislation.

Mr. O'MAHONEY. It has been my experience, I will say to the Senator, that the misunderstanding is fragmentary, to say the least.

Mr. WHEELER. I wish the Senator were correct that it is fragmentary, but I am very much afraid the Senator will find it is not fragmentary. The purpose of the proposed legislation, as the Senator sees it, and as most of us here see it, is not the purpose which has been represented to a great many people throughout the country.

Mr. O'MAHONEY. I have not seen the representations of which the Senator speaks.

Mr. WHEELER. The Senator has read the New York Times, I am sure.

Mr. O'MAHONEY. Oh, yes; and I know that the New York Times was wholly mistaken about the whole program. I desire to point out again that the most careful safeguards have been thrown about the proposed legislation.

As one of the sponsors of the bill, I proclaim again that the purpose of the bill is not to promote a condition which will cultivate chuse. The purpose of the bill is to maintain purchasing power, without which the system of private property probably cannot endure.

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

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

Mr. O'MAHONEY. I yield.

Mr. TAFT. I wish to ask the Senator a question. I understand how he reaches the heavy black line on the chart, but how does he reach the double line? By what statistical methods does the Senator determine the double line, representing frictional unemployment?

Mr. O'MAHONEY. The top line is the labor force, as estimated from figures compiled by the Bureau of the Census.

Mr. TAFT. Incidentally, in its last dive, it includes the armed forces of the Nation.

Mr. O'MAHONEY. It does not dive.

Mr. TAFT. I mean in its last rise, it includes the armed forces. But how does the Senator reach the other figure, marked "labor force"? That figure runs in a steady line.

Mr. O'MAHONEY. That is the figure I am talking about.

Mr. TAFT. What is it supposed to represent?

Mr. O'MAHONEY. It is supposed to represent the number of employable persons in the United States who desire work as self-employers, or as agricultural workers, industrial workers, or workers in any branch of our economy.

Mr. TAFT. That is the line which reaches 60,000,000 in 1950. I compared that figure with the population of the United States when the Senator offered the chart in the committee, and I found that he had that line going up faster than the population of the United States. The chart starts with a certain population in 1900 and a supposed labor force. If the Senator increases the figure representing the labor force at a rate corresponding to the increase in population, he will not reach 60,000,000. He will reach only 55,000,000 jobs. I asked the Senator at the time whether he would compare that figure with the population increase and let us know the result.

Mr. O'MAHONEY. The Senator asked for the population figures. I obtained them and placed them in the record. They are in the record on page 30. I have not made the statistical computation to which he now refers. I find that in 1944, according to the Bureau of the Census, the population was estimated at 138.1 million; in 1943, at 136.5 million; and in 1940, at 132 million. I assume that the relationship is an actual, statistical, scientific, and objective relationship.

Mr. TAFT. I only wish to call attention to the fact that the line at the right of the chart, which reaches 60,000,000, includes a considerably larger percentage of the total population estimated for 1950 than does the line at the left, representing the labor force, as compared with the total population in 1900.

Mr. O'MAHONEY. Of course, there are all sorts of estimates as to what the population will be in 1950; but I was attempting to answer the question of the Senator from Iowa [Mr. HICKENLOOPER] with respect to the labor force.

Mr. TAFT. May I supplement the question?

Mr. O'MAHONEY. Certainly.

Mr. TAFT. With respect to the frictional unemployment, is it the Senator's understanding that the words "full employment" as used in the bill include the frictional area?

Mr. O'MAHONEY. No; they do not.

Mr. TAFT. The Senator differs with Sir William Beveridge, who is perhaps the principal writer on this subject. Sir William Beveridge has written a book entitled "Full Employment in a Free Society." He distinctly says in his book that full employment means having always more vacant jobs than unemployed men, and not slightly fewer jobs. So his definition of full employment is different from that of the Senator. Perhaps the authors of the bill might attempt to agree on what they mean by full employment.

Mr. O'MAHONEY. Let me say to the Senator from Ohio that Sir William Beveridge is not one of the sponsors of the bill. He was not consulted in its drafting. However, he was a member of Parliament who was defeated in the last election because the British Government and British industry had not succeeded in solving the question of unemployment; and because of the failure of the British Government to solve the question of social security and full employment we now have a British Government which is devoted to the theory of the nationalization of industry. I am here today arguing for the passage of this measure because I do not wish to see appearing in the United States the same trend which has appeared in Britain, and which I think is appearing also in France. The election which is to take place in France within a few weeks may surprise many of us in the United States as much as did the British election. We had better prepare for this movement.

Mr. TAFT. I have examined the literature on this subject. The book by Sir William Beveridge is certainly the fullest exposition of the theory involved in the pending bill. Before that we had Keynes on spending, and we had various plans for full employment under a totalitarian state. But this is the first attempt which I have seen in a full style to reconcile the idea of the right to work and full employment with a free enterprise state.

Mr. O'MAHONEY. Of course, the Senator will realize that Sir William Beveridge was speaking for a homogeneous nation, the nation of Great Britain, which could be stowed away in one of the several United States, a nation with a population only a fraction of that of the United States. The conditions which exist in Britain are different from those which exist here. It may be that the liberal point of view expressed by Sir William Beveridge is altogether appropriate to the small country of Great Britain. The Senator is the only one who

is citing Sir William Beveridge in connection with this measure.

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

Mr. O'MAHONEY. I yield.

Mr. WHEELER. I was glad to hear the Senator's explanation of what caused the overturn in the election in England. Let me say to him that if he had been in England he would not have thought that that was the only reason why there was an overturn.

Mr. O'MAHONEY. I did not say that it was the only reason.

Mr. WHEELER. In my judgment, after talking with a number of individuals in England, the principal reason for the overturn was the regimentation of the people, and what they had to go through during the war. I am inclined to believe that the Senator will find that the present Labor Party is about as conservative, nationalistic, and imperialistic as was the old Tory Party. It is certainly as imperialistic; and I do not believe it is very much more radical than was the Conservative Party toward the end.

Mr. O'MAHONEY. I hope the Senator will not try to involve me in a debate on internationalism.

Mr. WHEELER. The Senator injected the question. I am merely asking him to follow the course of events and see what happens in England with reference to the so-called radical Labor Party. My experience with the British has been that, generally speaking, the British laboring man is far more conservative than is the Democratic Party in this country.

Mr. O'MAHONEY. It remains to be seen what will happen.

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

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. As I caught the Senator's remark awhile ago, he was only attempting to allude to the defeat of Sir William Beveridge, and not the entire British election.

Mr. O'MAHONEY. I did make reference to the entire British election, and I also stated that reports current in the press would indicate that there is a so-called radical tendency in France, as well. As a matter of fact, we all know it. Totalitarianism is advocated by powerful forces throughout the world.

To get back to the chart, actual employment is represented by the heavy black line. Of course, there are times when conditions are such that more than the normal labor force is drawn into industry. As has been pointed out by the Senator from Montana, that happened during the war, when, as shown by one of the columns on the chart, after 1940 the number of employed persons went far beyond the number representing the normal labor force.

That was because school teachers, young boys, old men, and old women, and wives left their homes to go to work. They were impelled by patriotic motives. It is not the desire of the sponsors of the pending bill to promote any conditions which would have such a result. The danger is not in excessive employment; the danger to our system is in unemployment. Please observe how the line, as shown on the chart, fell after 1929. The actual employment in 1929 was approxi-

mately 47,000,000. In 1932 and 1933 it decreased until there were scarcely 35,000,000 persons employed. But the great danger is that, with improving technology, the output of goods is so much greater than formerly that we are producing more with less labor than at any time in our history.

There was another chart among the number, but it seems to have disappeared as the charts were carried out, but it will not be necessary to have it brought back. I shall merely say that in 1940 we produced more goods and services than at any previous time in our history. We produced more goods and services in 1940 than we did in 1929. The population was increasing, to be sure; but when, in 1940, we were producing a gross national product, as shown by this chart, very much in excess of \$100,000,000,000, it was being done at a time when there were almost 9,000,000 unemployed persons. In 1929, when we had no unemployment problem, the gross national product was only approximately \$100,000,000,000. In other words, we are now producing more, with fewer people working fewer hours, speaking industrially, than ever in our history. That is also true upon the farm. Since machines have gone into use on the farms, we are faced with the necessity of adjusting ourselves to the tremendous technological change which has occurred.

My whole argument, let me say, inasmuch as Senators have interrupted me with so many questions—and, of course, I have stood on the floor much longer than I intended to do, and I shall bring my remarks to a speedy conclusion—

Mr. JOHNSON of Colorado. Mr. President, will the Senator refer again to the so-called flag-pole chart for 1 minute, please?

Mr. O'MAHONEY. Certainly.

Mr. JOHNSON of Colorado. I tried to follow the Senator's application of tax returns to that chart. The Senator has a table on his desk. As I followed him—and I am very much interested in this question, because I am a member of the Finance Committee—I observed that the members of the group labeled "over \$25,000 a year" were taxed at a rate of approximately 60 percent of their total income.

Mr. O'MAHONEY. Yes; the tax on them was very heavy.

Mr. JOHNSON of Colorado. It was approximately 60 percent; it was more than \$4,000,000,000, on a total income of \$7,700,000,000.

Mr. O'MAHONEY. Yes.

Mr. JOHNSON of Colorado. And those in the lower bracket, with incomes of less than \$2,000 a year, for which I calculated the rate in my mind as the Senator was reading the chart, were subjected to a tax of approximately 6 percent.

Mr. O'MAHONEY. Oh, yes; there is no doubt about that. As the Senator knows, the rate of taxation on the higher incomes is much greater than that on the lower incomes.

Mr. JOHNSON of Colorado. I wondered what is the implication of the chart on taxes which the Senator read, and what is its application to this bill.

Mr. O'MAHONEY. I cited those other figures to show that we cannot depend upon the revenue derived from those whose incomes are in the upper brackets to support our economy. In order to support our economy we must raise the standard of living of those at the bottom of the scale. That is the only purpose. I am pointing out that there are so many millions in the lower brackets and there are such a few thousand in the upper brackets that the solution of a free individual economy is to increase the standard of living of those at the bottom of the scale.

[Manifestations of applause by occupants of the galleries.]

So, Mr. President, my argument is simply this: Wherever we look in this world we know that a great economic question confronts us. We know it was unemployment of the masses in Germany and in Italy, the inability of little business to survive in a concentrated economy, that brought about the rise of Mussolini and Hitler. We know that every radical movement obtains its impetus from the failure of government to provide conditions under which the masses of the people may maintain themselves. This Government of ours was created by men who understood well what they were doing. They were creating a government of the people; they were creating a government which should serve the interests of the people. In other words, they were creating a government the objective of which would be to create such conditions in our economy as to improve the lot for the masses of the people. That is what they meant when they drew up the Preamble to the Constitution, "We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare," and so forth. It has been the objective of statesmen throughout our history to promote the general welfare, and the great controversy which has raged has been between those who have advocated the Hamiltonian theory of taking care of the wealthy first, in the belief that they would take care of the masses of the people, and those who have adhered to the Jeffersonian theory that the true aim of government is to provide for the welfare of the masses, because they were secure in the belief that when opportunity is preserved for the masses there will be plenty of opportunity for those at the top of the scale.

Without any question, Mr. President, if we adopt in this Nation a program to study the free-enterprise system and to try to make it work and to create opportunities for the people at the bottom of the scale so that they can live in their own homes, in their own communities, in their own States, instead of being herded from corner to corner of the United States into temporary jobs, if we promote such an economy, we shall be creating and multiplying the number of persons in the upper brackets. Those persons whose incomes are in the upper brackets, those who are managers of concentrated industry, and are fearful lest it be impossible for them to secure workers at low wages, are defeating their own in-

terests by seeking to oppose the inauguration of a program which will improve living standards for the masses of the people.

Mr. President, there is nothing in this bill which is not consonant with true Americanism, with the principles of the Constitution of the United States, or with the principles which have been preached from every political platform in every political campaign, by every party which believes in free enterprise. This is an American bill to make free enterprise work. This is a bill to provide that we shall not leave the planning to managers of large concentrated industries, but that we shall do something through the government of the people to aid the little fellow and the local fellow, as well as to build up industry in my State and other States for the purpose of creating opportunities everywhere, to make it possible for the farmer to sell the products of his farm, to make it possible for the shopkeeper to load his shelves and sell his goods, and to make it possible for young people to go to school. This is a bill to promote the general welfare.

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

Mr. O'MAHONEY. I yield.

Mr. MURDOCK. The Senator has stressed the fact that this is a bill to help the little fellow and the local fellow get into business and take care of himself. However, there is nothing in the bill, so far as I have been able to examine it—and I was a member of the subcommittee which considered it—that is in any way inimical to big business.

Mr. O'MAHONEY. Nothing whatever.

Mr. MURDOCK. Big business may go into the Senator's State, and I hope it may go into my State as well, because in some industries we must have big business. There is nothing in this bill that is in any way antagonistic or inimical to the interest of big business.

Mr. O'MAHONEY. Big business will be more vigorous and more profitable if we create a condition under which little business can thrive. There is nothing in the bill which is in any way antagonistic to big business or to wealth.

Mr. TAFT. Mr. President, I think that I can agree with about 90 percent of everything which the Senator from Wyoming has said.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Donnell	La Follette
Andrews	Downey	Langer
Bailey	Ellender	Lucas
Ball	Ferguson	McCarran
Bankhead	Fulbright	McClellan
Barkley	George	McFarland
Bilbo	Gerry	McKellar
Bridges	Green	McMahon
Briggs	Guffey	Magnuson
Brooks	Gurney	Maybank
Buck	Hart	Mead
Burton	Hatch	Millikin
Butler	Hawkes	Mitchell
Byrd	Hayden	Moore
Capehart	Hickenlooper	Morse
Capper	Hill	Murdock
Carville	Hoey	Murray
Chavez	Johnson, Colo.	Myers
Connally	Johnston, S. C.	O'Daniel
Cordon	Knowland	O'Mahoney

Overton	Stewart	Wagner
Radcliffe	Taft	Walsh
Reed	Taylor	Wheeler
Revercomb	Thomas, Okla.	Wherry
Robertson	Thomas, Utah	White
Russell	Tobey	Wiley
Saltonstall	Tunnell	Willis
Shipstead	Tydings	Wilson
Smith	Vandenberg	Young

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

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

Mr. TAFT. I yield.

Mr. BARKLEY. I wish to state to the Senate that there is a widespread desire among Members of the Senate to conclude the consideration of the pending bill if possible tomorrow, and to that end I am hoping we may remain in session today until 6 o'clock, and meet at 11 o'clock a. m. tomorrow, in an effort to conclude the bill tomorrow if it is at all possible. I hope Senators will cooperate to that end.

Mr. WHITE. I wonder if the majority leader would not also express the hope that there may be a recess on Monday, when an event of some historic importance which many Members would like to witness is to take place.

Mr. BARKLEY. I think the ability of the Senate to be in recess all day Monday will depend entirely on the state of the public business. I am familiar with the event to which the Senator alludes, which is the swearing in of one of our colleagues as a member of the Supreme Court. I am sure we should all like to attend the ceremony, but it has not heretofore been customary for the Senate to take a whole day's recess on account of such an event. If we have any reason to reassemble on Monday I should frankly dislike to avoid having a session for the whole day, much as we should all like to see the Senator from Ohio sworn in as a member of the Supreme Court.

Mr. WHITE. But it is not customary for the Senate to give to the Court a member of such abilities as the new member.

Mr. BARKLEY. It has given other members to the Supreme Court, and I do not recall that we took a recess to see them sworn in. That would not militate against a recess in this case if it would not interfere with the Senate's business, but I should not want to guarantee now that we would have a recess Monday for the whole day.

DEVELOPMENT AND CONTROL OF ATOMIC ENERGY

Mr. LUCAS. Mr. President, will the Senator from Ohio be kind enough to permit me to make a motion to lay aside temporarily the unfinished business for the purpose of taking up two short resolutions which are important, which I am ready to report from the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. TAFT. I have no objection, if the majority leader desires to have it done. I am not in charge of the bill.

Mr. BARKLEY. This is the first I have heard of it.

Mr. LUCAS. The resolutions are very short.

Mr. BARKLEY. Frankly, I do not see the great emergency of the resolutions which would justify taking up time out of the consideration of the pending bill. If we should take them up after we finish the day's work, when we are about ready to recess, I think it would be better.

Mr. LUCAS. I do not know how long the Senate is to be in session.

Mr. BARKLEY. I just announced that I hoped the Senate would remain in session until 6 o'clock, and meet tomorrow at 11 a. m., in the hope that we may finish the consideration of the bill tomorrow. Is the Senator of the opinion that the two resolutions are of such importance that we should interfere with the pending business in order to consider and act on them, rather than wait until we finish the day's work to take them up?

Mr. LUCAS. One resolution deals with expenditures requested under the concurrent resolution adopted yesterday by the Senate which deals with the atomic bomb. I do not think there will be any debate on the resolution.

Mr. BARKLEY. We never can tell what will happen in the Senate.

Mr. LUCAS. I withdraw the request for the moment.

Mr. BARKLEY. I think a little later, when we finish the day's business, it would be more appropriate to take up the resolutions.

Mr. VANDENBERG. Mr. President, may we not see if there is any difference of opinion regarding the resolution dealing with the atomic bomb? There are reasons why we should proceed as quickly as possible to send the proposal to the other House, and I am sure that there is no disagreement.

Mr. BARKLEY. I am not expressing disagreement.

Mr. VANDENBERG. I think it would have been agreed to by now.

Mr. LUCAS. I am hoping we can get an agreement.

The PRESIDENT pro tempore. Is there objection?

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

Mr. TAFT. I yield.

Mr. REVERCOMB. With respect to the resolution dealing with the atomic bomb, is it the intention of the Senator from Illinois to have the resolution acted on this afternoon?

Mr. LUCAS. All the resolution does is merely make an appropriation of money in line with what the Senate agreed to yesterday. It was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The committee has acted, and I am ready to report the resolution back to the Senate. There was little or no debate on the resolution yesterday, and there should be no debate on it today.

Mr. REVERCOMB. Is the resolution referred to the one reported from the Committee on Military Affairs?

Mr. VANDENBERG. No; by the Committee on Foreign Relations, to provide for a joint committee.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none.

Mr. LUCAS. From the Committee to Audit and Control the Contingent Ex-

penses of the Senate, I report, with additional amendments, Senate Concurrent Resolution 28, and I ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution, which had previously been reported from the Committee on Foreign Relations with amendments.

The amendments of the Committee on Foreign Relations were, on page 2, line 3, after the word "the", where it occurs the first time, to strike out "development and control of the atomic bomb" and insert "development, control, and use of atomic energy"; in line 6, after the word "its", to strike out "development and control" and insert "development, control, and use"; and in line 23, after the word "exceed", to strike out "\$50,000" and insert "\$25,000."

The additional amendments of the Committee to Audit and Control the Contingent Expenses of the Senate were, on page 2, line 24, after the word "paid", to strike out "ne-half"; and in line 25, after the name "Senate", to strike out "and one-half from the contingent fund of the House of Representatives."

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of six Members of the Senate to be appointed by the President pro tempore of the Senate and six Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment.

SEC. 2. It shall be the duty of the joint committee to make a full and complete study and investigation with respect to the development, control, and use of atomic energy, with a view to assisting the Congress in dealing with the problems presented by its development, control, and use. The joint committee shall report to the Senate and House of Representatives, at the earliest practicable date, the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 3. For the purposes of this concurrent resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman of the joint committee.

The title was amended so as to read: "Concurrent resolution creating a joint committee to investigate the matter of the development, control, and use of atomic energy."

CLERK HIRE IN OFFICE OF SENATOR BURTON

Mr. LUCAS. Mr. President, I also report favorably from the Committee to Audit and Control the Contingent Expenses of the Senate an original resolution, and ask for its immediate consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the resolution (S. Res. 178) was read, considered, and agreed to, as follows:

Resolved, That the clerical assistants in the office of Senator HAROLD H. BURTON, appointed by him and carried on the pay roll of the Senate when his resignation from the Senate takes effect, shall be continued on such pay roll at their respective salaries for a period not to exceed 1 month, to be paid from the contingent fund of the Senate.

FULL EMPLOYMENT ACT OF 1945

The Senate resumed the consideration of the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government.

Mr. TAFT. Mr. President, as I said before the call of the quorum, I agree with 90 percent of all the Senator from Wyoming has said. The only point of disagreement is that I do not think that the remaining 10 percent justify in any way the conclusion that the delightful ends the Senator has stated will be reached by passing the pending bill.

In the first place, the bill does not do anything except declare a policy, primarily. It has three parts. To begin with, there is section 2, a declaration of policy by the Federal Government. It is a policy which is not binding on any future Congress, and is not binding even on the present Congress, yet if that policy is wrong, I cannot subscribe to it or to the bill.

The second part provides that the President must submit an annual budget, statistical information, and an economic program, with which I fully agree, but the bill says further that in doing so he must do it in accordance with the policy prescribed in section 1.

The last section provides for the creation of a legislative committee. I think the Senator from Wyoming is correct in saying that such a committee can accomplish a great deal. After the committee of 15 Members of the House and 15 Members of the Senate gets into actual operation, considers the program and submits a report, I doubt very much if the standing committees of the Senate will pay any attention to the report, based on the experience I have had with committees. Yet I think the committee will do good. It will certainly throw light on the effect of each measure on the whole economic program, and I think that should be done.

I agree with the Senator from Wyoming. When he says that we should attempt to prevent another great depression, that we should do everything possible to bring about full employment, and should consciously plan to do so. I agree

with him that we should give the President authority and tell him he must submit a program with reference to that end. It is an important end; the President's program must be submitted with reference to it, and the Congress must consider it. With that I agree 100 percent.

I agree entirely with the Senator from Wyoming when he said that if we have another depression such as occurred in 1932 and throughout the thirties, we face the likelihood that the people of this country will say that, in spite of the fact that the free-enterprise system has brought about a higher standard of living here than anywhere else, still if it cannot solve unemployment, if it cannot solve depression, if it cannot prevent tremendous economic declines similar to the one which occurred in the 1930's, we will have to find some other system. With that I agree. I agree that we have the duty, if we possibly can, to develop a program which will prevent, or at least reduce or alleviate, the effect of such depressions. We must develop a program which will avoid unemployment, which will avoid the hardship and poverty which resulted from the depression of 1932 and some previous depressions.

But every administration in the history of our Government has been trying to do that. We have not had an administration which has not had an economic program. There has not been an administration which has not attempted to secure full employment. The full dinner pail campaign of 1896 was simply a campaign for full employment. Two chickens in every pot, and an automobile in every garage, or two automobiles in every garage was simply a program for full employment. Every administration has had that end in view.

The Senator from Wyoming is imagining things when he thinks there are those who want to grind the faces of the poor in order to enrich the wealthy. Certainly there are no individuals in the Republican Party or in the Democratic Party, or in public life who desire such a program. All of us want a program to prevent unemployment. How we are going to get it is the question. That is a much more difficult problem. Certainly I do not think it is going to be brought about by this bill. But I am in favor of the provision for economic planning. I am in favor of economic planning. Of course, I do not entirely trust the present administration to make the plans as I would make them. But the necessity for doing so exists, and the power to do so should be given. The administration should be told, "You must put this question high at least on your items of priority, and you must develop a program aimed at preventing depressions, the best program you can develop." To that principle I agree entirely, and no amendments offered to this bill in any way change that purpose of the bill as stated by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. O'MAHONEY. The Senator speaks of his lack of trust of the administration, his lack of trust in the agency which would be set up. May I inquire of him whether he has any trust or con-

fidence in the judgment of the gentleman who was the last Republican candidate for the Presidency, Gov. Thomas E. Dewey, whose statement made just about a year ago, September 21, 1944, deals exactly with the issue presented by the Senator's amendment. Governor Dewey said that—

Mr. TAFT. The Senator was not present yesterday when I made a statement concerning that speech. It was read twice. I stated that I entirely disagreed with it. That if Mr. Dewey had not pursued that course I think he might have been elected President of the United States. But from the time he made that speech he went down hill with the people of the United States, and I said that I entirely disagreed with the statement which he made, and which, as I said, has already been read twice on the floor of the Senate.

Mr. O'MAHONEY. I am not aware that the Senator from Ohio made his disagreement known at that time. I am very glad that it is known now. [Laughter.]

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

Mr. TAFT. I yield.

Mr. BARKLEY. Of course, the Senator will take account of the fact that the Senator from Ohio was himself a candidate in Ohio at the same time.

Mr. TAFT. Mr. President, the question is not what our end is. There is not any question about the purpose. The question is: What does this bill do? What is the program that this particular bill provides? What is the plan, the real plan of this bill? It was somewhat more clearly set out in the former bill which was introduced in the Senate and then rewritten by its authors. It is somewhat confused in the pending bill. But there is not any question that it is exactly the same plan.

In section 3 of the pending bill the President is required to transmit to Congress a budget, which shall set forth "for the ensuing fiscal year and such longer period as the President may deem appropriate, an estimate of the number of employment opportunities needed for full employment."

That is the first thing. How many jobs is it necessary to provide? Henry Wallace has written a book called Sixty Million Jobs, which was published recently, in which he sets out the full employment theory, and the national budget idea, and how it is to be calculated. If Senators read it, they will understand, perhaps, a little more clearly what the bill provides, although I think the bill itself is clear. If Mr. Wallace were to answer the question raised by the provision I have read, he would say 60,000,000 jobs should be the estimated number of jobs for full employment. I have already indicated my doubt as to whether 60,000,000 is a correct figure. The Senator from Wyoming presented a chart which showed the job force of the Nation running up to 60,000,000 in 1950. Mr. Wallace has backed up from 1946 to 1950—4 years. Of course, there will be more jobs in 1950 than in 1946. Still, if the labor force of the Nation should be in the same proportion to the total population in 1950 as it was in 1900, as shown

by the chart, then the labor force would be 51,000,000 and not 60,000,000. Of course, it is true that more women have gone to work. There are more cases of two individuals of a family working now than before. But also we have steadily raised the level of education and forbidden work at lower ages. We have attempted to retire the older people on pension. I see no reason why necessarily there should be a larger proportion of the Nation at work in 1950 than in 1900.

As I said yesterday, as a matter of fact, a nation as it rises in its standard of living should have fewer workers, because it should be unnecessary for the children or the older people or wives to work. I see no magic in the figure of 60,000,000. But any administration that estimated less than sixty million would be accused of running out on the labor force, and of not being really in favor of full employment, and so there is every incentive in making the calculation to figure it as high as can be.

The speech I made, to which I referred yesterday, was simply to point out that there was no magic in having more jobs. The Nation is not better off because more people are working. We have steadily reduced the number of hours people work, and successfully so. It ought to be possible to do the work with fewer hours of work, rather than with more. So, also, it ought to be possible to do the needed work with fewer people than with more.

Then the language of the bill continues:

The production of goods and services at full employment, and the volume of investment and expenditure needed for the purchase of such goods and services.

Mr. Wallace says that amount is \$200,000,000,000. He says if 60,000,000 individuals are put to work it will mean \$200,000,000,000. That is his estimate of national goods and services. That is equivalent to about \$160,000,000,000 of national income as usually figured. How is it arrived at? It is a pure guess. Anyone can figure it. It all depends upon how much wages those who are receiving the money are to be paid. What is the average income to be? How much of a national income do we need to put 60,000,000 people to work? How much are we to pay them? That is the first question. Are we going to pay them for 40 hours work the same pay that they have been receiving for 48 hours and overtime during the war, or are we to pay them at current wage rates? The difference in that single figure in making this calculation represents the difference between \$200,000,000,000 and probably \$160,000,000,000 or \$165,000,000,000.

I only emphasize the uncertainty of the calculation, I do not object to making it. I think it ought to be made. But when we come to the controversial paragraph 4 we find that based upon these figures the difference is to be estimated, to determine how much Federal investment and expenditure must be brought about.

The next item in the National Budget is this:

(2) current and foreseeable trends in the number of employment opportunities, the production of goods and services, and the

volume of investment and expenditure for the purchase of goods and services, not taking into account the effects of the general program provided for in paragraph (3) hereof.

An estimate of the national income or national production is made 18 months in advance. On the first of January the estimate must be made for the first of July of the following year. That is a little more tangible than the other provision, because it is not so entirely within the factors one might choose to use. Today I believe that most statisticians estimate the national income at approximately \$160,000,000,000. If we estimate what is needed to put 60,000,000 people to work, there is a gap of \$40,000,000,000.

The next item is "a general program, pursuant to section 2." When we recur to section 2 to find out what that should be, we find that it is a program which covers everything. First, the program is to stimulate private enterprise. Then, to the extent that private enterprise does not fill the gap, the program is to "provide such volume of Federal investment and expenditure as may be needed, in addition to the investment and expenditure by private enterprises, consumers, and State and local governments, to assure continuing full employment."

So a program is submitted dealing with private enterprise, and an estimate is made as to how much of the gap is to be made up by the program to stimulate private enterprise. That is an almost impossible calculation. I do not know how it is to be made. I do not know how to estimate the effect if the tax law is changed, or what effect there will be if we decide to give banks the power to lend money to small business. I do not know how that effect is to be calculated. Presumably it is to be guessed. An estimate may be made that private enterprise can be stimulated to the extent of \$10,000,000,000. All through the 1930's we tried to stimulate private enterprise, or we said we were trying to stimulate private enterprise. We made all sorts of loans. Still that program did not succeed, so it is a little doubtful just what new methods of stimulating private enterprise can be found.

Suppose we estimate that private enterprise can be stimulated to the extent of \$10,000,000,000. That leaves a gap of \$30,000,000,000 to reach the goal of \$200,000,000,000, and that gap is to be met by Federal investment and expenditure. We do not wait to find out the results of the program. The program is submitted 18 months in advance, in all its various features, and then there is a purely statistical calculation.

My contention is that while these statistics are important, and will show a trend up or down, they are so indefinite that we cannot possibly base an actual, definite figure for the expenditure of Federal money on any such statistics, and we ought not to do so. We ought simply to say, "Submit your statistics; submit your program, including public works, public expenditures, and everything else you want, and let us see if unemployment can be prevented." That is the course which I would favor. That is what these amendments, in effect, propose. That is the primary purpose of the

bill, as stated. All I want to do is to take out of the bill the statistical figure which inevitably will lead to an estimate calling for anywhere from \$20,000,000,000 to \$40,000,000,000 worth of Federal expenditures to take up the gap.

I do not know what those Federal expenditures would be. We talk about public works. There is an idea that all we have to do in the event of unemployment is to provide public works. It was pointed out yesterday that no one has estimated for public works more than about \$5,000,000,000 a year of worth-while projects for any length of time. That would put to work about two and a half million persons. The theory is that it makes no difference how we spend the money; that if we only spend it, in some way we will put more people to work. I suppose that the easiest way to spend money is to pay subsidies. Today we are spending nearly \$2,000,000,000 on food subsidies. If we wish to give money away, a system of subsidies is the easiest way to do it. We could buy all the grain at one price and sell it at a lower price. That might be justified on the theory that the consumer, getting it cheaper, will have more money with which to buy other things, and thereby stimulate private enterprise. I do not believe that the theory that public spending, aside from public works, will produce employment is proved by any manner of means. I doubt very much if that kind of Federal spending would produce immediate employment; and I feel quite confident that, continued over a long period, it would simply produce an artificial inflation. It would result in a gradual rise in prices, which would force regimentation or control, or it would increase the debt, and, as the interest on the public debt steadily increases, I feel very confident that it will do more to cause unemployment than it will to bring about employment.

This is the so-called compensatory spending theory. It is recognized by economists, and it is written into the bill. That is the name which is used throughout the world in economic circles. It has not been tried, and yet we are asked to endorse it as a fundamental principle of Federal policy. I do not know exactly where it came from. I do know that to a certain extent the language originated with the Soviet Constitution. Article 118 of the Soviet Constitution reads as follows:

Citizens of the U. S. S. R. have the right to work—the right to receive guaranteed work with payment for their work in accordance with its quantity and quality.

I think we might perhaps improve our terms by including part of what the Soviet Constitution contains—that workers will be paid for their work in accordance with its quantity and quality. However, the theory of the right to work started with the Soviet Constitution. I read further from the Soviet Constitution:

The right to work is insured by the Socialist organization of national economy, the steady growth of the productive forces of Soviet society, the absence of economic crises, and the abolition of unemployment.

Of course, the right to work is justified in the Soviet Constitution because

it can be enforced. In a totalitarian state everyone can be put to work. Mussolini did it, Hitler did it, and Stalin does it. Workers can be assigned to certain tasks. Of course, the system involves the necessity of the workers taking the jobs to which they are assigned, and the pay which those jobs provide. But it can be done in a totalitarian state. As stated in the Soviet Constitution:

The right to work is insured by the Socialist organization of national economy.

In the kind of state which is set up under that constitution, the right to work is perfectly logical.

The obverse of the picture is interesting. It is article 12:

Work in the U. S. S. R. is the obligation of each citizen capable of working, according to the principle: "He who does not work shall not eat."

In the U. S. S. R. the principle of socialism is being realized: "From each according to his ability, to each according to his work."

I believe that the Soviet Constitution is entirely justified, because it is based upon the theory of a totalitarian state which can put people to work. When we come to the private-enterprise system, the idea is not so easy to apply.

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

Mr. TAFT. I yield.

Mr. McMAHON. The Senator does not contend, does he, that there is anything in the bill which says that anyone who does not work should not eat?

Mr. TAFT. No. The authors of the bill say that when they use the term "the right to work" it does not mean what it means in the Soviet Constitution. The Soviet Constitution gives the absolute right. A man can go to the government and say, "I want a job," and he gets a job. But the authors of the bill say, "We do not mean that. When we talk about the right to work, we do not mean the absolute right. All we mean is that the Government ought to adopt a policy which will create a condition in which everyone who wants a job will find one somewhere."

I have no objection to that; I believe in that policy. I think that policy should be part of the program. I prefer to have it stated as a policy of the Government, rather than to have a direct statement that everyone is entitled to work, which is substantially the way the bill now reads. As the bill now reads, the right to work is substantially insured by the Federal Government. But the authors of the bill say that is not what they mean. Of course, there is another reason why they cannot say that is what they mean. If we made the right to work a legal right, almost any workman could prevent a union which had a closed-shop agreement from preventing him from working where he wanted to work. As a matter of fact, in the State of Texas a constitutional amendment was proposed with that very purpose, and it was campaigned for as an abolition of the closed shop.

The authors of the bill admit they do not mean the right to work. They say that does not mean a legal right, that Mr. Vinson says it is a kind of moral right, and that the only meaning would

be that it is an obligation of the Government. I agree with that. Since that is what it means and since the language is at best ambiguous, I have no objection to that statement of it, although if they would say it would be a policy of the Government I would be for it 100 percent.

Mr. President, under the free enterprise system we had Mr. Keynes recommending large government spending programs. We had the National Resources Planning Board doing planning in this country, with a long list of Federal investment and expenditure projects, but never a suggestion—and I read through the whole list—as to where the money would come from. They did not provide for that.

But Sir William Beveridge is a frank, straightforward man who says what he means. When he presented his plan on social welfare he figured the exact cost and he put it down on the books. So we know exactly what he was proposing. About a year ago he wrote a book entitled "Full Employment in a Free Society." In it he attempts to work out a reconciliation of full employment with the free-enterprise system. He sets out exactly the machinery which is suggested in the pending bill. He is not the author of a bill, but I certainly think he could sue the authors of the bill on a copyright of the proposed method, if a man drawing a bill were subject to such a suit. His book is interesting because it shows what the theory is. He emphasizes the fact that government spending is the key to the theory of full employment. He says:

The first condition of full employment is that total outlay should always be high enough to set up a demand for products of industry which cannot be satisfied without using the whole manpower of the country. * * * Who is to secure that the first condition is satisfied? The answer is that this must be made a responsibility of the state. No one else has the requisite powers. * * * It must be a function of the state in future to insure adequate total outlay and by consequence to protect its citizens against mass unemployment, as definitely as it is now the function of the state to defend the citizens against attack from abroad and against robbery and violence at home.

That is the key to his policy of compulsory government spending. He believes the government must assume the responsibility of spending the difference between the estimated calculations and the deficiency which may result. He outlines the long-term program which would be adopted under a plan of "federal investment and expenditure," as mentioned in paragraph (4) of the pending bill. He says it covers outlays of various kinds, under each of five heads. First, he says:

There is a communal outlay of non-marketable goods and services, including defense, order, free education, a national health service, roads, drains, and other public works.

In other words, that is direct government, the ordinary activities of government.

I read further:

There is public business investment in industries now under government control

or which may be brought under it hereafter.

In other words, that would be Federal investments such as the Tennessee Valley Authority or similar projects.

Then he says:

There is private business investment; here through a new organ—described as a National Investment Board—the state, while preserving private enterprise, can, by appropriate measures, coordinate and steady the activities of businessmen. There is private consumption outlay—the largest head of the five; this can be both increased and steadied by state action in redistributing income, by measures of social security, and by progressive taxation. There is a new head—described as joint consumption outlay—under which the state takes the initiative by placing collective orders—for food, fuel, and perhaps other necessities—with a view of reselling them later to private consumers at a price which may at need be lowered by a subsidy. Under this last head the state can influence both the amount and the nature of private outlay, while still leaving it free.

He outlines the various things he means when he says "federal investment and expenditure." It means investment in business. It means subsidy. It means any plan, I suppose, to give money to the British or to any other nation, on the theory that that produces purchasing power which puts people to work—of course, at the expense of a tremendous increase in the national debt.

Sir William Beveridge then says this about it:

Full employment cannot be won and held without a great extension of the responsibilities and powers of the state exercised through organs of the central government. No power less than that of the state can insure adequate total outlay at all times, or can control, in the general interest, the location of industry and the use of land. To ask for full employment while objecting to these extensions of state activity is to will the end and refuse the means. It is like shouting for victory in total war while rejecting compulsory service and rationing.

Mr. President, I think Mr. Wallace is in a way a disciple of the same idea. His book does not set out compulsory public spending quite so clearly, but it does refer to different kinds of Federal budgets. In one he suggests that the State and local governments spend only \$22,000,000,000; in another he suggests that they spend \$35,000,000,000; and in another he suggests that they spend \$65,000,000,000. He says he prefers the one in which they would spend \$35,000,000,000. He says:

In the case of the "government model," with consumers spending only one hundred and twenty billion and business only \$15,000,000,000, we would have 10,000,000 or more unemployed if Government spent only \$30,000,000,000; but there would be no unemployment if Government spent the entire balance of sixty-five billions.

He figures that it would cost approximately \$35,000,000,000 of additional Government spending to take care of 10,000,000 unemployed. We had 10,000,000 unemployed during most of the thirties.

There is another estimate by Mr. Willford I. King, who is almost the original writer on the subject of national income. He says:

Probably the sponsors of the Murray full-employment bill have never visualized the

extent of the inflation that might eventually be necessary to make such a public-works program effective. During most of the last decade, at least 10,000,000 of potential workers were idle. At present, unionized construction workers' wages average \$1.36 per hour. At 40 hours per week for 52 weeks, this would come to \$2,834 per year per worker.

The wage bill for 10,000,000 workers on public construction would, therefore, presumably amount to around \$28,340,000,000 per year. But the United States Census shows that, for every dollar paid out on construction projects for wages, an additional \$1.42 goes for materials and equipment. To do the work efficiently the Government would, therefore, need some \$42,000,000,000 worth of such articles.

His estimate is somewhat higher than Mr. Wallace's estimate, but we are dealing with perfectly tremendous figures. Sir William Beveridge recognizes it, Mr. Wallace recognizes it, and Prof. Willford King recognizes it.

As I have already said, this is a theory and we do not know whether it would work and actually produce employment. In my opinion it would destroy the State; it would destroy the Nation, and it would eventually produce unemployment. Whether it would even produce full employment immediately is somewhat doubtful.

Of course, it would increase the national debt, continue in force a large volume of interest on the debt, and ultimately make it impossible to balance the Budget. It would force prices up. We cannot start a Federal program involving the expenditure of \$20,000,000,000 or \$30,000,000,000 a year without establishing vast Federal bureaus for administrative purposes. The moment it is done there are created vested interests in a great many persons.

Take the present subsidies, for example. We cannot get rid of them overnight because if we were to do so we would wreck the cattle business and the dairy business. Those subsidies will hang on for several years. When such bureaus are created there is also created with them equities and rights in individuals which cannot soon be eliminated. We all know that the equities which are created in employees in various governmental departments continue. We know that it is impossible to get rid of Federal spending once it is started, and if we should spend \$30,000,000,000 in a single year we could not discontinue it within only the next year. Inflation will be sure to follow later. Then we shall have a constant rise in prices. If we are prepared to eliminate freedom and continue indefinitely price and wage controls, we will eventually arrive at a point where people can no longer pay the bills with the wages which they receive.

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

Mr. TAFT. I yield.

Mr. MILLIKIN. Does the Senator subscribe to the theory that under a private enterprise system, in order to keep people employed and to achieve full employment, or a reasonable approximation of it, we must have a high wage, high velocity, fair profit, economy, and that those things can be reached only by a constant reduction in the unit cost of mass production products?

Mr. TAFT. I believe that I can agree in general with that theory. If we constantly increase prices and wages we cannot secure the increase in the standard of living which we are trying to achieve.

Mr. MILLIKIN. That is precisely what I was getting at.

The proponents of this bill have again and again proclaimed their regard for the private enterprise system, and I assume that this excludes Government control in peacetime of wages, business, or of profits. That being true, there is nothing which needs to be done to meet the requirements of the formula except that which can be done administratively at this moment, without any law of any kind.

Mr. TAFT. Of course, there is no question that the President can do anything today that he could do under this bill. We do not have to pass this bill in order to give the President power to submit a national budget. He can obtain all the figures he needs from the Bureau of the Census, the Department of Commerce, or from the Bureau of Labor Statistics. He can submit a budget even if we do not pass this bill. The bill provides that he must do so, and do so on a certain theory. He must make certain statistical calculations, and when he finds it necessary, he must use Federal money.

Mr. MILLIKIN. So far as a constant reduction in unit price of mass production products is concerned, I doubt whether anyone would contend that it can be coerced by Government. It is something which must necessarily be worked out in harmonious adjustment between capital, management, and labor. That again is a challenge not for a law but for administration under existing law. It can be achieved without a law today as well as with a law tomorrow.

Mr. TAFT. I think the Senator is entirely correct.

As I have already said, the American Farm Bureau Federation is definitely opposed to the entire bill. A letter from them appears on page 1072 of the hearings. It states:

The American farmer recognizes that a high level of employment is essential to the national well-being. The American farmer believes, however, that it is not the responsibility of Government to assure every individual a full-time job at competitive levels of pay, at all times, under all circumstances, and to assume the obligation of unlimited expenditures to carry out this commitment.

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

Mr. TAFT. I yield.

Mr. TOBEY. I know the Senator wants to give the whole truth, and the whole truth with reference to farm organizations is that while the American Farm Bureau is registered against the bill, the National Grange, through its president, Mr. Goss, appeared before the committee and made a lengthy address in favor of the bill. The Farmers Union, a large farm organization, also appeared in favor of the bill. So the battling average is 2 to 1 among the farm organizations in favor of the bill as against the American Farm Bureau Federation, which is against the bill.

Mr. TAFT. The Farmers Union is in favor of the compensatory spending theory. I read with care the statement of Mr. Goss, and it seemed to me that his whole emphasis was on the objectives of the bill. He did not attempt to analyze the machinery which will carry the theories into effect. I thought that the statement which I read was not only effective as coming from a large group of our population but was also very well stated. It brought out the very point which I have been trying to make.

I continue reading:

The American Farm Bureau Federation, while favoring the goal of full employment, is strongly opposed to the bill S. 380, in its present form, because it believes that this legislation will discourage rather than help our economy during the critical reconversion period.

The American farmer, like American labor, has a vital stake in full employment, but both the farmer and the laborer have an even greater stake in our democratic way of life, for which many have died on the field of battle. We believe that the program as proposed in this bill will eventually mean the Government absorbing more and more functions and displacing the creative initiative of the individual, which has made this Nation great. We believe that the maximum employment can best be attained and the national welfare most effectively promoted by adherence to the following basic objectives.

Of course, the theory of this bill means a steady expansion of Federal power. We cannot give the Federal Government billions of dollars to spend without expanding Federal power. Of course, the adoption of the theory would remove every critical faculty in dealing with any measure. It is assumed by many that the statement that full employment will be achieved in 18 months is sufficient justification for spending huge sums of money regardless of the actual details of the situation which may exist. Such a philosophy makes legislation impossible because it assumes the position that the objective of full employment, backed by unlimited spending, is supreme over every other consideration of national policy. That is the theory of the bill. It is contained definitely in paragraph (4) which some of us are trying to eliminate from the bill. We are trying to have it replaced by a provision which will merely say that consideration shall be given to all these purposes, but that it shall not be assumed that public spending is the ultimate panacea for full employment.

Of course, the bill is inflationary in character because the machinery which we have prescribed for it is bound to be inflationary. Any government is bound to put the number of jobs on a high level. Any government, when it multiplies the number of jobs by the average wage, will have to put the wage high or the situation will resolve itself against the worker and in favor of low wages.

The whole theory of the bill is Mr. Wallace's philosophy. The highest point we reached in the war was \$200,000,000,000 a year for goods and services, the Government spending \$100,000,000,000 of it. We have to maintain that in peacetime, and if we cannot do it normally, if it is not a natural result, the Federal

Government must spend the difference in order that we may reach the \$200,000,000,000 goal.

Mr. Wallace's philosophy may not dominate the administration which makes this estimate, but the whole force is to make the estimate just as inflationary as possible, so that when we finally get through with the problem, we are doing just exactly what we did in 1929. At that time we inflated the economy by the extension of private credit. We extended loans abroad; we sold securities all over the country; we built great unnecessary buildings, office buildings, hotels, theaters, so many that no more were required for another 10 years after that time, and the construction industry was dead. We built up a tremendous inflation, and when people suddenly realized they had gone too far, the reaction was so great we had the greatest depression we ever had.

Now it is proposed that we do just exactly what we did in 1929, and if we do the result will be exactly the same. We can go on spending a little longer; Government resources are greater than those of private credit, but sooner or later we will reach the point where the extension of credit will collapse, and then the whole business structure will fall.

Mr. TOBEY. Mr. President—

The PRESIDING OFFICER (Mr. FULLBRIGHT in the chair). Does the Senator from Ohio yield to the Senator from New Hampshire?

Mr. TAFT. I yield.

Mr. TOBEY. The Senator has several times mentioned different authorities whom he accused of having the same philosophy as that exemplified in the bill, or who had announced that policy. He speaks of the Soviet Government. Of course, there is no ground for supposing—and the Senator does not suggest that there is—that any part of the bill was taken from the Soviet Constitution.

I should like to say in passing, however, that whatever there may be, whether it is in the Soviet Constitution, or the Finnish Constitution, or the French Constitution, or the British Constitution, or the common law of those countries, which has a chance, in my judgment, of being for the benefit of my fellow men and for the advancement of their interests, I am not afraid to take it from any source. I am more interested in human beings than in sources.

The Senator has also alluded to Henry Wallace. Henry Wallace occupied the rostrum in this Chamber for 4 years as Vice President. He is now Secretary of Commerce. He is a thoughtful man, and a great public servant. I do not always agree with him, but I voted for his confirmation, and have been prouder of that vote as the days have gone by.

Henry Wallace has written a book, and the world can read it. He did not write the pending bill, and was not consulted about the bill. But let me say one more word about Henry Wallace. Those who scoff at Henry Wallace, in my judgment, in future days will come to praise.

Now, taking up the statement the Senator has just made, he said this bill is the philosophy of Henry Wallace. I, as a Republican from New Hampshire,

CHARLES TOBEY, say something to this side of the aisle. If this bill represents the philosophy of Henry Wallace, it is also the philosophy of the leader of our party, the titular leader of our party, Thomas E. Dewey, the man we cheered in Chicago, for whom I voted. I have quoted this before. It is Dewey's philosophy. This is his statement:

Government's first job in the peacetime years ahead will be to see that conditions exist which promote widespread job opportunities in private enterprise. * * * If at any time there are not sufficient jobs in private employment to go around, the Government can and must create job opportunities, because there must be jobs for all in this country of ours.

That, fellow Republicans—forgetting the other side of the aisle temporarily at least, for which I ask them to pardon me—should be considered as good Republican doctrine. Yet men stand and assail it, speaking of Soviet Russia and Henry Wallace. Why not speak of Tom Dewey and millions of others? There are millions of Republicans in this country who endorse the principles enunciated here.

Our responsibility in a time of depression and widespread unemployment is either to give men opportunity for employment, or furnish them subsistence on relief. Senators may take their choice. As for me, I am going to vote to give men employment, a chance to work out their own salvation, to support their families, and retain their self-respect.

[Manifestations of applause in the galleries.]

Mr. TAFT. Mr. President, my difficulty is that the bill does not do what the Senator from New Hampshire suggests. If the bill did that, I should be for it. But the Senator says he will assure them. How will he assure them? By methods which within a very few years will produce much greater unemployment than would have existed if we had not spent the money. I have no objection to the principle of the Senator's proposal.

The Senator's \$64 question, as it is always asked, is, What would you do if you faced a period of unemployment?

The PRESIDING OFFICER. If the Senator will desist a moment, the Chair wishes to call the attention of the occupants of the galleries to the fact that it is a violation of the rules to applaud any speeches made in the Senate. There have been demonstrations before, and if they occur again, the galleries will have to be cleared. The Chair asks the occupants of the galleries not to demonstrate.

Mr. TAFT. Mr. President, when we face a problem of unemployment we will use every means in every line possible to stimulate the economy by sound methods which may be permanent, which may not only restore employment but will permanently maintain employment at a stable level. There are many different things which could be done and many different fields in which action could be taken. Most of them relate to private enterprise.

I have pointed out before that whereas public works may put two and a half million men to work, the private-enterprise system is employing 50,000,000 people. If we can give people the incentive

to increase business, if we pursue a policy which will encourage private investment, if we really do it, do not just say we are going to do it, and if we increase the private-enterprise machine by 10 percent, we will put many more people to work than will be employed by all the Federal works programs we can ever devise.

I have here an amendment, though I do not know that I shall offer it, a complete substitute for subsection (d). Senators will find it on their desks. It proposes an economic program which may include, but need not be limited to, the following:

(1) Sound taxation and expenditure policies designed to balance the Budget over the ensuing 6 years—

Which should be changed to 9 years—to encourage private investment in and expansion of business enterprises, and to encourage adequate consumers' expenditures.

I do not know anything that will better bring about an increase of the private-enterprise machine than sound policies of taxation, sound fiscal policies, if we are not to have inflation.

(2) Measures dealing with the control of private and public credit to the end that the level of business activity may be neither inflationary nor deflationary but fundamentally sound and constantly rising.

In other words, if we find things are going too fast, check the credit. That was done during the war. We can cut down installment buying so that people could not buy automobiles on the installment plan. If the desire is to stimulate buying, if there comes a time when we are afraid there may be a letting down of business activity, reduce the percentage so that automobiles may be bought on a 10-percent basis. I do not object to Government control of private credit, using it as a means of expanding or contracting private business.

(3) Policies within the scope of proper Federal action tending to maintain the proper relationship between expenditures for capital and replacement, for consumers durable goods, and for consumption.

The Government cannot undertake the whole thing without too much of a regimentation, but there are many fields in which it can act. There is the question, for instance, of expenditures for capital and replacement, which deals with the problem of housing. We can tone down the FHA, and stimulate the housing program or retard it.

(4) Policies within the scope of proper Federal action tending to maintain the correct relationship between the level of wages, the level of farm prices, the level of industrial prices, and the cost of living.

One of the causes of the 1929 depression was that farm prices got below industrial prices. We have found various methods by which we can stimulate farm prices, if you please, and we should do so. We should see to it that there is a proper relationship. At the present moment the OPA is pursuing the policy that wages can be increased and at the same time prices be held down. That simply will not work. It is bound, I think, to destroy private enterprise. If that kind of policy is pursued private enterprise, I

believe, will be destroyed, because while the large companies can continue to operate, no one is going to enter into a new business in which he will lose money. If wages go up and prices are held down there will be no extension of private enterprise. People will not go into new businesses.

(5) Policies affecting the rate of interest and the rate of return on capital.

That is recognized today as a proper method of trying to control the problem of savings as against the problem of consumer expenditures.

(6) Federal stimulation and development of production and construction by industries, corporations, and individuals through insurance guarantees or otherwise.

I am willing to try any reasonable methods which are suggested to stimulate private enterprise in fields where for some reason it is not able to proceed by itself.

(7) An increase or decrease in the expenditures of the Federal Government of all kinds designed to assure continuing full employment, including a comprehensive program of public works so planned that it can be speeded up and enlarged in times of lesser activity by private enterprise.

That is one of the things which should be done. Certainly it is one of the things that can be done in an economic crisis. But it is not a panacea any more than any of the other seven things I have listed are panaceas. There is one thing which can be done, and which would be done by the amendment now before the Senate. Instead of saying, "Here is a panacea and if you are not satisfied that the other remedies are going to do it, you have got to recommend it," we simply say, "Here is another thing that will help, and you are authorized to use it, to consider it, and to submit something along that line."

(8) Policies designed to prevent monopoly and promote competition.

The Senator from Montana [Mr. WHEELER] is interested in that, if it can be done to keep consumer prices down, increase the consumer's purchasing power, and spread the money over a larger number of industrial enterprises and production.

(9) Policies designed to promote foreign trade; and

(10) Policies relating to old-age pensions which will provide for an income for the aged sufficient to enable them to maintain a decent and healthful standard of living, and promote the retirement from the labor force of the older citizens.

Mr. President, if we find we have too many workers, one thing we can do is to drop the old-age pension down to a point where people can retire at an earlier age. There are many other things that can be done, but my objection to the bill is that all these things are cast in the background, and are under the shadow. They are to be tried, yes, but ultimately the Federal Government undertakes that it will absolutely insure employment by Federal spending. Once we have that insurance, what happens? What further responsibility is there on the State and local government, and why should they do anything? The

Federal Government has undertaken to do the whole job. Why should the local governments undertake to inconvenience their systems? The Federal Government has taken it off their shoulders. The bill, instead of trying to work out further plans to stimulate private enterprise, provides immediate recourse to more Federal spending. It becomes the key to all national policy from this time on. Not only is Federal spending a panacea, it is a dangerous drug. If we once begin to take it we never can escape it.

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

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

Mr. RADCLIFFE. The proponents of the pending amendment have accentuated the fact that it is their desire and purpose to stress the opportunity for private industry, and to make it possible for State and municipal governments and private enterprise to do everything they can do to help solve the unemployment problem. No one has raised any objection to that. Never in all the discussions in the committee was any objection raised to that idea. As a matter of fact, there is nothing in the amendment which is now pending which in any way runs counter to that view. On the contrary, the pending amendment states emphatically that State and municipal governments and private industry shall be encouraged in every way possible in order to make their contribution toward relief of unemployment. There is absolutely no difference of opinion whatever on that ground. There was not in the subcommittee nor in the full committee nor has there been on the floor of the Senate any difference of opinion on that ground. The only point of difference has been that if it should develop that all these various methods were not sufficient, whether there should be, as a declaration of policy, an unqualified statement, that the Federal Government will spend enough money to absorb unemployment relief. That is the only difference. There has been complete unanimity on everything that leads up to that point.

Mr. TAFT. The Senator from Maryland is entirely correct. The only issue raised by these amendments is whether we say, "When submitting your program you are free to consider every element and choose every element," or whether we say, "You must consider a number of elements, but when you get through you have got to make up the difference in a statistical estimate by recommending Federal expenditures."

Mr. RADCLIFFE. The Senator from Ohio has stated the situation correctly. The only point of difference is when it comes to unemployment which has not been taken up by the various agencies other than the Federal Government.

Mr. HATCH obtained the floor.

EMPLOYMENT OF COUNSEL BY PEARL HARBOR JOINT COMMITTEE

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. BARKLEY. Mr. President, in this morning's Times Herald of Washington there was an article which is so

utterly baseless that I cannot let the day go by without commenting upon it. The article reads as follows:

POLITICS SEEN IN PEARL HARBOR COUNSEL CHOICE

Former Attorney General William D. Mitchell yesterday was chosen chief counsel of the Pearl Harbor Investigating Committee after Chairman Hannegan, of the Democratic National Committee, it was learned authoritatively, had turned thumbs down on at least one other lawyer given committee consideration.

This intrusion of boss politics into the selection of the man who will assume the burden of uncovering the true story of Pearl Harbor was merely one of the incidents which marked a series of behind-the-scenes maneuvers.

FULTON BLACKBALLED

The man blackballed by Hannegan was Hugh Fulton, former counsel for the Senate War Investigating Committee headed by President Truman when he was Senator. Fulton, widely acclaimed for his probing skill, incurred Hannegan's displeasure by his political ambitions when Mr. Truman became President.

Sam O'Neal, publicity director for the Democratic Committee, conveyed Hannegan's disapproval of Fulton to the Democratic members of the committee and he was immediately removed from consideration. Fulton, a Democrat, had been sponsored by Senator Brewster (R.), of Maine, a member of the Truman committee.

Mitchell, final choice of the committee, was approved unanimously after he had assured the five Senators and five Representatives that he would seek to discover the responsibility for American unpreparedness at Pearl Harbor without regard to whom the evidence might hit.

FORMER ATTORNEY GENERAL

The 71-year-old New York lawyer was Solicitor General in the Coolidge administration and Attorney General under President Hoover. He practiced law in Minnesota until he received these appointments, then headed his own law firm in New York after his term as Attorney General ended in 1933. He was chairman of a Supreme Court advisory commission.

In the executive sessions of the committee, it was learned, Chairman BARKLEY (D.), of Kentucky, sought approval of a rule which would have confined the questioning of witnesses to the counsel, leaving the 10 committee members mute.

This unprecedented suggestion evoked indignation from Republican members and several Democrats who noted that it relegated the committee to the status of a jury, leaving the sole responsibility for uncovering the evidence in the hands of one man. BARKLEY then withdrew his proposal.

Ordinarily, Mr. President, these little snipers write their names over the articles in the press, but in this case the identity of the writer of this article is not known, because he was not courageous enough to sign his name to it, or place his name at the head of the article. Therefore I am unable to pin responsibility on any individual, but I suppose it is only fair to say that the newspaper involved accepts full responsibility for the article itself.

Mr. President, I suppose that the committee as a whole, and members of the committee individually, may anticipate that as this investigation proceeds efforts similar to this will be made in some quarters to discredit the investigation in advance. No legitimate interpretation can be put upon this maliciously false article other than

to say that it is untrue in every sentence and every word, except insofar as it states the fact that Mr. Mitchell was chosen to be general counsel of the committee. I suppose we may anticipate that efforts will be made, as the committee goes along, to discredit in advance the committee, its hearings, its investigation, and its report.

When I submitted the resolution which called for this investigation I had no idea that I would be named on the committee. Furthermore, when the committee was being organized after the House had unanimously agreed to the resolution, I implored the Senator from Tennessee [Mr. MCKELLAR], President pro tempore of the Senate, not to appoint me as a member of the committee. I urged that in my position as majority leader of the Senate I had all the work that any human being ought to be expected to do, and that, in my opinion, I could not do justice to membership on the committee to investigate the Pearl Harbor disaster without neglecting my duties in the Senate, and that if I undertook to perform both functions, I probably would neglect both. Nevertheless, the President pro tempore insisted that I be a member of the committee, and appointed me.

When the committee met for organization I was made chairman of the committee over my protest, as every member of the committee will testify. Notwithstanding that, I was unanimously—with the exception of my own vote—made chairman of the committee.

We have had three or four meetings of the committee. Thus far the committee has been unanimous in everything it has done. It has proceeded in harmony, understanding, and accord. No politics has been injected into the deliberations of the committee. There has been none in any decision which it has reached. It is my hope and belief that the committee will continue in that nonpartisan spirit. Unless it were willing to do so, I would not wish to have anything further to do with it, or to associate myself with it.

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

Mr. BARKLEY. I yield.

Mr. FERGUSON. I am sorry to interrupt the able Senator from Kentucky, but I feel that I should say something on this subject in relation to the meetings which the committee has held.

Let me say that at no time has there been even a thread of dissent in the committee. There has never been anything that could be said to be political in any way. No question was ever raised in the committee as to who should ask questions or should not ask questions. The Senator from Kentucky is absolutely correct when he says that this article does not convey what was done or said in any of the committee meetings. It is to be regretted that politics should in any way be brought into this investigation. Mr. President, this is a serious matter. It is a matter which deserves the careful attention of a committee. The committee has been appointed. The committee has not proceeded upon any partisan idea whatever, and there is no evidence to indicate that the committee will proceed along that line.

Mr. President, I wish to say again that nothing was said about who should question any witnesses, and nothing was said in relation to the production of witnesses. Therefore I think it is fair to say that politics has not entered into the proceedings of the committee. I hope—and I know—that is the way it will continue. I hope the public will accept this committee as a committee of men who feel that they have a grave responsibility to the people of the United States, and that they want to do this job without party politics, as Members of the Senate and the House of Representatives should do it.

I am glad to join with the Senator in making this statement.

Mr. BARKLEY. I thank the Senator from Michigan.

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

Mr. BARKLEY. I yield to the Senator from Maine.

Mr. WHITE. I have no wish to comment on the newspaper article which the Senator from Kentucky has read, or upon the activities of the committee, so far as I know them, except in one particular. I want it known that I do not conceive that the committee could have made a wiser selection than its choice of Mr. Mitchell. He is a lawyer of high distinction, who once served as Attorney General of the United States. I think it has been recognized by all who are familiar with the activities of the Supreme Court of the United States and those who practice before it that no man has ever appeared before the Supreme Court of the United States who held the respect and confidence of that Court to a greater degree than did Mr. Mitchell. It is commonly understood that he was one of the most successful practitioners who ever appeared before the Supreme Court of the United States. I have had a personal acquaintance with him for many years. He is a man of quiet ability. He is a man of character. He is a man of courage. He is a man who has the very highest conception of public duty and public service, and I wish to congratulate the committee on its selection.

Mr. BARKLEY. I thank the Senator from Maine.

Mr. President, I wish to state categorically and without reservation that the statement in the article to the effect that Mr. Hannegan, chairman of the Democratic National Committee, injected himself into this subject, directly or indirectly, or even remotely, is without the slightest foundation. No member of the committee consulted Mr. Hannegan about the choice of counsel. Mr. Hannegan did not intrude himself by offering any suggestion or advice, directly or indirectly, as to who should be chosen as counsel for the committee.

I wish also categorically to state, without reservation, that the paragraph of the article which states that "Sam O'Neal, publicity director for the Democratic Committee, conveyed Hannegan's disapproval of Fulton to the Democratic members of the committee and he was immediately removed from consideration," is an unmitigated, unreserved, unconditional falsehood, written by the man who wrote this article for the Times-

Herald of Washington, D. C. No member of the committee saw Mr. O'Neal in this connection, or in any other connection relating to the appointment of counsel, or any other service which the committee has begun to render to this country and to the people.

I wish categorically to state that the last two paragraphs, relating to me, in which I am accused of having proposed a rule which would confine the questioning of witnesses to the counsel, are also equally an unconditional, premeditated falsehood.

I wish I knew the identity of the author of it, so that I might call him by name here on the floor of the Senate. But I do not, and therefore I cannot.

Mr. President, a number of persons were suggested and considered by the committee for counsel. The fact that any of them were not chosen is no reflection on them. The committee had to make a choice. It had before it suggestions of able, eminent counsel. The committee's one desire was to get away from politics and to choose the best qualified man, the man with the highest possible standing, who was willing to undertake the job. We conferred personally with Mr. William D. Mitchell. His reputation was known to all of us. He was one of the first men who was thought of in connection with this work. None of us knew whether he would undertake it. As chairman of the committee, I communicated with him and asked him to come to Washington in order that the committee might confer with him about it. He came. He conferred with the committee. There was absolute frankness on both sides. Then, without a dissenting vote, all 10 of the members of the committee voted unanimously for the selection of Mr. William D. Mitchell.

I do not have to say that Mr. Mitchell's reputation is Nation-wide. I do not have to say that he is a man of the highest character, of the highest standard of legal ethics. I do not have to say that in our judgment he is as well qualified as any other man, if not better qualified than any other man, we could have chosen for this important task.

I have felt called upon to make this statement because I do not propose that we shall have our work subordinated, before we get started, by malicious little articles of this sort designed to create lack of confidence and dissent among the people and possibly among the members of the committee. I hope this is the last time I shall be called upon to deny or comment upon any article appearing in the newspapers, either in Washington or elsewhere in the United States.

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

Mr. BARKLEY. I yield.

Mr. SMITH. I wish to congratulate the chairman of the committee and his committee for the wonderful selection they have made. I have known Mr. Mitchell for years. The committee could not have chosen a man who would more directly take partisanship out of the investigation. I congratulate the committee.

Mr. BARKLEY. Mr. President, I thank the Senator. I think that is the feeling of the Senate and the feeling of

the country, notwithstanding the effort to create suspicion and doubt of our integrity and our good faith, before we can even start on the investigation.

So far as I am concerned, I do not propose to be diverted from the performance of my duty by this article or by any other articles of similar tenor which may appear. But I did not want this occasion to pass without expressing an opinion of it and of the man who wrote it.

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

Mr. BARKLEY. I yield.

Mr. DOWNEY. The distinguished senior Senator from Kentucky, in expressing his reluctance to accept the chairmanship of this important committee, was guilty of such an understatement that I cannot allow it to pass unchallenged. The distinguished Senator said he had all the burdens and responsibilities that an ordinary man could carry. I think I am voicing the consensus of the opinion of the Members of the Senate of the United States when I say that only the most extraordinary character we have in the Senate and the most extraordinary character I have ever known could carry the burdens which are borne by our distinguished majority leader. I, for one, a neophyte in the Senate, when I first knew him, and ever since I have known him, have marveled at his patience, his integrity, his industry. I have watched him here, day after day, every day, prepared to speak on complicated legislative matters and to meet unfortunate situations such as this, and I know that the distinguished Senator by his career in Washington has finally achieved such a reputation that he is totally invulnerable to such attacks and such misrepresentations as the one referred to. I am glad to have this opportunity to express my admiration of the industry, integrity, and ability of our beloved leader.

Mr. BARKLEY. I thank the Senator from California.

Mr. President, what I said about myself in regard to reluctance in accepting this assignment ought to be said, I think, of all members of the committee. None of them sought this assignment. None of them accepted it except with great reluctance. No one who could appreciate the magnitude of the task would wish to add it to all his other burdens as a Member of the Senate of the United States. What I said about myself applies to all the other members of the committee with equal strength and equal validity.

I sincerely hope we may be permitted to proceed with our work, as we have started out, on a high standard of patriotic public service, without efforts being constantly made, even before we can get started, to discredit the committee and its work and its counsel in advance.

FULL EMPLOYMENT ACT OF 1945

The Senate resumed the consideration of the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government.

Mr. HATCH and Mr. MOORE addressed the Chair.

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

Mr. HATCH. Mr. President, I am about to proceed with discussion of the pending amendment. Did the Senator from Oklahoma desire to comment on it?

Mr. MOORE. No. I wished to obtain the floor.

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

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Is the pending amendment the one offered yesterday by the Senator from Maryland [Mr. RADCLIFFE] and the Senator from Ohio [Mr. TAFT]?

The PRESIDING OFFICER. Yes; that is the pending amendment.

Mr. HATCH. Mr. President, that particular amendment is addressed and directed to paragraph (4), appearing on page 14 of the bill. During the discussion yesterday and today by the authors of the amendment and the authors of the bill, it did not seem to me that there was a great deal of difference between what was intended by either. There was a difference in the language, which is interpreted by the authors of the amendment in one way and by the authors of the bill in another way. If it is only a difference in language, and if the objectives and purposes are the same, it occurred to me that the language should be refined and expressed in a way which would meet the intentions of both.

Today, Mr. President, I have drafted a substitute which I shall offer for the pending amendment. I claim no authorship of the language in the substitute, for by and large it is taken altogether from the bill and from the pending amendment, hoping thereby to reconcile the differences and make clear and certain what I believe all intend.

I shall read the substitute which I have drafted, and I hope it will be accepted by those on both sides.

Beginning in line 20 on page 14, I propose to strike out all down to and including the word "Such" in line 25, and to insert the following—I shall now quote the language I propose as a substitute:

To the extent that continuing full employment cannot otherwise be—

Mr. President, that is the exact language of the bill. Following that language, the bill uses the word "assured." The word "assured" has given considerable trouble. Many persons, not only in the Senate but outside the Senate, believe that the word "assured" means "insured," that it means a guaranty. The authors of the bill say it is not used in that sense; they say that by the bill they are not guaranteeing, nor can they guarantee anyone a job. That being true, I have used the word "attained" in place of "assured."

Following that, I pick up language from the proposed amendment, which is—

The Federal Government shall, consistent with its needs, obligations, and other essential considerations of national policy—

Those are the exact words of the pending amendment, and they are taken from it. As I heard the authors of the bill yesterday, they did not contend that their bill was inconsistent with national needs or other essentials or considerations of the Federal Government. On the other hand, they argued that their bill was consistent with national needs and other considerations. I heard no Senator dispute the fact that all legislation should be consistent with national needs. I cannot conceive of any Senator standing on the floor of the Senate and advocating legislation which is admitted to be inconsistent with national needs. If the contrary is the purpose of the authors of the bill and the authors of the amendment, why not adopt such simple language as that which I have suggested?

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

Mr. HATCH. I yield.

Mr. TOBEY. I am sincerely interested in what the Senator is saying. After his suggested use of the words "to the extent that continuing full employment cannot be attained," would he consider the use of substituting for the word "attained" the word "achieved"?

Mr. HATCH. I am using that word in a later phrase. I do not wish to repeat the same word, although I would otherwise have no objection to its use.

Then I take up the language of the bill just as it is written, and after the words "and after other considerations of national policy," say:

provide such volume of Federal investment and expenditure by private enterprises, consumers, and State and local governments to—

The author of the bill uses the word "assure," carrying the thought of guaranteeing. I have changed the word to "achieve" so that the language will read:

To achieve the objective of full employment.

That is the proposed substitute.

Mr. VANDENBERG. Mr. President, will the Senator read his amendment in its entirety?

Mr. HATCH. The language would be as follows:

To the extent that continuing full employment cannot otherwise be attained, the Federal Government shall, consistent with its needs, obligations, and other essential considerations of national policy, provide such volume of Federal investment and expenditure by private enterprises, consumers, and State and local governments, to achieve the objective of full employment.

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

Mr. HATCH. I yield.

Mr. MURDOCK. I do not wish to be too meticulous in making suggestions, but it seems to me that in order to carry out the full intent of the bill the words "full employment" should be preceded by the word "continuing."

Mr. HATCH. So that the language will read "to achieve the object of continuing full employment."

Mr. MURDOCK. Yes. That would be the language.

Mr. WHITE. Mr. President, as I understand the proposal now being

made, it is to insert in line 21, in place of the word "assured" the word "attained."

Mr. HATCH. Yes.

Mr. WHITE. I am wondering if it would not be more appropriate to say "full employment is not otherwise attained" instead of saying that it "cannot otherwise be attained."

Mr. HATCH. I have no objection to that. I am trying to frame language which will meet the various conflicting views which have been expressed, but which to my mind are not in conflict. Does the Senator suggest using the words "is not otherwise"?

Mr. WHITE. The suggestion I make would involve the use of the words "is not otherwise attained." I am speaking offhand without having thought much about it. I do not have any particular pride in the suggestion.

Mr. RADCLIFFE. Mr. President, I am not sure that I was able to follow very carefully the suggestion of the Senator from New Mexico. Does the Senator from New Mexico understand there is to be any obligation in his suggestion which would rest on the Federal Government to make up for any deficits in employment?

Mr. HATCH. Does the Senator mean a contractual obligation? There is the obligation set forth here, and in the Senator's amendment, that when full employment is not achieved, and it is consistent with the national policy, it shall be the duty and obligation of the Federal Government to use its resources to achieve the objective of full employment, but not a guaranty of jobs to anyone. The whole purpose is stated as an objective and not a guaranty.

Mr. RADCLIFFE. The amendment which was offered by the Senator from Ohio [Mr. TAFT] and myself begins with this language, "in the furtherance of the objective." If the Senator means that the word "achieve" is more or less identical in meaning with the language "in furtherance of the objective" it seems to me that it is more or less stated already in a somewhat different form. If there is a shifting of the extent and nature of the obligation of the Federal Government, then there may be involved a difference.

Mr. HATCH. I have tried to follow the language for which the Senator argued yesterday, namely, that it was in furtherance of the objective of full employment. I think that is what the language states. I think that is what the authors of the amendment contend that it states. The question is one merely of agreeing on language.

Mr. RADCLIFFE. I think the Senator from New Mexico is making a helpful effort to try to find language which may express what the authors are trying to achieve, namely, that of getting rid of unemployment. There is no doubt in the world about that. However, there seems to be a difference between the amendments, which grows out of the fact that the amendment now pending provides that "in furtherance of the objective of full employment" these things shall be done. The language which is being suggested goes further than that

and, I assume, creates some sort of a guaranty. When this language was discussed in the committee—and I have reference especially to the words, "consistent with its needs, obligations, and other essential considerations of national policy"—it is very definitely my recollection that the statement was made by some members of the committee who are in favor of the bill that if that language were incorporated it would cut the heart out of the bill.

Mr. HATCH. Mr. President, of course I was not present in the committee and I am not a member of it. If that language was used in the committee, I can well understand how it came to be used. It was no doubt used in the heat of committee argument and debate when men frequently say things without first thinking them through. I do not think any committee member would make the statement that if the bill had to be consistent with national policy its effect would be destroyed.

Mr. RADCLIFFE. Again and again the question was asked by myself and others, "What is the objection to the language? If you do not think it is consistent, then it must be inconsistent." Certainly the statement was made, unless my memory is entirely in error, that the language to which I have referred was at the very heart of the bill. As stated awhile ago, I am quite positive that one of the members said that if it were put in it would cut the heart out of the bill. Certainly, if my memory is correct, there must have been something in that statement.

Mr. HATCH. I, too, have engaged in debate and argument in committee, and I have been guilty of making statements which I should not have made. But I wish to say that I think the bill itself, insofar as it seeks to attain or achieve or promote full employment, is consistent with the national policy of this Government.

Mr. TOBEY. Good for the Senator from New Mexico.

Mr. HATCH. I think the Senator from Maryland agrees to that.

Mr. RADCLIFFE. I agree with that. It is consistent, but then the question arises, provided the objective is not attained, provided there is still a deficit, what, if anything, is the Federal Government going to do? That is the crux of the matter.

Mr. HATCH. As I have said, I have used almost the exact language of the Senator's amendment and of the bill, language about which there is no dispute.

Mr. RADCLIFFE. I was not raising any objection to the Senator's amendment. The amendment has not been studied and considered. I think it is an excellent effort on his part to try to suggest something to harmonize the language. But I desire that there should be kept in mind whether or not, according to the language the Senator drafted, he believes there is a responsibility resting upon the Government to pick up the slack of unemployment which may exist after all other agencies, private enterprise, State and municipal activities, fail to accomplish what is desired.

Mr. HATCH. Yes, I believe that. I think the obligation does rest on the Fed-

eral Government after all other agencies have failed.

Mr. RADCLIFFE. Of course, there is an obligation, but what I should like to know is how far the obligation goes. Every member of the committee was willing to assume that not only is there an obligation, but that the Federal Government should do everything it could consistent with other obligations.

Mr. HATCH. That is exactly what my proposal says, that is what the bill says, and that is what the Senator's amendment says.

Mr. RADCLIFFE. I think the language of the Senator, which I have not been able to study very carefully, tries to set forth the same idea, and to reach the same goal, but I wanted to know whether he felt that under the language he submitted there was still a responsibility upon the Federal Government, after all these other things were done, to see that the last remnant of unemployment was taken care of.

Mr. HATCH. I wish to say to the Senator from Maryland that after he studies the proposed substitute he will find it meets—at least, I think it meets—every objection he raised yesterday to the committee bill.

The first objection was that it made employment paramount and above everything else in that it guaranteed full employment, while it only fostered the other things. The authors of the bill denied that. They said that was not true.

Mr. RADCLIFFE. But they objected to the "consistent" clause.

Mr. HATCH. My suggestion does away with the very words which the Senator construed as bringing about that condition, and it inserts other words which I do not think could be interpreted that way at all.

The Senator's other objection was that the bill, in addition to making employment paramount, actually guaranteed a job. Again there was dispute. The authors of the bill said it did no such thing. My amendment seeks merely to clarify that, and I think it does.

I think the Senator's objection was met, and I hope the authors of the bill will agree that my amendment does at least express their intentions as well.

Mr. RADCLIFFE. I certainly appreciate the Senator's efforts.

Several Senators addressed the Chair. The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). Does the Senator from New Mexico yield; and if so, to whom?

Mr. HATCH. The Senator from Wyoming was the first I heard address the Chair, and I yield first to him.

Mr. O'MAHONEY. I thank the Senator. I wish to compliment the Senator from New Mexico on the effort he has made. In my opinion he has made a very correct analysis of the issue which has developed.

As I listened to the reading of the amendment he now proposes, the modification, an attempt to combine some language offered by the Senator from Maryland and the language reported in the bill, I think he has done an excellent piece of work. It seems to me it meets the issue.

I hope the Senator will offer the amendment so that it may be printed and considered by all members of the Senate overnight. So far as I am personally concerned, I think the Senator has done a great deal to clarify what apparently was a troublesome issue in the minds of many, in the Senate and outside the Senate.

It may be that the amendment which the Senator has offered will not be acceptable to some. It will not be acceptable, I can say, to those who feel that Government policies should actually fall short of preventing unemployment.

Mr. HATCH. Now I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, I shall certainly be very glad to consider the amendment offered by the Senator. The only objection I thought of, as I heard it read, was in the words "such volume as to achieve full employment." That seems to follow the qualification in the first part. I have some doubt whether even with the qualification it does not impose the same volume and concept to which I objected in the bill and described in my recent remarks.

I shall be very glad to study the proposal of the Senator. I have no doubt we can consider it in the morning.

Mr. WAGNER. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. WAGNER. I wish to concur in the praise of the Senator from Wyoming for the effort the Senator from New Mexico is making to clear up the situation. The Senator is going to have the amendment printed. I am rather favorable to it, but I wish to confer with all the sponsors of the bill and the members of the Committee on Banking and Currency. I think we can do that overnight and I hope that in the morning the amendment will be presented. As I understand, the Senator proposes to offer it as a substitute.

Mr. HATCH. That is correct.

Mr. WAGNER. Very well. I thank the Senator very much.

Mr. VANDENBERG. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. VANDENBERG. First I should like to comment that I think the attitude of the sponsors of the bill is most helpful. What has disturbed me, and, in a sense, shocked me, has been that good faith suggestions from Senators who are anxious to support the bill apparently heretofore have been set aside on the theory that its text is sacrosanct, and that no change should be made in it.

Mr. President, I happen to be one of those who are very anxious to support the measure. I happen to find my chief objection answered by the language in the substitute, which merely insists that the program to meet unemployment shall be geared into the total public interest.

Everyone who has anything to do with the bill says that is what it means, yet up until the moment the able Senator from New Mexico proposed to put it in type, we were told that we could not have such an amendment.

Mr. HATCH. Mr. President, I might say to the Senator that no one told me,

and fools rush in where angels fear to tread, so I just sat down and wrote the amendment out.

Mr. VANDENBERG. I refuse to join the Senator in cataloging him in the class in which he has just cataloged himself.

Mr. HATCH. With the angels? [Laughter.]

Mr. VANDENBERG. What I wish to say is that there is no doubt in my mind that with one or two changes of the nature proposed we could get very nearly a unanimous Senate to support the proposition that we shall proceed to plan against depression, and never, never again be left without a plan when we confront depression. It seems to me that if we can have just a little good faith and consideration of the effort to make the bill say what everyone connected with it insists it means, we can achieve a very healthy, wholesome net result.

Mr. HATCH. Mr. President, I think that if we had a little more time and a few more statements we might pass the bill this evening, but since there have been several expressions of desire to have the proposed substitute printed, I now send it to the desk with the request that it be printed, and I shall offer it as a substitute for the pending amendment. I say again, as I stated in the beginning, that the words are not my words, there is no pride of authorship, they are largely words from the bill and from the proposed amendment, and if any Senator can suggest a word which will better state what all have in mind, so far as I am concerned, I shall be glad to have it used.

Mr. BUCK. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. In lieu of the language proposed to be inserted by the amendment of Mr. RADCLIFFE (for himself and Mr. TAFT) as a substitute for the language beginning on page 14, line 20, down to and including the word "such", in line 25, insert the following:

(4) to the extent that continuing full employment cannot otherwise be attained, consistent with the needs and obligations of the Federal Government and other essential considerations of national policy, provide such volume of Federal investment and expenditure as may be needed, in addition to the investment and expenditure by private enterprises, consumers, and State and local governments, to achieve the objective of continuing full employment.

THE PRESIDENT'S MESSAGE

Mr. MOORE. Mr. President, the economic, social, and political implications of the President's recent message to the Congress are such that a discussion of the program seems appropriate.

I had awaited the President's postwar message with anxiety and hope that it would point the way to a restoration and preservation of our American way of life. Those of us who were pleased to believe and hope that the influences that had so long permeated the executive branch of our Government were to be put aside have been disillusioned. It now seems clear that the peacetime policies of

the Executive will be a continuation and extension of those policies and practices that have for more than a decade led us far from the Constitution.

Although the message is expressed in terms of admirable objectives, the President lacks confidence they can be attained within the limits of a free economy operating under a system of private enterprise. The President has said that it will be the postwar policy of the executive branch to demobilize, as soon as possible, the armed forces; to clear the war plants so as to permit contractors to proceed with peacetime production; to remove all possible wartime Government controls in order to speed and encourage reconversion and expansion; to reestablish and expand peacetime industry, trade, and agriculture. The President declares that in order to provide jobs, we must look first and foremost to private enterprise, to industry, agriculture, and labor. He insists that Government must inspire enterprise and confidence that comes mainly through deeds, not words; that the Government must give assurances of stability and consistency in public policy so that enterprise can plan better by knowing what the Government intends to do; and that business must have assurance that every governmental policy and program will be pointed to promote maximum production and employment in private enterprise.

The means proposed by the message to accomplish these objectives, however, are such as to chill with fear every businessman and congeal the very forces that motivate private enterprise.

The recommendation for the retention of wartime controls over prices, and consequently over profits, invalidates the virtue of the objectives expressed. Considerable publicity is being given to the release of many unimportant controls, but the essential controls over prices are to be retained. When prices are controlled, wages and salaries are necessarily controlled and likewise profits, if any, are automatically controlled. The President suggests we must continue such controls in order to overcome the dangers of either inflationary prices or the possibilities of lowered incomes and widespread unemployment. The governmental policy, he said, must guard against both contingencies. In other words, the Government is to prevent prices from either rising or falling and the artificial controls designed for such purposes are to be maintained and continued until all danger of such possibilities have passed. If such is to be the yardstick by which wartime controls of prices, salaries, and wages are to be removed, then it is obvious that the termination of our wartime controlled economy is a myth and the private enterprise system merely a fond memory. Under such program the American people are confronted with permanent controls of those essential forces that make possible a completely controlled economy. True, the message promises the elimination of rationing and price controls on one commodity after another just as soon as supply comes into balance with demand. It is an economic axiom that under an artificially controlled price the

operation of the natural forces of supply and demand is stymied and consequently supply either does not catch up with demand under policies predominantly inflationary or overruns demand under policies predominantly deflationary. A perfect demonstration of this economic truth is seen in the operations of OPA. A shortage of meat and other foods, clothing, household wares, and hundreds of other commodities in the legitimate markets induced by prices artificially fixed under their normal level has caused a serious lag in supply. Likewise, a fixed price above normal levels would have caused supply to overrun demand. Demand and supply are economic complements of each other and one may not be controlled without throwing the other out of balance. Business and industry know this truth and therefore have received the President's proposal for a continuation of these wartime controls with misgivings. It would have been a wholesome and encouraging aid to American business and industry if the President had suggested an early date for the termination of all wartime controls. No greater assistance could be given to reestablishing a free economy and the consequent national prosperity that would follow.

It seems that one of the outstanding results of this war has been the manner in which the propaganda machine has misled a large segment of the public. It is contended by the control agencies that price inflation has been curbed and a fair distribution of available consumer goods has been accomplished under Government control. The trend of the propaganda now is that since such controls were good for our war economy, they are acceptable for peacetime. Price indexes are submitted to prove the point. The facts are that the price indexes officially released are deceptive in the extreme. Prices alone no longer tell us the true situation. Price indexes are held down by so many factors, such as reduced quality of goods, reduction of services that formerly represented a part of price, tie-in sales, forced use of substitutes, black-market operations, Government subsidy payments not included in price calculations and which remove part of the price from the indexes, exclusion of items that have gone up most violently, the retention in the indexes of items that cannot be obtained in the market, that a distorted picture is obtained. If we are to know the truth about wartime inflation, let us talk to the housewives of the country who spend their days shopping in the legitimate markets for food and clothing of acceptable quality at a price they can afford to pay. Some economists estimate that a 1939 dollar is worth only about 60 cents in today's market. What we should understand is that trends of inflation and deflation are the sunshine and rain that make a free economy flourish in the soil of a democracy. A trend too far in either direction, like floods and drought, is bad, but such is the hazard of a free economy, which is the essential factor of democracy. To suggest at this time a further continuation of the very policies that

have all but destroyed our American system is most discouraging.

It is an economic fraud to say that the manufacturer is free to obtain raw or processed materials, and at the same time to control the prices of those materials at a level which prevents their production. It means nothing to the manufacturer to increase the level of his wholesale prices and at the same time to control retail prices that prevent an outlet being furnished for the manufactured product. Certainly it is economic suicide to the retail merchant when the controllers boost his wholesale prices and his wage cost, and at the same time control his retail prices at the same level. There can be only one answer to the problem of reconversion and peacetime prosperity under a free economy, and that is a complete termination at an early date of wartime controls. Economic crimes in the nature of artificially controlled prices, like other crimes, begot crime. When one force is controlled, it becomes necessary to control the counterforce.

The recommendation of the message that the Government assume the direct burden and responsibility of paying all unemployed individuals a maximum of \$25 a week for 26 weeks in each year suggested economic and social consequences that would demoralize business and industry. The proposal is an invitation to idleness and unemployment and a deterrent to the building of that character of moral fiber which has made democracy work in America.

The President's proposal insisted that it would be applicable only to those "ready, willing, and able to work." By what standard or yardstick are we to measure readiness, willingness, and ability to work? We know it to be a truth that if the reward for unemployment is high enough, those who prefer leisure at these rates will devise ways to prove their eligibility under such general terms. The President's plan also has the vice of affording a temptation for political operations too great for any practical person to expect that the politically ambitious would not utilize them to the fullest extent.

The proposal proceeded on the assumption that private industry will fall in its responsibility to create a high degree of employment in the postwar period. It is a fact, however, that industry is fortified with the greatest backlog of unfilled orders in the history of the country. The shortages and inflation brought about under our wartime controls have been such that we moved into the peace with the people destitute of almost every necessity of life and a lowered standard of living that can only be rehabilitated by new homes, cars, refrigerators, washing machines, electrical appliances of all kinds, and hundreds of other items which can be supplied only if we have a high rate of employment, unhampered by governmental control. It is the preponderance of opinion throughout industry that if industry is given the green light by Government there is no danger of substantial unemployment for an unforeseeable period. Would it not be a wiser and more practical course for Government to stand

aside and give business and industry an opportunity to assert these pent-up forces rather than to burden them with the threats of a program which can only mean a continuation of high tax levels and a system of Government controls, both of which dull the incentive for private effort?

The highest estimates of responsible sources indicate that approximately fifty to fifty-two million jobs will be required in the postwar period to prevent any substantial amount of unemployment. The Statistical Abstract in 1940 showed an experienced labor force in certain categories as follows:

Agriculture, forestry, and fisheries	9,141,000
Mining, production of coal, petroleum, metals, stone, sand and gravel	1,109,000
Building and construction	3,508,000
Railroads, streetcars, trucks, buses, warehousing, and related transportation facilities	2,429,000
Communications, telephone, telegraph, and radio	410,000
Utilities, electric light, power, gas, water, sanitary services	570,000
Wholesale and retail trades of infinite varieties, including stores of all kinds, milk routes, filling stations, etc	8,201,000
Business and repair services	983,000
Banking, insurance, and real estate	1,548,000
Personal services, housemaids, hotels, laundries, beauty shops, and similar services	4,439,000
Theaters, motion pictures, and other types of commercial amusements	481,000
Lawyers, doctors, engineers, architects, dentists, teachers, clergymen, and other professions	3,519,000
Local government services, such as firemen, policemen, street cleaners, and other local governmental services	1,867,000
Canning, baking, hard and soft drinks, meat products, candy, cigarettes, tobacco manufacturing, milling, and feeds	1,336,000
Textiles, including the manufacturing of carpets, hats, and wearing materials of all sorts	2,251,000
Sawmills, planing mills, cabinet-making, furniture, and related enterprises	1,069,000
Paper and paper products	350,000
Printing, newspapers, books, and publishing houses	683,000
Petroleum refining and manufacture of coal products	212,000
Rubber	173,000
Leather workers, shoe builders, harnessmakers, luggage manufacturers	407,000
Glass, pottery, and related industries	972,000
Total	46,517,000

The job classifications enumerated, totaling more than forty-six and one-half million, will not require retooling or a physical reconversion to peacetime pursuits. These are industries that are ready to go the very moment governmental restraints and controls are removed. Thus it appears that the segment of our manufacturing industry which must retool its plants and make physical changes to reconvert to peacetime operations will not be required to absorb more than five to six million workers.

If governmental controls of raw and processed materials are removed and controls of prices are terminated, there appears to be every assurance that private industry can and will furnish the jobs necessary for high employment and a healthy economy. The Congress could not do more to encourage the realization of a high state of employment than to reject, at least for the time being, discouraging and pessimistic proposals for an unemployment dole.

The President's message proceeds with the recommendation for a substantial increase of the minimum wage now provided by law. If, as the administration appears to believe, we are confronted with the possibilities of large unemployment, the President has committed the folly of an economic inconsistency.

It is a recognizable fact that controlled wages fixed at a level above their productive value discourage employment. The market for labor and other personal services is subject to the same principles of supply and demand as are applicable to the supply and demand of consumer goods, and the only possible route to high employment is high production. The more production and consumption, the greater the labor demand, which tends to increase the competitive price for labor, and thus wages go up. To tell business and industry that they will by law be required to pay a minimum wage to all employees, regardless of the value of the services received, the ability and capabilities of the worker, the productive value of his work, at a time when the employer does not know what he can receive for his goods or his production or what profits may be realized, is to discourage employment and, in fact, to make impossible employment for many in the lower wage brackets.

The minimum wage law was enacted by the Congress to prevent exploitation of labor; but I do not believe it can be said, with reason, that there is likelihood of the exploitation of labor in the near future. The harsh fact is that labor unions, with Government encouragement, have attained a position of arbitrary power so great that now they actually hold the key to our entire economic future.

No analysis of the President's message, of course, can fail to recognize the economic, social, and political implications of the proposal that the Congress adopt the pending so-called full employment bill. The legislation urged upon the Congress asserts that it is the "responsibility of the Federal Government to provide such volume of Federal investment and expenditure as may be needed to assure continuing full employment." Such pronouncement of governmental policy simply means that those who work and produce, and who consequently pay taxes and buy bonds, are to assume the responsibility to support those who fail or refuse to work and produce. Certainly it is the concern of any government that its people be profitably employed to the fullest extent possible; but to say that it is the "responsibility" of the Government, which is the same thing as saying it is the responsibility of the people

generally, to provide investments and expenditures to any extent needed to assure full employment is to accept the essence of statism. No government can discharge the responsibility of making investments and expenditures that will insure continuing full employment unless at the same time it asserts the right to own or control all the resources of the country it governs and to direct the activities of all the people of the country. Such a policy necessarily is built on the theory that those who work and produce can sustain the permanent burden of maintaining the cost of the society in which they live, the burden of feeding, clothing, and housing themselves, and at the same time can contribute a sufficient amount to Government for the investments and expenditures necessary to sustain those who fail or refuse to work and produce. The acceptance of the fixed policy of "full employment by Government expenditures" is an acceptance of the proposition that Government can increase the volume of employment by taxation or borrowing. The truth is that Government expenditures derived from either taxation or borrowing do not increase the ultimate average volume of employment, because money taken from the taxpayers and bond buyers or borrowed from the banks in the form of additional printed money diminishes the spending power of the people by exactly the same amount that it increases the spending power of the Government. That is done in two ways—first, by diminishing the amount of money available for private investments by exactly the same amount as is received in taxes or borrowed by the sale of Federal bonds and, second, by inflating the remainder to the extent that money is borrowed from the banks. It necessarily follows that when the Government takes money from the people, either by taxation or by borrowing, directly or through the banks, the tendency is for private enterprise to throw out of work as many people as are hired to work on Government projects. The application of this principle caused the depression of 1932 to become chronic, and it was only terminated by artificial employment brought about by war. A continuation of the policy will not correct the evil, but on the contrary a discontinuance of deficit spending is essential to a healthy economy and high employment.

Probably few advocates of the full employment bill have attempted to count the cost of a permanent WPA operated with the necessary efficiency to obtain "full employment." Assuming that we revert to the economic level of 1940—and there is no reason to believe that a continuance of the same principle will not bring about the same results—we can expect to have not less than 10,000,000 unemployed. The present unionized construction wages average \$1.36 per hour. Employment at that wage for 40 hours a week for 52 weeks would mean an income of \$2,829 a year for each worker. Government expenditures on that basis for 10,000,000 employed on public construction would, therefore, amount to \$28,290,000,000 annually. According to the United States Census figures, for every dollar paid out

in construction wages, an additional \$1.42 goes for materials and equipment. Thus, to carry on a volume of work calculated to absorb 10,000,000 unemployed, the Government would need to spend approximately \$40,000,000,000 a year, in addition to wages, making a total of over \$68,000,000,000 per annum. The fact that a portion of such huge expenditures would come in part from local, State, and municipal governments would not alter the end result, because the total would necessarily represent taxes in some form.

The mere squeeze on Government between income and outgo in dollars is not the only vice in the program. The Secretary of the Treasury has made the startling announcement that we must have a postwar Budget of approximately \$25,000,000,000 a year for future governmental expenses. Let me pause here to observe that such an amount is over three times greater than the corresponding amount for the highest prewar year of Government spending. It is, therefore, clear that the most optimistic estimate of national income will be inadequate to finance such a Budget and at the same time to carry the relief program proposed. Thus the difference must be added to our already mountainous deficit approaching \$300,000,000,000, with the consequent deflation of the purchasing power of our dollars—in other words, inflation of prices. It seems difficult for the political mind to grasp the fact that the public debt is an irresistible inflationary force that asserts itself in direct proportion to the size of the deficit. A national debt is a mortgage upon the wages of every worker, the home of every citizen, the bond of every bond buyer, the life insurance policy of every policyholder, and the savings of every depositor.

There is yet another vice in the proposal of the President, so far reaching that its consequences are incalculable. It is implicit in the proposed legislation that a great national bureaucracy must be set up and maintained, manned by experts, social workers, planners, investigators, economists, and labor experts, welded into bureaus, commissions, and agencies, reaching into every State, county, town, and hamlet in the land. Such would create a political instrumentality so powerful that in the hands of the politically sagacious it would have the potentialities of destroying the framework of representative government. If anyone is in doubt of this possibility he has only to review the political activities of the WPA during the elections of the prewar period.

The proposed legislation denies that the Government would compete with private enterprise under the program to be inaugurated. But do those who support the proposal think that public works are not in competition with private enterprise? Do they think that the wages paid on public works are not competitive with the wages of private industry? Do they think that a Government contract is not competitive with the contracts of private builders and contractors? Do they think the purchases of material and equipment by governmental agencies are not in competition with the purchases made by private enterprise? Actually, it is impossible for the Government to

invade the sphere of business in any form without setting up competitive repercussions.

The message of the President, so far as the recommendations for a legislative program are concerned, seems to be founded on a continuation of governmental expenditures. The recommendations for continued Federal aid to housing and slum clearance, a continued Federal public-works program, continued aid for public-works programs of the States and local municipalities, a broadened and enlarged social-security scheme, additional aid to veterans, an additional \$500,000,000 to Commodity Credit Corporation for continued and increased subsidies and for the continuation of price supports, are all the essence of discouragement to private business and industry. Implicit in these proposals are the very forces that destroy private enterprise. Implicit in all of these recommendations is a continued and extended bureaucracy that saps the strength and virility of constitutional government, and eventually leads to the tragedy of statism and dictatorship. Likewise, implicit in these recommendations are the tools for an enlarged political oligarchy that will be perpetuated by the distribution of political favoritism by those in power to the critical voting areas at election time.

One cannot view the President's message other than as a political document. The promises and high ideals expressed together with the conflicting and counterbalancing promises and recommendations designed to appeal to all groups of all beliefs and all persuasions, read like the political platforms of recent years.

At no place does the President refer to profits and the profitable operation of private business which is the very motive power that creates the incentive for the expansion of business and industry, and the production of goods and services that mean prosperity, a balance of supply and demand, stabilized prices, high employment, and the happiness and welfare of our people.

Politically wise, the message avoids the important and difficult labor question. There is no suggestion for legislation that would curb and control the labor monopoly that operates as a super government. There is no suggestion of legislation that would insure the right of every American citizen to work for whom he pleases at a wage acceptable to the employer and the employee without paying tribute to the labor racketeers who have assumed the real political and economic leadership of our country. There is no suggestion of legislation of a definite or detailed plan for the liquidation of the thousands of bureaus which are now attached to Government and are housing over 3,000,000 employees at public expense. On the contrary, the proposals and recommendations are such as to enlarge, maintain, and continue in peacetime the bureaucracy built up during the war. The message fails to suggest a plan for the reduction of the confiscatory taxes under which we now labor. True, the President says that there should be a limited reduction of taxes. Such gesture is wholly inconsistent with

his recommendations for continued governmental expenditures.

The message, in fact, makes the President all things to all men.

The President refuses to face the fact that a continuation of deficit spending by Government is an inflationary force which will inundate business and industry. It can bring upon the people only financial chaos and depression with all its attendant hardships.

The President refuses to recognize the truth that as the public debt increases, the burden of taxation to retire it and to pay the carrying charges on it, must increase and continue. The greater the tax burden, the less invitation there is to business and industry to carry on their proper functions in the private enterprise system. The President has refused to reckon with the fact that Treasury obligations to the extent of almost \$60,000,000,000 will mature in the coming fiscal year, and that approximately \$95,000,000,000 will mature within the next 5 years. The President refuses the only philosophy under which the free enterprise system can survive, namely, a government with a balanced budget which means that government must live within the limits of what its people can afford to pay in taxes.

It is crystal clear that the message of the President presents the inescapable issue to the American people of whether the free-enterprise system is to continue or whether we are to continue the spending policies which lead to an ever-increasing deficit, an ever-mounting debt, and directly to government ownership and a socialistic statism. There is no other issue now before the American people. It is clean-cut and precise, and it is for the American people to choose which road they will travel. The Congress of the United States is the representative of the people, and it is to be hoped that the people of America will make known to the Congress their position on this issue.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The **PRESIDING OFFICER** (Mr. MURDOCK 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. WALSH, from the Committee on Naval Affairs:

Civil Engineer Lewis E. Combs to be a civil engineer in the Navy, with the rank of rear admiral, for temporary service, to rank from the 20th day of July 1942;

Admiral Samuel M. Robinson, United States Navy, to be an admiral in the Navy, for temporary service, to rank from the 27th day of August 1945;

Vice Adm. Louis E. Denfeld, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 1st day of September 1945;

Rear Adm. Cato D. Glover, Jr., United States Navy, to be a rear admiral in the Navy,

for temporary service, to rank from the 1st day of December 1943;

Rear Adm. Austin K. Doyle, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 19th day of December 1943;

Rear Adm. Thomas G. W. Settle, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving on special duty with the commander in chief, United States Pacific Fleet, and until reporting for other permanent duty, to rank from the 10th day of August 1945;

Rear Adm. Milton E. Miles, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as commander United States Naval Group, China, and until reporting for other permanent duty, to rank from the 13th day of August 1945;

Commodore Oscar Smith, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to the commander in chief, United States Atlantic Fleet, and until reporting for other permanent duty, to rank from the 12th day of April 1943;

Commodore Benjamin V. McCandlish, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commandant of a naval operating base, and until reporting for other permanent duty, to rank from the 17th day of September 1943;

Commodore Gordon Rowe, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, United States naval operating base, Midway, and until reporting for other permanent duty, to rank from the 24th day of April 1944;

Commodore Elliott B. Nixon, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to commander, Caribbean Sea Frontier and commandant, Tenth Naval District, and until reporting for other permanent duty, to rank from the 3d day of April 1945;

Commodore James K. Vardaman, Jr., United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as naval aide to the President, to rank from the 9th day of August 1945;

Commodore William S. Parsons, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving with the atomic bomb project, and until reporting for other permanent duty, to rank from the 10th day of August 1945;

Commodore William W. Behrens, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, United States Naval Training Center, Bainbridge, Md., and until reporting for other permanent duty, to rank from the 22d day of August 1945; and

Commodore Mark Y. Hersey, Jr., United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, United States naval operating base, Manila, Subic, and until reporting for other permanent duty, to rank from the 24th day of August 1945.

Sundry officers of the Naval Reserve to be lieutenant junior grades or ensigns in the Navy; and

Sundry officers for promotion in the Marine Corps.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Friday, September 28, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate September 27 (legislative day of September 10), 1945:

APPOINTMENT IN THE REGULAR ARMY TO BE JUDGE ADVOCATE GENERAL

Brig. Gen. Thomas Henry Green (lieutenant colonel, Judge Advocate General's Department), Army of the United States, for appointment in the Regular Army of the United States as the Judge Advocate General, with the rank of major general, for a period of 4 years from December 1, 1945, vice Maj. Gen. Myron Cady Cramer, the Judge Advocate General, whose term of office expires November 30, 1945.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Lois G. McClain, Acmar, Ala. Office became Presidential July 1, 1945.

Laura Herring, Alberta, Ala. Office became Presidential July 1, 1945.

Allen C. Coleman, Allen, Ala. Office became Presidential July 1, 1945.

Lillian Mary Thomas, Battles Wharf, Ala. Office became Presidential July 1, 1945.

John-D. Reid, Blount Springs, Ala. Office became Presidential July 1, 1945.

Madie Ellis, Brownville, Ala. Office became Presidential July 1, 1945.

Edwyn E. Cook, Calhoun, Ala. Office became Presidential July 1, 1945.

Mabry A. Hudson, Choccolocco, Ala. Office became Presidential July 1, 1945.

Vera B. Rabby, Coden, Ala. Office became Presidential July 1, 1945.

Horace E. Davidson, Coker, Ala. Office became Presidential July 1, 1945.

Guy D. Ward, Cottonwood, Ala. Office became Presidential July 1, 1945.

Amby Campbell, Crossville, Ala., in place of W. F. Croft, transferred.

Louise T. Willingham, Emelle, Ala. Office became Presidential July 1, 1945.

Helen P. Welch, Epes, Ala. Office became Presidential July 1, 1945.

Burnie J. Wall, Equality, Ala. Office became Presidential July 1, 1945.

John R. Griffin, Excel, Ala. Office became Presidential July 1, 1945.

Reuel M. Lankford, Fackler, Ala. Office became Presidential July 1, 1945.

Walter D. Browder, Gaylesville, Ala. Office became Presidential July 1, 1945.

Russell P. Gilbert, Geiger, Ala. Office became Presidential July 1, 1945.

Tonie Virginia Singleton, Gorgas, Ala. Office became Presidential July 1, 1945.

Clara M. Adair, Graysville, Ala. Office became Presidential July 1, 1945.

Chester M. Ross, Groveoak, Ala. Office became Presidential July 1, 1945.

Hassie H. Nickerson, Jacksons Gap, Ala. Office became Presidential July 1, 1945.

James V. Herron, Keener, Ala. Office became Presidential July 1, 1945.

Georgia Lyon Dunn, Lacey Spring, Ala. Office became Presidential July 1, 1945.

Jacob B. Patterson, Lacon, Ala. Office became Presidential July 1, 1945.

Jim W. Cleveland, Lawley, Ala. Office became Presidential July 1, 1945.

Robert Brooks, Meridianville, Ala. Office became Presidential July 1, 1945.

Ola Hale, Murrycross, Ala. Office became Presidential July 1, 1945.

Carl Brown, Muscadine, Ala. Office became Presidential July 1, 1945.

Marie G. Lucy, Portersville, Ala. Office became Presidential July 1, 1945.

Ollie W. Phillips, Ralph, Ala. Office became Presidential July 1, 1945.

Pearl R. Pierce, Saraland, Ala. Office became Presidential July 1, 1945.

Frances Graham Henderson, Satsuma, Ala. Office became Presidential July 1, 1945.
 J. Bryan May, Sawyerville, Ala. Office became Presidential July 1, 1945.
 Martil B. Roberts, Semmes, Ala. Office became Presidential July 1, 1945.
 Paul H. Savage, Jr., Spring Garden, Ala. Office became Presidential July 1, 1945.
 Mildred S. Burnett, Stanton, Ala. Office became Presidential July 1, 1945.
 Jesse M. Fleming, Tennille, Ala. Office became Presidential July 1, 1945.
 Emma P. Mitchell, Ward, Ala. Office became Presidential July 1, 1945.
 Robert T. Yarbrough, Woodland, Ala. Office became Presidential July 1, 1944.

ARIZONA

Frank V. Howey, Cactus, Ariz. Office became Presidential July 1, 1945.
 Gladys E. Tanner, Emery Park, Ariz. Office became Presidential July 1, 1945.
 Helen M. Young, Saint David, Ariz. Office became Presidential July 1, 1945.
 Elmer L. Hinners, Somerton, Ariz., in place of W. B. Ham, resigned.

ARKANSAS

James P. Yates, Canehill, Ark. Office became Presidential July 1, 1945.
 Della E. Stripling, Center Ridge, Ark. Office became Presidential July 1, 1945.
 Will W. Clayton, Delaplaine, Ark. Office became Presidential July 1, 1945.
 Olive Wixson Ford, Fisher, Ark. Office became Presidential July 1, 1945.
 Joseph A. Schnitzer, Fort Smith, Ark., in place of Lewis Friedman, deceased.
 Etta M. Poston, Gilmore, Ark. Office became Presidential July 1, 1945.
 Rena M. Stout, Hattiesville, Ark. Office became Presidential July 1, 1945.
 Hattie A. Beasley, Hiwassee, Ark. Office became Presidential July 1, 1945.
 James O. Carter, Omaha, Ark. Office became Presidential July 1, 1945.
 Graydon E. Bone, Oxford, Ark. Office became Presidential July 1, 1945.
 Virgil I. Cragar, Perry, Ark. Office became Presidential July 1, 1945.
 James G. Royer, Pleasant Plains, Ark. Office became Presidential July 1, 1945.
 Myrtle Kirk, Poplar Grove, Ark. Office became Presidential July 1, 1945.
 Anna McCall, Portia, Ark. Office became Presidential July 1, 1945.
 Robert F. Godfrey, Pyatt, Ark. Office became Presidential July 1, 1945.
 Irene Morgan, Roland, Ark. Office became Presidential July 1, 1945.
 Ethel L. Powell, Round Pond, Ark. Office became Presidential July 1, 1945.
 John Franklin Neal, Rudy, Ark. Office became Presidential July 1, 1945.
 J. Allan Richardson, Sidney, Ark. Office became Presidential July 1, 1945.
 Ralph McDonald, Weldon, Ark. Office became Presidential July 1, 1945.

CALIFORNIA

Agnes M. Malrose, Adelanto, Calif. Office became Presidential July 1, 1945.
 Zetta I. Leinberger, Broderick, Calif., in place of P. O. Van Deren, retired.
 Don O. Rice, Bryn Mawr, Calif., in place of R. E. Swinney, resigned.
 Elizabeth L. Clary, Coachella, Calif., in place of W. R. McCutchen, resigned.
 Marjorie E. Stover, Crannell, Calif. Office became Presidential July 1, 1945.
 Roy W. Mitchell, Cutten, Calif. Office became Presidential July 1, 1945.
 Eva L. Thompson, Fawnskin, Calif. Office became Presidential July 1, 1945.
 Bernyce M. Spencer, Fetters Hot Springs, Calif. Office became Presidential July 1, 1945.
 Gladys I. Leidy, Hammonton, Calif. Office became Presidential July 1, 1945.
 Frieda C. Albiez, Hayfork, Calif. Office became Presidential July 1, 1945.

Van R. Majors, Heber, Calif. Office became Presidential July 1, 1945.
 Mildred Chapman, Keddie, Calif. Office became Presidential July 1, 1945.
 Marjorie M. Morrison, Korbel, Calif. Office became Presidential July 1, 1945.
 Margaret E. Marlatt, La Vina, Calif. Office became Presidential July 1, 1945.
 Mary A. Wallace, Littlerock, Calif. Office became Presidential July 1, 1945.
 Pauline E. Stambaugh, Locke, Calif. Office became Presidential July 1, 1945.
 Flora Ann Clark, Lucerne Valley, Calif. Office became Presidential July 1, 1945.
 Grace V. Telleson, Miramar, Calif. Office became Presidential July 1, 1945.
 Albert R. White, Monolith, Calif. Office became Presidential July 1, 1945.
 Albert A. McKenzie, Monticello, Calif. Office became Presidential July 1, 1945.
 Hazel M. Robinson, Oro Grande, Calif. Office became Presidential July 1, 1945.
 Blanche D. Schlegel, Pine Valley, Calif. Office became Presidential July 1, 1945.
 La Verne Friberg, Richvale, Calif. Office became Presidential July 1, 1945.
 Myrtle H. Williams, Rockport, Calif. Office became Presidential July 1, 1945.
 Robert Le Beuf, Rodeo, Calif., in place of H. C. Halterman, removed.
 Dorothy M. Durham, Ryde, Calif. Office became Presidential July 1, 1945.
 Marian E. Sager, San Luis Rey, Calif. Office became Presidential July 1, 1945.
 George E. Guenther, Shafter, Calif., in place of L. L. Rosenstiel, resigned.
 Clarence L. Scheiber, Shingle, Calif. Office became Presidential July 1, 1945.
 Oliver W. Holland, Terra Bella, Calif., in place of W. H. McCloskey, resigned.
 Moses R. Saunders, Trinidad, Calif. Office became Presidential July 1, 1945.

CONNECTICUT

Flora M. Caples, Chestnut Hill, Conn. Office became Presidential July 1, 1945.
 Charles J. Seiferman, Portland, Conn., in place of J. C. Bransfield, deceased.

DELAWARE

Robert P. Woolery, Grubbs, Del. Office became Presidential July 1, 1945.
 Roy W. Anderson, Magnolia, Del. Office became Presidential July 1, 1945.
 Harvey M. Jones, Woodside, Del. Office became Presidential July 1, 1945.

FLORIDA

Dora L. Kixmiller, Anastasia, Fla. Office became Presidential July 1, 1945.
 Frances I. Warttig, Anna Maria, Fla. Office became Presidential July 1, 1945.
 Truby B. Pinholster, Brooker, Fla. Office became Presidential July 1, 1945.
 Belle K. Smith, Edgewater, Fla. Office became Presidential July 1, 1945.
 Ruby McL. Floyd, Elkton, Fla. Office became Presidential July 1, 1945.
 Lillie Foy, Ellenton, Fla. Office became Presidential July 1, 1945.
 Ruth C. Owens, Eustis, Fla., in place of J. L. Crayden, removed.
 Leona M. Mercer, Hosford, Fla. Office became Presidential July 1, 1945.
 Ethel Cox, Intercession City, Fla. Office became Presidential July 1, 1945.
 Onnie Lou Carr, Lemturner, Fla. Office became Presidential July 1, 1945.
 Vivian Prouty, Lockhart, Fla. Office became Presidential July 1, 1945.
 Mary E. Pryor, Mary Esther, Fla. Office became Presidential July 1, 1945.
 William F. LaRoche, Merritt Island, Fla. Office became Presidential July 1, 1945.
 J. Harry Hildale, Oak Hill, Fla. Office became Presidential July 1, 1945.
 Harry F. Wells, O'Brien, Fla. Office became Presidential July 1, 1945.
 John M. Hamlin, Osprey, Fla. Office became Presidential July 1, 1945.

Gussie White, Pinetta, Fla. Office became Presidential July 1, 1945.
 William D. Thomas, Samoset, Fla. Office became Presidential July 1, 1945.
 Clifford H. Meigs, Shalimar, Fla. Office became Presidential July 1, 1945.
 Vera G. Bingham, Silver Springs, Fla., in place of M. R. Pasteur, deceased.
 Mary Louise Gormley, South Daytona, Fla. Office became Presidential July 1, 1945.
 Robert H. Albury, Tavernier, Fla. Office became Presidential July 1, 1945.
 Elizabeth M. Porter, Valrico, Fla. Office became Presidential July 1, 1945.
 Archie A. Wadsworth, Wimauma, Fla. Office became Presidential July 1, 1945.
 Enoch S. Maddock, Windermere, Fla. Office became Presidential July 1, 1945.
 Clifford A. Flood, Yulee, Fla. Office became Presidential July 1, 1945.

GEORGIA

James H. Smith, Ashland, Ga. Office became Presidential July 1, 1945.
 Alma Gillis, Axson, Ga. Office became Presidential July 1, 1945.
 Royce G. Braselton, Braselton, Ga. Office became Presidential July 1, 1945.
 Wilson T. Tuten, Bristol, Ga. Office became Presidential July 1, 1945.
 Blanche A. Tarvin, Cataula, Ga. Office became Presidential July 1, 1945.
 Robert L. Vining, Chatsworth, Ga., in place of R. A. Redmond, deceased.
 Mary M. Lassetter, Clem, Ga. Office became Presidential July 1, 1945.
 Curtis Rice, Du Pont, Ga. Office became Presidential July 1, 1945.
 Winnie S. Giles, Elko, Ga. Office became Presidential July 1, 1945.
 Minnie O. Rozar, Empire, Ga. Office became Presidential July 1, 1945.
 Dymple Warmack, Fair Mount, Ga., in place of M. C. Cook, resigned.
 Clarence Finleyson, Finleyson, Ga. Office became Presidential July 1, 1945.
 Luther G. Fortson, Fortson, Ga. Office became Presidential July 1, 1945.
 Louis A. Mauldin, Habersham, Ga., in place of C. V. Harper, resigned.
 Garland B. Turner, Hillsboro, Ga. Office became Presidential July 1, 1945.
 Howard R. Park, Ideal, Ga. Office became Presidential July 1, 1945.
 Isabel R. Bulloch, Juniper, Ga. Office became Presidential July 1, 1945.
 Silas White, Kirkland, Ga. Office became Presidential July 1, 1945.
 Thomas L. Harbin, Lithia Springs, Ga. Office became Presidential July 1, 1945.
 Margaret Mable, Mableton, Ga. Office became Presidential July 1, 1945.
 Mary B. Herrin, Manor, Ga. Office became Presidential July 1, 1945.
 Riley O. Crosby, Mershon, Ga. Office became Presidential July 1, 1945.
 Olin S. Horne, Metcalf, Ga. Office became Presidential July 1, 1945.
 Kathleen Hammond Langston, Middleton, Ga. Office became Presidential July 1, 1945.
 Julia W. Miller, Midland, Ga. Office became Presidential July 1, 1945.
 Robert Homer Smith, Midville, Ga., in place of G. M. Barnes, deceased.
 Stella A. Teel, Morris Station, Ga. Office became Presidential July 1, 1945.
 Adahbelle Elrod, Murrayville, Ga. Office became Presidential July 1, 1945.
 Matthew D. Freeman, Nicholson, Ga. Office became Presidential July 1, 1945.
 Claude A. Bennett, Plainville, Ga. Office became Presidential July 1, 1945.
 Pauline S. Middleton, Ramhurst, Ga. Office became Presidential July 1, 1945.
 Joseph B. Mahan, Rydal, Ga. Office became Presidential July 1, 1945.
 Fannie M. W. Brim, Sasser, Ga. Office became Presidential July 1, 1945.
 Joe M. Athon, Shady Dale, Ga. Office became Presidential July 1, 1945.

Nan L. Johnson, Stockton, Ga. Office became Presidential July 1, 1945.
 Marie Warren Harris, The Rock, Ga. Office became Presidential July 1, 1945.
 Nettie R. Miles, Varnell, Ga. Office became Presidential July 1, 1945.
 Paul A. Cline, Waleska, Ga. Office became Presidential July 1, 1945.
 Myra L. Lang, Waverly, Ga. Office became Presidential July 1, 1945.
 Luther F. Richards, White, Ga. Office became Presidential July 1, 1945.
 Joseph M. Drury, White Oak, Ga. Office became Presidential July 1, 1945.
 Edgar S. Hicks, Yatesville, Ga. Office became Presidential July 1, 1945.

HAWAII

Robert Yutaka Hamamura, Anahola, T. H. Office became Presidential July 1, 1945.
 James D. Lewis, Jr., Kaunakakai, T. H., in place of J. D. Lewis, Jr. Incumbent's commission expired June 23, 1942.
 Joseph P. Doim, Keahua, T. H. Office became Presidential July 1, 1945.

ILLINOIS

John W. Martens, Anchor, Ill. Office became Presidential July 1, 1945.
 Kathryn F. Vogel, Andalusia, Ill. Office became Presidential July 1, 1945.
 Elmer E. Young, Bardolph, Ill. Office became Presidential July 1, 1945.
 Lillian E. Kraut, Batchtown, Ill. Office became Presidential July 1, 1945.
 Frank C. Goddard, Belknap, Ill. Office became Presidential July 1, 1945.
 Pearl I. O'Brien, Belvidere, Ill., in place of W. W. McIntire, removed.
 Byron A. Knief, Burlington, Ill. Office became Presidential July 1, 1945.
 Harry R. Terpening, Cameron, Ill. Office became Presidential July 1, 1945.
 Otto H. Vogt, Campbell Hill, Ill., in place of Hilda Luehr, resigned.
 Dora Turchi, Cedar Point, Ill. Office became Presidential July 1, 1945.
 George L. Weith, Centerville Station, Ill. Office became Presidential July 1, 1945.
 Mabelle Dailey, Chana, Ill. Office became Presidential July 1, 1945.
 Mildred E. Halsne, Davis Junction, Ill. Office became Presidential July 1, 1945.
 Thomas H. Peddie, Dawson, Ill. Office became Presidential July 1, 1945.
 Hattie A. Robinson, Dix, Ill. Office became Presidential July 1, 1945.
 Maude M. Palmer, East Lynn, Ill. Office became Presidential July 1, 1945.
 Elizabeth K. Ware, Ellisville, Ill. Office became Presidential July 1, 1945.
 Harry E. Millay, Ellsworth, Ill. Office became Presidential July 1, 1945.
 Muriel C. Macauley, Golden Eagle, Ill. Office became Presidential July 1, 1945.
 Margaret E. Hicks, Goldengate, Ill. Office became Presidential July 1, 1945.
 Gwen B. Mundschenk, Graymont, Ill. Office became Presidential July 1, 1945.
 Cloyd M. Ostrander, Harmon, Ill. Office became Presidential July 1, 1945.
 Ralph E. Ferrell, Herod, Ill. Office became Presidential July 1, 1945.
 Otie L. Keen, Keenes, Ill. Office became Presidential July 1, 1945.
 Lewis W. Langham, Keyesport, Ill. Office became Presidential July 1, 1945.
 Grayce A. Harmon, Lakewood, Ill. Office became Presidential July 1, 1945.
 Louise M. Gibbs, La Rose, Ill. Office became Presidential July 1, 1945.
 Mary E. Kennedy, Lee, Ill. Office became Presidential July 1, 1945.
 Richard L. Peterson, Lynn Center, Ill. Office became Presidential July 1, 1945.
 Ethelyn C. Bushue, Mason, Ill., in place of D. D. Debault, resigned.
 Grace Dilley, Norris, Ill. Office became Presidential July 1, 1945.
 Viola T. Swanson, North Henderson, Ill. Office became Presidential July 1, 1945.
 Dorothy O. Rock, Oakley, Ill. Office became Presidential July 1, 1945.

Florence Hendricks, Oconee, Ill. Office became Presidential July 1, 1945.
 George W. Scott, Osco, Ill. Office became Presidential July 1, 1945.
 Frank J. Mulholland, Ottawa, Ill., in place of J. J. Hart, resigned.
 George B. Garrison, Pearl, Ill., in place of B. D. Sutter, resigned.
 Howard J. Gorman, Peoria, Ill., in place of D. H. McClugage, deceased.
 LaVerne M. Mallfeld, Prairie View, Ill., in place of R. J. Kreuser, resigned.
 Eva L. Glascock, Raleigh, Ill. Office became Presidential July 1, 1945.
 Charles E. Hancock, Rapid City, Ill. Office became Presidential July 1, 1945.
 Zola E. Skibinski, Richview, Ill. Office became Presidential July 1, 1945.
 Dorothy J. Eycroft, Sciota, Ill. Office became Presidential July 1, 1945.
 Gertrude C. Carr, Sherman, Ill. Office became Presidential July 1, 1945.
 Delano L. Wetherell, Shumway, Ill. Office became Presidential July 1, 1945.
 Chester O. Burgess, Sigel, Ill. Office became Presidential July 1, 1945.
 Orilla M. Anderson, Smithshire, Ill. Office became Presidential July 1, 1945.
 Garnet K. Martin, South Elgin, Ill. Office became Presidential July 1, 1945.
 Beulah Nickerson, Speer, Ill. Office became Presidential July 1, 1945.
 Cora I. Kemnetz, Strawn, Ill. Office became Presidential July 1, 1945.
 Stephen Durochin, Taylor Springs, Ill. Office became Presidential July 1, 1945.
 Russell L. Akright, Timewell, Ill. Office became Presidential July 1, 1945.
 Ola M. Beal, Walnut Hill, Ill. Office became Presidential July 1, 1945.
 John A. Leturno, Wheeler, Ill. Office became Presidential July 1, 1945.

INDIANA

Charles Peffley, Bridgeton, Ind. Office became Presidential July 1, 1945.
 Stella Larimore, Brooksbury, Ind. Office became Presidential July 1, 1945.
 Eva Eherenman, Burket, Ind. Office became Presidential July 1, 1945.
 Ora E. Marlow, Coalmont, Ind. Office became Presidential July 1, 1945.
 Emerson E. Bridges, Commiskey, Ind. Office became Presidential July 1, 1945.
 Claude C. Garrison, Donaldson, Ind. Office became Presidential July 1, 1945.
 Francana McGhehey, Fishers, Ind. Office became Presidential July 1, 1945.
 Bertha B. Finley, Hartsville, Ind. Office became Presidential July 1, 1945.
 John H. Cox Ingalls, Ind. Office became Presidential July 1, 1945.
 Leora B. Alexander, Judson, Ind. Office became Presidential July 1, 1945.
 Fanny Maurey, Mecca, Ind. Office became Presidential July 1, 1945.
 Olin S. Mayfield, Memphis, Ind. Office became Presidential July 1, 1945.
 Mary L. Hasty, Milroy, Ind., in place of Melvin Woods, transferred.
 Louane Neff, Mount Summit, Ind. Office became Presidential July 1, 1945.
 Emerson A. Behlmer, Napoleon, Ind. Office became Presidential July 1, 1945.
 Walter D. Carlock, Paris Crossing, Ind. Office became Presidential July 1, 1945.
 Edan Kirkham, Prairie Creek, Ind. Office became Presidential July 1, 1945.
 Helen McConnell, Scipio, Ind. Office became Presidential July 1, 1945.
 Hugo L. Hartke, Stendal, Ind. Office became Presidential July 1, 1945.
 Edna Howard, Velpen, Ind. Office became Presidential July 1, 1945.
 Oscar Nierste, Westphalia, Ind. Office became Presidential July 1, 1945.

IOWA

Robert R. Kriete, Baldwin, Iowa, in place of E. H. Luett, transferred.
 Edward J. Heffbauer, Blue Grass, Iowa. Office became Presidential July 1, 1945.

Hilda A. McGovern, Brayton, Iowa. Office became Presidential July 1, 1945.
 Lucille Sexton, Cromwell, Iowa. Office became Presidential July 1, 1945.
 Nellie M. Easton, Curlew, Iowa. Office became Presidential July 1, 1945.
 Walter W. Delahoyde, Dawson, Iowa. Office became Presidential July 1, 1945.
 Elizabeth Grimme, Durango, Iowa. Office became Presidential July 1, 1945.
 Ervin F. Spratt, Elkhart, Iowa. Office became Presidential July 1, 1945.
 Frank W. Elias, Ely, Iowa. Office became Presidential July 1, 1945.
 Martha E. McClaskey, Exline, Iowa. Office became Presidential July 1, 1945.
 Andrew L. Dickinson, Gilbert, Iowa. Office became Presidential July 1, 1945.
 Henry J. Eischeid, Halbur, Iowa. Office became Presidential July 1, 1945.
 Elizabeth K. Buren, Leland, Iowa. Office became Presidential July 1, 1945.
 Selmer E. Skare, Lincoln, Iowa. Office became Presidential July 1, 1945.
 Leonard S. Lawless, Macksburg, Iowa. Office became Presidential July 1, 1945.
 Leonard C. Gordon, Martelle, Iowa. Office became Presidential July 1, 1945.
 Guy E. Waldron, Meriden, Iowa. Office became Presidential July 1, 1945.
 Jacob Ruedy, Middle, Iowa. Office became Presidential July 1, 1945.
 Rose Mae Hatter, Millersburg, Iowa. Office became Presidential July 1, 1945.
 Edith Page, Nemaha, Iowa. Office became Presidential July 1, 1945.
 Albert N. Kloser, North Buena Vista, Iowa. Office became Presidential July 1, 1945.
 Leo J. Mehaffey, North Liberty, Iowa. Office became Presidential July 1, 1945.
 Mollie Daley, Parnell, Iowa. Office became Presidential July 1, 1945.
 Essie B. Whisler, Unionville, Iowa. Office became Presidential July 1, 1945.
 Francis M. Bucher, Wapello, Iowa, in place of Bernice Herrick, resigned.
 Esther N. Booth, West Chester, Iowa. Office became Presidential July 1, 1945.

KANSAS

Melba M. Bates, Allen, Kans. Office became Presidential July 1, 1945.
 Aldmar Demars, Aurora, Kans. Office became Presidential July 1, 1945.
 Frank L. Weeks, Belvue, Kans. Office became Presidential July 1, 1945.
 John J. Sedlacek, Bremen, Kans. Office became Presidential July 1, 1945.
 Frances Z. Wolf, Bucyrus, Kans. Office became Presidential July 1, 1945.
 Jack VanSickle, Cedar Point, Kans. Office became Presidential July 1, 1945.
 Marie Mize, Cleburne, Kans. Office became Presidential July 1, 1945.
 Eyrion O. Shupe, Denton, Kans. Office became Presidential July 1, 1945.
 Edith Maxine McKie, Edmond, Kans. Office became Presidential July 1, 1945.
 Catherine M. Moylan, Emmett, Kans. Office became Presidential July 1, 1945.
 Elsie Jane Reed, Ensign, Kans. Office became Presidential July 1, 1945.
 Harry J. Hunter, Hanston, Kans. Office became Presidential July 1, 1945.
 Marie Oehm, Home, Kans. Office became Presidential July 1, 1945.
 Beulah M. Dillon, Iuka, Kans. Office became Presidential July 1, 1945.
 Otto F. Grothe, Lehigh, Kans. Office became Presidential July 1, 1945.
 Jessie L. Dennis, Leona, Kans. Office became Presidential July 1, 1945.
 William G. Arnold, Mahaska, Kans. Office became Presidential July 1, 1945.
 Nicholas G. Blick, Maize, Kans. Office became Presidential July 1, 1945.
 Jesse C. Swigert, Manchester, Kans. Office became Presidential July 1, 1945.
 Jesse E. Snedegar, Matfield Green, Kans. Office became Presidential July 1, 1945.
 John I. Goodrum, Mayfield, Kans. Office became Presidential July 1, 1945.

Clifford C. Lemmon, Mission, Kans., in place of Otto B. Critchfield, declined.

John E. Sparling, Oneida, Kans. Office became Presidential July 1, 1945.

Howard E. Monroe, Oswego, Kans., in place of Fairfax Barnes, resigned.

Florence M. Martin, Palmer, Kans. Office became Presidential July 1, 1945.

Hazel W. Harrell, Paradise, Kans. Office became Presidential July 1, 1945.

Grace Schweitzer, Penokee, Kans. Office became Presidential July 1, 1945.

Anna Marie Todd, Redfield, Kans. Office became Presidential July 1, 1945.

John C. Scribner, Saffordville, Kans. Office became Presidential July 1, 1945.

Minnie K. Cardwell, Scandia, Kans., in place of Lyell D. Ocozbek, resigned.

Laura A. Fields, Talmage, Kans. Office became Presidential July 1, 1945.

Fred E. Feyerabend, Woodbine, Kans. Office became Presidential July 1, 1945.

KENTUCKY

Amy Levan, Burna, Ky. Office became Presidential July 1, 1945.

Robert Chesnut, Burning Springs, Ky. Office made Presidential July 1, 1945.

Golda West, Cromwell, Ky. Office became Presidential July 1, 1945.

Winnie K. Veatch, Crutchfield, Ky. Office became Presidential July 1, 1945.

Daniel M. Mann, De Mossville, Ky. Office became Presidential July 1, 1945.

Thelma L. Vest, Elliston, Ky. Office became Presidential July 1, 1945.

Emma Luckett, Fairfield, Ky. Office became Presidential July 1, 1945.

Luther S. Safriet, Gatliff, Ky. Office became Presidential July 1, 1945.

William Cantrill, Garrison, Ky. Office became Presidential July 1, 1945.

Golden R. Back, Harveyton, Ky. Office became Presidential July 1, 1945.

Charles W. Keatts, Herndon, Ky. Office became Presidential July 1, 1945.

Grace Hamilton, Melvin, Ky. Office became Presidential July 1, 1945.

Thomas J. Turner, Minnie, Ky. Office became Presidential July 1, 1945.

Irwin G. Cochran, Oak Grove, Ky. Office became Presidential July 1, 1945.

Loma B. Gaines, Oakland, Ky. Office became Presidential July 1, 1945.

Claude Hurt, Olaton, Ky. Office became Presidential July 1, 1945.

Bessie M. Watkins, Pine Mountain, Ky. Office became Presidential July 1, 1945.

Fannie Elder, Pryorsburg, Ky. Office became Presidential July 1, 1945.

Homer Boyd, Rockport, Ky. Office became Presidential July 1, 1945.

Lettie Smith, Sassafras, Ky. Office became Presidential July 1, 1945.

Kelly H. Allen, Shelbiana, Ky. Office became Presidential July 1, 1945.

Gladys Morgan, Smithfield, Ky. Office became Presidential July 1, 1945.

Ella B. Burdick, Tollesboro, Ky. Office became Presidential July 1, 1945.

Wilford D. Cunningham, Webbs Cross Roads, Ky. Office became Presidential July 1, 1945.

LOUISIANA

Cornelius H. Ferguson, Atlanta, La. Office became Presidential July 1, 1945.

Loney N. Davis, Ball, La. Office became Presidential July 1, 1945.

Virgie M. Judson, Denham Springs, La., in place of John Allen, removed.

Florence C. Clarke, Fairbanks, La. Office became Presidential July 1, 1945.

Lucille Smith, Fields, La. Office became Presidential July 1, 1945.

Minnie S. Teer, Fardoche, La. Office became Presidential July 1, 1945.

Alonzo B. Catron, Forest, La. Office became Presidential July 1, 1945.

Elton J. Champagne, Franklin, La., in place of V. J. Chauvin. Incumbent's commission expired July 30, 1941.

Berta Cobb, Longville, La. Office became Presidential July 1, 1945.

Wilfred August Guidry, Mermentau, La. Office became Presidential July 1, 1945.

Rex B. Hawthorne, Mira, La. Office became Presidential July 1, 1945.

Evelyn F. Griffith, South Mansfield, La. Office became Presidential July 1, 1945.

Robert L. Brooks, Swartz, La. Office became Presidential July 1, 1945.

Mattie B. Gryder, Vienna, La. Office became Presidential July 1, 1945.

MARYLAND

Josephine Warrenfeltz, Breathedsville, Md. Office became Presidential July 1, 1945.

Edith S. Wright, Elk Mills, Md. Office became Presidential July 1, 1945.

Robert D. Sewell, Hydes, Md. Office became Presidential July 1, 1945.

Kathryn M. Hurlock, Kennedyville, Md., in place of R. R. Kirby, resigned.

Evelyn C. Mast, Loch Raven, Md. Office became Presidential July 1, 1945.

Allie J. Twiford, Marbury, Md. Office became Presidential July 1, 1945.

Alice T. Walter, Nanticoke, Md. Office became Presidential July 1, 1945.

Irma Esham Bowen, Newark, Md. Office became Presidential July 1, 1945.

Ethel B. Spilman, Washington Grove, Md. Office became Presidential July 1, 1945.

MASSACHUSETTS

Laura A. Hepsley, Blandford, Mass. Office became Presidential July 1, 1945.

Agnes K. Faxon, Brookville, Mass. Office became Presidential July 1, 1945.

Fred E. Daisy, Carlisle, Mass. Office became Presidential July 1, 1945.

Marion E. Nordin, East Dennis, Mass. Office became Presidential July 1, 1945.

James J. Trioli, Fayville, Mass. Office became Presidential July 1, 1945.

Edna May Halden, Franklin Park, Mass. Office became Presidential July 1, 1945.

Sarah G. Sampson, Green Harbor, Mass. Office became Presidential July 1, 1945.

Lucy A. Freeman, Millbrook, Mass. Office became Presidential July 1, 1945.

Laura Boulais, Oakdale, Mass. Office became Presidential July 1, 1945.

Lewis W. Jenney, South Carver, Mass. Office became Presidential July 1, 1945.

Frank K. Lynch, South Chatham, Mass. Office became Presidential July 1, 1945.

Clarence W. Bayles, South Dennis, Mass. Office became Presidential July 1, 1945.

Charles T. Williams, South Egremont, Mass. Office became Presidential July 1, 1945.

Amber E. Columbia, Westport Point, Mass. Office became Presidential July 1, 1945.

MICHIGAN

Belle Edwards, Attica, Mich. Office became Presidential July 1, 1945.

Karl W. Fendell, Bailey, Mich. Office became Presidential July 1, 1945.

Bruce McFall, Brant, Mich. Office became Presidential July 1, 1945.

Adrian L. Eldred, Breckenridge, Mich., in place of J. L. Breckenridge, deceased.

Helen G. Paul, Clifford, Mich. Office became Presidential July 1, 1945.

Ethel M. Baldwin, Decker, Mich. Office became Presidential July 1, 1945.

Burchett Doster, Doster, Mich. Office became Presidential July 1, 1945.

Robert E. Van Driessen, Eagle, Mich. Office became Presidential July 1, 1945.

George H. Messenger, Eckerman, Mich. Office became Presidential July 1, 1945.

Olive M. Martin, Elmira, Mich. Office became Presidential July 1, 1945.

Gordon S. Ehle, Fenwick, Mich. Office became Presidential July 1, 1945.

Ervin C. Dunckley, Frederic, Mich. Office became Presidential July 1, 1945.

Minnie Wilson, Gould City, Mich. Office became Presidential July 1, 1945.

Frances Lindberg, Hessel, Mich. Office became Presidential July 1, 1945.

Beatrice Gissberg, Hulbert, Mich. Office became Presidential July 1, 1945.

Edwin V. Lamb, Jeddo, Mich. Office became Presidential July 1, 1945.

Lembi H. Timonen, Kearsarge, Mich. Office became Presidential July 1, 1945.

Diana Wardwell, Leonidas, Mich. Office became Presidential July 1, 1945.

Frank B. Mills, Millersburg, Mich. Office became Presidential July 1, 1945.

Elwin E. Ritchie, New Troy, Mich. Office became Presidential July 1, 1945.

Florence B. Munn, Paris, Mich. Office became Presidential July 1, 1945.

Floyd C. Fuhrman, Perkins, Mich. Office became Presidential July 1, 1945.

Bessie B. Morse, Sandcreek, Mich. Office became Presidential July 1, 1945.

Evelyn Wykoff, Sans Souci, Mich. Office became Presidential July 1, 1945.

Kenneth C. Potter, Shelbyville, Mich. Office became Presidential July 1, 1945.

Velma Gillard, Spruce, Mich. Office became Presidential July 1, 1945.

Vera I. Drifill, Tipton, Mich. Office became Presidential July 1, 1945.

Albin Lahikainen, Toivola, Mich. Office became Presidential July 1, 1945.

Wilfred N. Holman, Trimountain, Mich. Office became Presidential July 1, 1945.

Mable V. Rose, Trufant, Mich. Office became Presidential July 1, 1945.

Olive E. Niles, Vanderbilt, Mich. Office became Presidential July 1, 1945.

Elver I. Carroll, Walloon Lake, Mich. Office became Presidential July 1, 1945.

MINNESOTA

Jack E. Essila, Angora, Minn. Office became Presidential July 1, 1945.

Louis I. Westby, Avoca, Minn. Office became Presidential July 1, 1945.

Rose C. McFarland, Bena, Minn. Office became Presidential July 1, 1945.

Helmer J. Hedberg, Bock, Minn. Office became Presidential July 1, 1945.

Arthur Laniel, Brooks, Minn. Office became Presidential July 1, 1945.

Anna M. Albertson, Brookston, Minn. Office became Presidential July 1, 1945.

Lucille R. Gallagher, Cedar, Minn. Office became Presidential July 1, 1945.

Alfred V. Benson, Danvers, Minn. Office became Presidential July 1, 1945.

Dora H. Halbert, Halma, Minn. Office became Presidential July 1, 1945.

Garnett W. Hines, Hines, Minn. Office became Presidential July 1, 1945.

Lyle M. Smith, Holloway, Minn. Office became Presidential July 1, 1945.

John S. Easter, Humboldt, Minn. Office became Presidential July 1, 1945.

Berniece Bales, Huntley, Minn. Office became Presidential July 1, 1945.

George W. Cameron, Jr., Invergrove, Minn. Office became Presidential July 1, 1945.

Viola P. Johnson, Jacobson, Minn. Office became Presidential July 1, 1945.

Doris E. Gagnon, Jenkins, Minn. Office became Presidential July 1, 1945.

Alfred Sletta, La Salle, Minn. Office became Presidential July 1, 1945.

Hilda Hammer, Leoneth, Minn. Office became Presidential July 1, 1945.

Alfred H. Roloff, Lynd, Minn. Office became Presidential July 1, 1945.

Clarence H. Guetzkow, Mayer, Minn. Office became Presidential July 1, 1945.

Clarence T. Newhouse, Mendota, Minn. Office became Presidential July 1, 1945.

Louise R. Reinartz, Mizpah, Minn. Office became Presidential July 1, 1945.

Anna G. Lechner, North Redwood, Minn. Office became Presidential July 1, 1945.

Esther J. Finden, Oak Park, Minn. Office became Presidential July 1, 1945.

Ida B. Mattson, Ormsby, Minn. Office became Presidential July 1, 1945.

Frank W. Hill, Ostrander, Minn. Office became Presidential July 1, 1945.

Harry B. Roth, Plato, Minn. Office became Presidential July 1, 1945.

Fred C. Meyers, Porter, Minn. Office became Presidential July 1, 1945.
 Celia G. Hickman, Randolph, Minn. Office became Presidential July 1, 1945.
 Otto C. Kunkel, Rapidan, Minn. Office became Presidential July 1, 1945.
 Clarence M. Breneman, Ray, Minn. Office became Presidential July 1, 1945.
 Clarence Mielke, Richville, Minn. Office became Presidential July 1, 1945.
 Herman J. Weis, Roscoe, Minn. Office became Presidential July 1, 1945.
 Clara E. Bloms, St. Michael, Minn. Office became Presidential July 1, 1945.
 Christie A. Ahles, St. Vincent, Minn. Office became Presidential July 1, 1945.
 John J. McGillin, Stillwater, Minn., in place of P. J. Arndt, deceased.
 Vernice C. Heutmaker, Victoria, Minn. Office became Presidential July 1, 1945.
 Dwight M. Backman, Whalan, Minn. Office became Presidential July 1, 1945.
 August C. Ewert, Waldorf, Minn. Office became Presidential July 1, 1945.
 Clifford J. Newgard, Waltham, Minn. Office became Presidential July 1, 1945.
 Otto H. Koetke, Walters, Minn. Office became Presidential July 1, 1945.
 Ada V. Erlandson, Warba, Minn. Office became Presidential July 1, 1945.

MISSISSIPPI

Geneva S. Moore, Belden, Miss. Office became Presidential July 1, 1945.
 Hazel J. Varnado, Chatawa, Miss. Office became Presidential July 1, 1945.
 Dollie B. Blackwell, Duffee, Miss. Office became Presidential July 1, 1945.
 Sam O. Buckley, Enterprise, Miss. Office became Presidential July 1, 1945.
 Eula Ligon, Glen, Miss. Office became Presidential July 1, 1945.
 Maud Atkinson Davis, Horn Lake, Miss. Office became Presidential July 1, 1945.
 John L. McElroy, Kewanee, Miss. Office became Presidential July 1, 1945.
 Celeste M. Balfour, Lamar, Miss. Office became Presidential July 1, 1945.
 Jodie G. Dexter, McNeill, Miss. Office became Presidential July 1, 1945.
 Hilary Hazellip, Mashulaville, Miss. Office became Presidential July 1, 1945.
 Susie V. Mauldin, Moss, Miss. Office became Presidential July 1, 1945.
 William W. Finch, New Site, Miss. Office became Presidential July 1, 1945.
 Lula E. Gipson, Puckett, Miss. Office became Presidential July 1, 1945.
 Samuel H. Childress, Sartartia, Miss. Office became Presidential July 1, 1945.
 Frank E. Hollowell, Sharon, Miss. Office became Presidential July 1, 1945.
 Nellie T. Hobgood, Silver City, Miss. Office became Presidential July 1, 1945.
 John B. Parker, Tula, Miss. Office became Presidential July 1, 1945.
 Annie Saxon, Union Church, Miss. Office became Presidential July 1, 1945.
 Mattie Sue Gibson, Verona, Miss. Office became Presidential July 1, 1945.
 Aileen Rawlings, Washington, Miss. Office became Presidential July 1, 1945.

MISSOURI

John Wesley Elliott, Altamount, Mo. Office became Presidential July 1, 1945.
 Minnie Schleicher, Amity, Mo. Office became Presidential July 1, 1945.
 Charles O. Broughton, Bethel, Mo., in place of Sam Ziegler, retired.
 Lucille Ross, Blairstown, Mo. Office became Presidential July 1, 1945.
 Eli V. Van Sickle, Cantwell, Mo. Office became Presidential July 1, 1945.
 Mary T. Fetters, Conception, Mo. Office became Presidential July 1, 1945.
 Nannie C. Kugler, Cross Timbers, Mo. Office became Presidential July 1, 1945.
 William Sanford Smoot, Downing Mo., in place of J. F. Hargis, deceased.
 Alma C. Patrick, Duenweg, Mo. Office became Presidential July 1, 1945.

Wesley T. Butler, Excello, Mo. Office became Presidential July 1, 1945.
 Lillian Crow, Farber, Mo. Office became Presidential July 1, 1945.
 Lurla F. Irey, Fortuna, Mo. Office became Presidential July 1, 1945.
 Pearl M. True, Harwood, Mo. Office became Presidential July 1, 1945.
 William E. Alexander, Humphreys, Mo. Office became Presidential July 1, 1945.
 Sarah E. Maxwell, Industrial City, Mo. Office became Presidential July 1, 1945.
 Clarence McCollum, New Boston, Mo. Office became Presidential July 1, 1945.
 John L. Bosch, Pickering, Mo. Office became Presidential July 1, 1945.
 Clayborn J. Crowley, Rayville, Mo. Office became Presidential July 1, 1945.
 Mattie L. Koontz, Richards, Mo. Office became Presidential July 1, 1945.
 Mary Slade, Rocheport, Mo. Office became Presidential July 1, 1945.
 Evelyn E. Fieker, Stotts City, Mo. Office became Presidential July 1, 1945.
 Sam A. Warner, Vichy, Mo. Office became Presidential July 1, 1945.
 Russell W. Disharoon, Villa Ridge, Mo. Office became Presidential July 1, 1945.
 Joshua Ferguson, Wakenda, Mo. Office became Presidential July 1, 1945.
 Thomas H. Sinnott, Wayland, Mo. Office became Presidential July 1, 1945.
 Ora E. Head, Weatherby, Mo. Office became Presidential July 1, 1945.
 Thomas O. Morgan, Whitewater, Mo. Office became Presidential July 1, 1945.

MONTANA

Joyce C. Dickson, Neilhart, Mont., in place of B. V. Powers, resigned.

NEBRASKA

Pauline Rosenow, Alvo, Nebr. Office became Presidential July 1, 1945.
 Viola Calhoun, Benedict, Nebr., in place of M. G. Westervelt, retired.
 Edward L. Spatz, Bruno, Nebr. Office became Presidential July 1, 1945.
 George R. Hanson, Champion, Nebr. Office became Presidential July 1, 1945.
 Daisy G. Hendricks, Douglas, Nebr. Office became Presidential July 1, 1945.
 Angus K. Halcomb, Filley, Nebr. Office became Presidential July 1, 1945.
 Albert O. Kruger, Gurley, Nebr. Office became Presidential July 1, 1945.
 Vratislav J. Kovarik, Hallam, Nebr. Office became Presidential July 1, 1945.
 Laura F. Besley, Halsey, Nebr. Office became Presidential July 1, 1945.
 Vera Fisher, Hubbell, Nebr. Office became Presidential July 1, 1945.
 Ruth C. Olson, Johnstown, Nebr. Office became Presidential July 1, 1945.
 Irene Jansen, Kennard, Nebr. Office became Presidential July 1, 1945.
 Bernice L. Irland, Otoe, Nebr. Office became Presidential July 1, 1945.
 Vera J. King, Primrose, Nebr. Office became Presidential July 1, 1945.
 Francis H. Holtorf, Saint Libory, Nebr. Office became Presidential July 1, 1945.
 William J. Johannes, Seward, Nebr., in place of G. D. Thomas, retired.
 Joseph Kounovsky, Snyder, Nebr. Office became Presidential July 1, 1945.
 Fannie H. Manning, Steele City, Nebr. Office became Presidential July 1, 1945.
 Amy E. Conant, Wellfleet, Nebr. Office became Presidential July 1, 1945.
 Floyd A. Garrett, Whitman, Nebr. Office became Presidential July 1, 1945.

NEW HAMPSHIRE

Frances B. Donovan, Ashuelot, N. H. Office became Presidential July 1, 1945.
 Mertie L. McAllister, Center Barnstead, N. H. Office became Presidential July 1, 1945.
 Hazel M. Ford, Danbury, N. H. Office became Presidential July 1, 1945.
 Ruth H. Almeder, Georges Mills, N. H. Office became Presidential July 1, 1945.

Florence A. Goodwin, Gilmanton Iron Works, N. H. Office became Presidential July 1, 1945.
 George H. Yeaton, Gossville, N. H. Office became Presidential July 1, 1945.
 Barbara L. Swett, Grasmere, N. H. Office became Presidential July 1, 1945.
 Vernon F. West, North Sutton, N. H. Office became Presidential July 1, 1945.
 Eunice G. Woodman, Northwood, N. H. Office became Presidential July 1, 1945.

NEW JERSEY

Mary Pettibone, Brant Beach, N. J. Office became Presidential July 1, 1945.
 Doris Brown, Bridgeboro, N. J. Office became Presidential July 1, 1945.
 Ray N. Gerew, Cape May Point, N. J. Office became Presidential July 1, 1945.
 Isaac S. Luttman, Dayton, N. J. Office became Presidential July 1, 1945.
 Helena Katherine Himmler, Deans, N. J. Office became Presidential July 1, 1945.
 Chester B. Moore, Deerfield Street, N. J. Office became Presidential July 1, 1945.
 Paul W. Robinson, Dividing Creek, N. J. Office became Presidential July 1, 1945.
 Florence N. Watson, Edgewater Park, N. J. Office became Presidential July 1, 1945.
 Elizabeth Hamilton, Fieldsboro, N. J. Office became Presidential July 1, 1945.
 Wilbert W. Arnold, Greenwich, N. J. Office became Presidential July 1, 1945.
 Samuel M. Lear, Harvey Cedars, N. J. Office became Presidential July 1, 1945.
 Deborah E. Butcher, Heislerville, N. J. Office became Presidential July 1, 1945.
 Emilie J. Burnett, Liberty Corner, N. J. Office became Presidential July 1, 1945.
 Charles S. Coop, Lincroft, N. J. Office became Presidential July 1, 1945.
 Wilma B. Clayton, Marmora, N. J. Office became Presidential July 1, 1945.
 Jennie Rumford, Masonville, N. J. Office became Presidential July 1, 1945.
 Charles J. Gaskill, Newport, N. J. Office became Presidential July 1, 1945.
 Elsa Maxwell, New Vernon, N. J. Office became Presidential July 1, 1945.
 Rebecca Reisman, Norma, N. J. Office became Presidential July 1, 1945.
 George T. Osborn, Osbornville, N. J. Office became Presidential July 1, 1945.
 Elizabeth E. Church, Rio Grande, N. J. Office became Presidential July 1, 1945.
 Max Wurtzel, Rosenhayn, N. J. Office became Presidential July 1, 1945.

NEW YORK

Ward A. Withey, Allentown, N. Y. Office became Presidential July 1, 1945.
 Ida M. Negus, Alplaus, N. Y. Office became Presidential July 1, 1945.
 Bernadette I. Coultry, Altona, N. Y. Office became Presidential July 1, 1945.
 LaBelle F. Garland, Armonk, N. Y., in place of Charles Kaiser. Incumbent's commission expired June 23, 1942.
 Helen T. Kane, Averill Park, N. Y., in place of H. E. Kane, deceased.
 Theodore H. Kronke, Bardonia, N. Y. Office became Presidential July 1, 1945.
 Charles J. Reilly, Bloomington, N. Y. Office became Presidential July 1, 1945.
 Fred W. Thomson, Bovina Center, N. Y. Office became Presidential July 1, 1945.
 Grace R. Lehley, Brant, N. Y. Office became Presidential July 1, 1945.
 Stephen W. Schuster, Jr., Callicoon Center, N. Y. Office became Presidential July 1, 1945.
 Burton Yates, Caroga Lake, N. Y. Office became Presidential July 1, 1945.
 Margaret E. Bentley, Conewango Valley, N. Y. Office became Presidential July 1, 1945.
 Raymond O. Phelps, Cowlesville, N. Y. Office became Presidential July 1, 1945.
 Morris A. Davis, Crompond, N. Y. Office became Presidential July 1, 1945.
 Edith M. Ortner, Darien Center, N. Y. Office became Presidential July 1, 1945.
 Helen R. Vail, East Marion, N. Y. Office became Presidential July 1, 1945.

Gladys M. Laing, East Otto, N. Y. Office became Presidential July 1, 1945.

Clara L. Walker, Farnham, N. Y. Office became Presidential July 1, 1945.

Mildred B. Albers, Fort Hunter, N. Y. Office became Presidential July 1, 1945.

E. Arthur Calkins, Glen Wild, N. Y. Office became Presidential July 1, 1945.

Thompson B. Ward, Guilderland, N. Y. Office became Presidential July 1, 1945.

Jennie Young, Howes Cave, N. Y. Office became Presidential July 1, 1945.

Fred Churchill, Hughsonville, N. Y. Office became Presidential July 1, 1945.

Mary A. Russell, Keene, N. Y. Office became Presidential July 1, 1945.

Charlotte M. Fleischman, Laurel, N. Y. Office became Presidential July 1, 1945.

George B. Nivison, Lodi, N. Y. Office became Presidential July 1, 1945.

Alice M. Grace, Lowman, N. Y. Office became Presidential July 1, 1945.

Eileen B. Kennedy, Marietta, N. Y. Office became Presidential July 1, 1945.

Julian L. Peck, Masonville, N. Y. Office became Presidential July 1, 1945.

Muriel E. Raymond, Minerva, N. Y. Office became Presidential July 1, 1945.

Laura T. Le Duc, Mooers Forks, N. Y. Office became Presidential July 1, 1945.

Gilbert V. Horton, New Suffolk, N. Y. Office became Presidential July 1, 1945.

Amanda Stewart, North Branch, N. Y. Office became Presidential July 1, 1945.

Ella B. Kavanagh, North Java, N. Y. Office became Presidential July 1, 1945.

Alice M. Tobin, Old Chatham, N. Y. Office became Presidential July 1, 1945.

James A. Flynn, Point O'Woods, N. Y. Office became Presidential July 1, 1945.

Mary P. Van de Wal, Schodack Landing, N. Y. Office became Presidential July 1, 1945.

Freda C. Stearns, Smiths Basin, N. Y. Office became Presidential July 1, 1945.

G. Wilson Murdock, South Schroon, N. Y. Office became Presidential July 1, 1945.

Eckert A. Smith, Spring Glen, N. Y. Office became Presidential July 1, 1945.

J. Carl Blust, Stittville, N. Y. Office became Presidential July 1, 1945.

August P. Lenz, Thendara, N. Y. Office became Presidential July 1, 1945.

George E. Varley, Thomson, N. Y. Office became Presidential July 1, 1945.

Frances H. Courtney, Wilmington, N. Y. Office became Presidential July 1, 1945.

Beatrice M. Velsor, Woodbury, N. Y. Office became Presidential July 1, 1945.

Fred Hensel, Yulan, N. Y. Office became Presidential July 1, 1945.

NORTH CAROLINA

Calvin F. Perry, Sr., Archdale, N. C. Office became Presidential July 1, 1945.

DeWitt T. Freeman, Bat Cave, N. C. Office became Presidential July 1, 1945.

Talmage R. Preston, Belew Creek, N. C. Office became Presidential July 1, 1945.

Maude Miller White, Buxton, N. C. Office became Presidential July 1, 1945.

Sadie B. Rountree, Corapeake, N. C. Office became Presidential July 1, 1945.

Carre N. Boykin, Fairview, N. C. Office became Presidential July 1, 1945.

Eugene R. Duvall, Grassy Creek, N. C. Office became Presidential July 1, 1945.

Anne R. Ewell, Hamilton, N. C. Office became Presidential July 1, 1945.

Eugenia M. Corbett, Ivanhoe, N. C. Office became Presidential July 1, 1945.

Perry T. Roane, Kelford, N. C. Office became Presidential July 1, 1945.

Katie C. Wayne, Lake Waccamaw, N. C. Office became Presidential July 1, 1945.

Harold M. McGrath, Linville, N. C. Office became Presidential July 1, 1945.

Ina M. Wilson, Marston, N. C. Office became Presidential July 1, 1945.

John A. Beshel, Nazareth, N. C. Office became Presidential July 1, 1945.

Samuel B. Wilson, Newell, N. C. Office became Presidential July 1, 1945.

Jodie B. Ragan, Newhill, N. C. Office became Presidential July 1, 1945.

Roger W. Davis, Pendleton, N. C. Office became Presidential July 1, 1945.

Will G. Pitman, Penland, N. C. Office became Presidential July 1, 1945.

Mamie Pfaff, Pfafftown, N. C. Office became Presidential July 1, 1945.

Thomas D. Preston, Pine Hall, N. C. Office became Presidential July 1, 1945.

Beatrice C. Richardson, Pleasant Garden, N. C., in place of W. V. Gray, retired.

Grace E. Stahl, Pores Knob, N. C. Office became Presidential July 1, 1945.

Alice G. Shavender, Ransomville, N. C. Office became Presidential July 1, 1945.

Eubert P. Rutherford, Rutherford College, N. C. Office became Presidential July 1, 1945.

Laura E. Andrew, Sedalia, N. C. Office became Presidential July 1, 1945.

Howard G. Barnes, Severn, N. C. Office became Presidential July 1, 1945.

Alma O. Nelms, Stem, N. C. Office became Presidential July 1, 1945.

Ida J. Thorp, Stovall, N. C. Office became Presidential July 1, 1945.

Philip Y. Snow, Toast, N. C. Office became Presidential July 1, 1945.

Edmond F. Sherwood, Vilas, N. C. Office became Presidential July 1, 1945.

Clyde H. McClure, Walnut, N. C. Office became Presidential July 1, 1945.

Carlotta W. Flynn, Wananish, N. C. Office became Presidential July 1, 1945.

Charles D. Ball, Jr., Westfield, N. C. Office became Presidential July 1, 1945.

Thelma T. Wheeler, Whitsett, N. C. Office became Presidential July 1, 1945.

Janie J. Henry, Winnabow, N. C. Office became Presidential July 1, 1945.

Stella Phelps, Woodville, N. C. Office became Presidential July 1, 1945.

Florence R. Eanby, Wrightsville Sound, N. C. Office became Presidential July 1, 1945.

NORTH DAKOTA

Irwin E. Walton, Bantry, N. Dak. Office became Presidential July 1, 1945.

Irene Miller, Burlington, N. Dak. Office became Presidential July 1, 1945.

Joyce E. Murray, Cayuga, N. Dak. Office became Presidential July 1, 1945.

Veva M. Fosnes, Emerado, N. Dak. Office became Presidential July 1, 1945.

Lottie Posey, Glenfield, N. Dak. Office became Presidential July 1, 1945.

Oliver M. Sproule, Manvel, N. Dak. Office became Presidential July 1, 1945.

Grant O. Perry, Plaza, N. Dak., in place of N. O. Julson, resigned.

Robert O. Johnson, Sutton, N. Dak. Office became Presidential July 1, 1945.

Edna W. Dewerff, Wheatland, N. Dak. Office became Presidential July 1, 1945.

OHIO

Martin L. Neff, Adelphi, Ohio. Office became Presidential July 1, 1945.

Perley J. Shadel, Alvornton, Ohio. Office became Presidential July 1, 1945.

Clarence C. Daw, Ava, Ohio. Office became Presidential July 1, 1945.

Oral V. Waugh, Bladen, Ohio. Office became Presidential July 1, 1945.

James Blair, Buffalo, Ohio. Office became Presidential July 1, 1945.

Zelda M. Stoneking, Chandlerville, Ohio. Office became Presidential July 1, 1945.

Ruey A. Donohoe, Dungen, Ohio. Office became Presidential July 1, 1945.

Hulda C. Schumacher, Glandorf, Ohio. Office became Presidential July 1, 1945.

Mary E. Cummons, Hanover, Ohio. Office became Presidential July 1, 1945.

Mary L. Smith, Harrisburg, Ohio. Office became Presidential July 1, 1945.

Helen F. Grady, Hayesville, Ohio. Office became Presidential July 1, 1945.

Luella F. Hayes, Hooven, Ohio. Office became Presidential July 1, 1945.

Raymond E. Beardsley, Huntsburg, Ohio. Office became Presidential July 1, 1945.

Helen B. Gorton, Irwin, Ohio. Office became Presidential July 1, 1945.

Nelle O. Ayliffe, Kipton, Ohio. Office became Presidential July 1, 1944.

Harry Clark, Kirkersville, Ohio. Office became Presidential July 1, 1945.

William E. Walker, Midland, Ohio. Office became Presidential July 1, 1945.

Frank R. Brewer, New Marshfield, Ohio. Office became Presidential July 1, 1944.

Fenton L. Brown, North Kenova, Ohio. Office became Presidential July 1, 1944.

Mary A. Hankinson, Norwich, Ohio. Office became Presidential July 1, 1945.

E. Dana Wickline, Rio Grande, Ohio. Office became Presidential July 1, 1945.

Carl B. Dager, Robertsville, Ohio. Office became Presidential July 1, 1945.

John F. Rider, Rockbridge, Ohio. Office became Presidential July 1, 1945.

Helen M. McGuire, Rudolph, Ohio. Office became Presidential July 1, 1945.

Nona E. Aleshire, Tremont City, Ohio. Office became Presidential July 1, 1945.

Gail Calvin, Union Furnace, Ohio. Office became Presidential July 1, 1945.

Mae Litten, Vaughnsville, Ohio. Office became Presidential July 1, 1945.

Pauline B. Davies, Venedocia, Ohio. Office became Presidential July 1, 1945.

OKLAHOMA

Evan E. Wiley, Arapaho, Okla., in place of M. L. Jarvis, resigned.

Nellie I. Malone, Cashion, Okla. Office became Presidential July 1, 1945.

Maureta G. Pappan, Chillico, Okla. Office became Presidential July 1, 1945.

Cornelia M. Jenkins, Drummond, Okla. Office became Presidential July 1, 1945.

Helena M. Hood, Hoffman, Okla. Office became Presidential July 1, 1945.

Lula T. Stiles, Hollister, Okla. Office became Presidential July 1, 1945.

Lillie E. Williams, Leflore, Okla. Office became Presidential July 1, 1945.

Haskell C. Donnelly, Lehigh, Okla. Office became Presidential July 1, 1945.

Mamie I. Fope, Loyal, Oya. Office became Presidential July 1, 1945.

Rephord H. Stevens, Mustang, Okla. Office became Presidential July 1, 1945.

John W. Clarke, Nardin, Okla. Office became Presidential July 1, 1945.

Sally L. Clayton, Oakhurst, Okla. Office became Presidential July 1, 1945.

Ruby E. Harper, Quinlan, Okla. Office became Presidential July 1, 1945.

Roberta J. Price, Rosston, Okla. Office became Presidential July 1, 1945.

Beuna M. Gass, Selman, Okla. Office became Presidential July 1, 1945.

Carrie Zahn, Sharon, Okla. Office became Presidential July 1, 1945.

Clarence O. Lester, Smithville, Okla. Office became Presidential July 1, 1945.

Mary Marie Yaeger, Springer, Okla. Office became Presidential July 1, 1945.

OREGON

Hazel V. Graham, Cutler City, Oreg., in place of P. H. Bartsch, resigned.

Emma M. C. Breshears, Lexington, Oreg. Office became Presidential July 1, 1945.

Harold M. Foster, Lorane, Oreg. Office became Presidential July 1, 1945.

PENNSYLVANIA

Le Roy A. Starr, Adamsdale, Pa. Office became Presidential July 1, 1945.

Jennie B. Fox, Aitch, Pa. Office became Presidential July 1, 1945.

Alma V. Lewis, Alverda, Pa. Office became Presidential July 1, 1945.

Paul J. Kline, Arcadia, Pa. Office became Presidential July 1, 1945.

Eva M. Weller, Aristes, Pa. Office became Presidential July 1, 1945.

Harold F. Herr, Bausman, Pa. Office became Presidential July 1, 1945.

Ethna L. Crowe, Bear Lake, Pa. Office became Presidential July 1, 1945.

Edna P. Thompson, Bigler, Pa. Office became Presidential July 1, 1945.
 Emma A. Murray, Boalsburg, Pa. Office became Presidential July 1, 1945.
 Helen M. McGovern, Branch Dale, Pa. Office became Presidential July 1, 1945.
 Gail Wood, Brave, Pa. Office became Presidential July 1, 1945.
 Helen Preksta, Cadogan, Pa. Office became Presidential July 1, 1945.
 Oliver W. Gehrts, Center Valley, Pa. Office became Presidential July 1, 1944.
 Marshall Troutman, Clearville, Pa. Office became Presidential July 1, 1945.
 Sarah A. Dermody, Damascus, Pa. Office became Presidential July 1, 1945.
 George V. Butz, East Texas, Pa. Office became Presidential July 1, 1945.
 Elizabeth McC. Seese, Ehrenfeld, Pa. Office became Presidential July 1, 1945.
 Faye E. Zahniser, Fleming, Pa. Office became Presidential July 1, 1945.
 John J. Mohr, Fogelsville, Pa. Office became Presidential July 1, 1945.
 Mary E. Spangler, Frank, Pa. Office became Presidential July 1, 1945.
 Louise E. Rosencrance, Greeley, Pa. Office became Presidential July 1, 1945.
 Marie J. Suain, Hazel Hurst, Pa. Office became Presidential July 1, 1945.
 Nellie K. Bistline, Ickesburg, Pa. Office became Presidential July 1, 1945.
 Ruth Dalton, James City, Pa. Office became Presidential July 1, 1945.
 Maude C. Alexander, Julian, Pa. Office became Presidential July 1, 1945.
 Adeline G. Kokinda, Junedale, Pa. Office became Presidential July 1, 1945.
 Eina M. Albright, Kempton, Pa. Office became Presidential July 1, 1945.
 Lucrecia H. Morrison, King of Prussia, Pa. Office became Presidential July 1, 1945.
 Annie V. Lefever, Kirkwood, Pa. Office became Presidential July 1, 1945.
 Erwin A. Deming, Lake Ariel, Pa., in place of M. L. Samson, resigned.
 Alfred E. Vouaux, Lake Como, Pa. Office became Presidential July 1, 1945.
 Charles G. Matz, Landingville, Pa. Office became Presidential July 1, 1945.
 Charles A. Dillman, Lavelle, Pa. Office became Presidential July 1, 1945.
 Mildred G. Kerchner, Lenhartsville, Pa. Office became Presidential July 1, 1945.
 Jessie I. Snagusky, Llewellyn, Pa. Office became Presidential July 1, 1945.
 Joseph Verbish, Locustdale, Pa. Office became Presidential July 1, 1945.
 Susan Danshaw, Maryd, Pa. Office became Presidential July 1, 1945.
 Lorena E. Haws, Monocacy Station, Pa. Office became Presidential July 1, 1945.
 Raymond H. Moser, Neffs, Pa. Office became Presidential July 1, 1945.
 Nettie R. Akens, New Bedford, Pa. Office became Presidential July 1, 1945.
 Cormac A. Kennedy, Oneida, Pa. Office became Presidential July 1, 1945.
 Jessie M. Shaffer, Osterburg, Pa. Office became Presidential July 1, 1945.
 Julia A. O'Hara, Pleasant Mount, Pa. Office became Presidential July 1, 1945.
 Edward F. Workman, Reinerton, Pa. Office became Presidential July 1, 1945.
 Fred L. Claggett, Rummerfield, Pa. Office became Presidential July 1, 1945.
 Helen L. Benney, Rutherford Heights, Pa. Office became Presidential July 1, 1945.
 Charles K. Flock, Sallodasburg, Pa. Office became Presidential July 1, 1945.
 Grace E. Carpenter, Starrucca, Pa. Office became Presidential July 1, 1945.
 Howard M. Smith, Stillwater, Pa. Office became Presidential July 1, 1945.
 Joseph D. Roeder, Summit Station, Pa. Office became Presidential July 1, 1945.
 Anna C. Hildebeitel, Sumneytown, Pa. Office became Presidential July 1, 1945.
 Martha N. Gingrich, Swatara Station, Pa. Office became Presidential July 1, 1945.

George H. Bronson, Sweet Valley, Pa. Office became Presidential July 1, 1945.
 Harry S. Klose, Swineford, Pa. Office became Presidential July 1, 1945.
 Jacob B. Hendricks, Trexlertown, Pa. Office became Presidential July 1, 1945.
 Alpha I. Williams, Wallacetown, Pa. Office became Presidential July 1, 1945.
 Marjorie A. K. Crippen, Wells Tannery, Pa. Office became Presidential July 1, 1945.
 Jane W. Hinkle, West Hickory, Pa. Office became Presidential July 1, 1945.

SOUTH CAROLINA

Mary K. Ricker, Bath, S. C., in place of H. H. Armstrong, resigned.
 Andrew F. Blair, Blairs, S. C. Office became Presidential July 1, 1945.
 Gladys P. Harrison, Bluffton, S. C. Office became Presidential July 1, 1945.
 Lottie W. McCaskill, Cassatt, S. C. Office became Presidential July 1, 1945.
 William B. Simpson, Catawba, S. C. Office became Presidential July 1, 1945.
 Martha E. Peoples, Satechee, S. C. Office became Presidential July 1, 1945.
 Ruth M. Dixon, Cherokee Falls, S. C., in place of A. F. Robbins, resigned.
 Norman B. Williams, Dacusville, S. C. Office became Presidential July 1, 1945.
 Eunice McKeown, Fort Lawn, S. C. Office became Presidential July 1, 1945.
 Bessie E. Drawdy, Green Pond, S. C. Office became Presidential July 1, 1945.
 Rita B. Rentz, Islandton, S. C. Office became Presidential July 1, 1945.
 Stella H. Grady, Jamestown, S. C. Office became Presidential July 1, 1945.
 Van C. Oxner, Kinards, S. C. Office became Presidential July 1, 1945.
 Delma B. Liddell, Lowndesville, S. C. Office became Presidential July 1, 1945.
 Palmer M. Moore, Lowrys, S. C. Office became Presidential July 1, 1945.
 Joel T. Massey, Mauldin, S. C. Office became Presidential July 1, 1945.
 Frank B. Berry, Reevesville, S. C. Office became Presidential July 1, 1945.
 May S. Hallman, Ward, S. C. Office became Presidential July 1, 1945.
 Rosabelle W. Trotti, West Columbia, S. C., in place of DeW. T. Latimer, transferred.

SOUTH DAKOTA

Ruth E. Peterson, Brandon, S. Dak. Office became Presidential July 1, 1945.
 Agnes Malloy, Burbank, S. Dak. Office became Presidential July 1, 1945.
 Josephine Tompers, Cavour, S. Dak. Office became Presidential July 1, 1945.
 Margie L. Smith, Cheyenne Agency, S. Dak. Office became Presidential July 1, 1945.
 George Lehnert, Glenham, S. Dak. Office became Presidential July 1, 1945.
 Anton Koslowski, Grenville, S. Dak. Office became Presidential July 1, 1945.
 Gladys F. Johnston, Hazel, S. Dak. Office became Presidential July 1, 1945.
 Harry O. Starksen, Hetland, S. Dak. Office became Presidential July 1, 1945.
 Fred Coates, Igloo, S. Dak. Office became Presidential July 1, 1945.
 Sidney Parkinson, Kadoka, S. Dak., in place of A. A. Dithmer, retired.
 Della I. Olson, Lily, S. Dak. Office became Presidential July 1, 1945.
 Mildred E. Van Houten, Northville, S. Dak. Office became Presidential July 1, 1945.
 Dona E. Linehan, Oglala, S. Dak. Office became Presidential July 1, 1945.

TENNESSEE

Lillian V. Proctor, Burlison, Tenn. Office became Presidential July 1, 1945.
 Sandy B. Harris, Cunningham, Tenn. Office became Presidential July 1, 1945.
 James C. Duke, Darden, Tenn. Office became Presidential July 1, 1945.
 Jessye L. Williamson, Denmark, Tenn. Office became Presidential July 1, 1945.
 Herbert C. Hurst, Egan, Tenn. Office became Presidential July 1, 1945.

Una E. Fleming, Elbridge, Tenn. Office became Presidential July 1, 1945.
 Mable E. Watkins, Fosterville, Tenn. Office became Presidential July 1, 1945.
 Bessie Sutton, Frankewing, Tenn. Office became Presidential July 1, 1945.
 Laura J. Keck, Goin, Tenn. Office became Presidential July 1, 1945.
 Edna H. Butler, Goodspring, Tenn. Office became Presidential July 1, 1945.
 Rebecca E. Fleming, Hartford, Tenn. Office became Presidential July 1, 1945.
 James W. Cross, Hickory Point, Tenn. Office became Presidential July 1, 1945.
 William R. Rice, Hollow Rock, Tenn. Office became Presidential July 1, 1945.
 Mildred P. Smith, Huron, Tenn. Office became Presidential July 1, 1945.
 Joe R. Pigg, Kelso, Tenn. Office became Presidential July 1, 1945.
 Guy L. McHaney, Luray, Tenn. Office became Presidential July 1, 1945.
 James L. Gooch, Michie, Tenn. Office became Presidential July 1, 1945.
 Mabel Lowery, Ocoee, Tenn. Office became Presidential July 1, 1945.
 Joyce Myrtle Stratton, Oldfort, Tenn. Office became Presidential July 1, 1945.
 Charles H. Bigg, Palmersville, Tenn. Office became Presidential July 1, 1945.
 Margaret E. Harris, Pleasant View, Tenn. Office became Presidential July 1, 1945.
 Betty L. Sharp, Seymour, Tenn. Office became Presidential July 1, 1945.
 Frank S. Grizzell, Sharps Chapel, Tenn. Office became Presidential July 1, 1945.
 Robert H. McFall, Slayden, Tenn. Office became Presidential July 1, 1945.
 Zaida I. Fullwood, Stantonville, Tenn. Office became Presidential July 1, 1945.
 Harvey M. Ewing, Tennessee City, Tenn. Office became Presidential July 1, 1945.
 Mary F. Hall, Westport, Tenn. Office became Presidential July 1, 1945.

TEXAS

Jewel D. Eades, Alanreed, Tex. Office became Presidential July 1, 1945.
 Louise Henicke, Alleyton, Tex. Office became Presidential July 1, 1945.
 Nell W. Sheridan, Augusta, Tex. Office became Presidential July 1, 1945.
 Lovey L. Bailey, Bradshaw, Tex. Office became Presidential July 1, 1945.
 Oma Wall, Broaddus, Tex. Office became Presidential July 1, 1945.
 Freeda M. Burkett, Burkett, Tex. Office became Presidential July 1, 1945.
 Cecil D. Foster, Cedar Bayou, Tex. Office became Presidential July 1, 1945.
 Maudie M. Hensley, Chicota, Tex. Office became Presidential July 1, 1945.
 Ervin Sherman, China, Tex. Office became Presidential July 1, 1945.
 Vernie A. Payne, Combes, Tex. Office became Presidential July 1, 1945.
 Ima M. Shannon, Direct, Tex. Office became Presidential July 1, 1945.
 Ruby E. Page, Doole, Tex. Office became Presidential July 1, 1945.
 Annie B. Causey, Doucette, Tex. Office became Presidential July 1, 1945.
 Matthew G. Crosby, Douglas, Tex. Office became Presidential July 1, 1945.
 Pearl W. Lee, Driscoll, Tex. Office became Presidential July 1, 1945.
 Turner F. Gassaway, Elm Mott, Tex. Office became Presidential July 1, 1945.
 Daniel A. Juren, Ellinger, Tex. Office became Presidential July 1, 1945.
 John D. Furrh, Elysian Fields, Tex. Office became Presidential July 1, 1945.
 Jesse R. Chambers, Everman, Tex. Office became Presidential July 1, 1945.
 Richard A. Watson, Forreton, Tex. Office became Presidential July 1, 1945.
 Mabel F. Hoover, Friendswood, Tex. Office became Presidential July 1, 1945.
 Charles F. Broyles, Fruitvale, Tex. Office became Presidential July 1, 1945.
 Leona B. Dozier, Fulshear, Tex. Office became Presidential July 1, 1945.

Edna A. Upton, Gillett, Tex. Office became Presidential July 1, 1945.

Lela M. Williams, Girard, Tex. Office became Presidential July 1, 1945.

Carl B. Cheaney, Gouldbusk, Tex. Office became Presidential July 1, 1945.

Elizabeth D. Davis, Hardin, Tex. Office became Presidential July 1, 1945.

John H. Pope, Harelton, Tex. Office became Presidential July 1, 1945.

Edna E. Horning, Hartley, Tex. Office became Presidential July 1, 1945.

Carl T. Wilkinson, Harwood, Tex. Office became Presidential July 1, 1945.

Edwin A. Raeke, Industry, Tex. Office became Presidential July 1, 1945.

Hattie M. Austin, Ireland, Tex. Office became Presidential July 1, 1945.

J. Morgan Pickett, Kempner, Tex. Office became Presidential July 1, 1945.

Werner E. Knippa, Knippa, Tex. Office became Presidential July 1, 1945.

Robbie M. Phipps, Lake Creek, Tex. Office became Presidential July 1, 1945.

Vera L. Platzler, League City, Tex., in place of H. L. Hall, resigned.

Georgie F. Morgan, Leary, Tex. Office became Presidential July 1, 1945.

Mary J. Townsend, Leesburg, Tex. Office became Presidential July 1, 1945.

Loy W. Bynum, Lelia Lake, Tex. Office became Presidential July 1, 1945.

Grace B. Shepherd, Leona, Tex. Office became Presidential July 1, 1945.

Jannie A. Minton, Lipscomb, Tex. Office became Presidential July 1, 1945.

Opal M. Browning, Lohn, Tex. Office became Presidential July 1, 1945.

Antone J. Lichnovsky, Nada, Tex. Office became Presidential July 1, 1945.

Nettie Stewart, Otey, Tex. Office became Presidential July 1, 1945.

Wince D. Jones, Petty, Tex. Office became Presidential July 1, 1945.

Robert R. Sanders, Pollok, Tex. Office became Presidential July 1, 1945.

Nora E. Yarbrough, Ponder, Tex. Office became Presidential July 1, 1945.

Carrie McClure, Port O'Connor, Tex. Office became Presidential July 1, 1945.

Katherine Kenner, Powell, Tex. Office became Presidential July 1, 1945.

Robert S. Lee, Poynor, Tex. Office became Presidential July 1, 1945.

Tommie L. Timmons, Prairie Hill, Tex. Office became Presidential July 1, 1945.

John R. Dunahoo, Ridgeway, Tex. Office became Presidential July 1, 1945.

Dillie N. Kimbrell, Rowlett, Tex. Office became Presidential July 1, 1945.

Fannie Fuqua, Shiro, Tex. Office became Presidential July 1, 1945.

Byron C. Lusk, Sidney, Tex. Office became Presidential July 1, 1945.

Nannie E. Webb, Simms, Tex. Office became Presidential July 1, 1945.

Ida Mae Meador, South Houston, Tex., in place of L. E. Charlesworth, resigned.

Willis C. White, Springlake, Tex. Office became Presidential July 1, 1945.

B. Maurice Cummins, Taft, Tex., in place of B. H. Cummins, resigned.

Lula M. Hassey, Tye, Tex. Office became Presidential July 1, 1945.

Frank J. Meares, Welch, Tex. Office became Presidential July 1, 1945.

Dannye E. Gilley, Whitehouse, Tex. Office became Presidential July 1, 1945.

Bertie A. Hart, Winchester, Tex. Office became Presidential July 1, 1945.

UTAH

Adrian Janse, Huntsville, Utah. Office became Presidential July 1, 1945.

Naomi A. Burgener, Midway, Utah. Office became Presidential July 1, 1945.

VIRGINIA

Joseph H. Hurst, Allisonia, Va. Office became Presidential July 1, 1945.

Sallie B. Willson, Ballsville, Va. Office became Presidential July 1, 1945.

Bettie F. Gayle, Baskerville, Va. Office became Presidential July 1, 1945.

John C. Kehoe, Bealeton, Va. Office became Presidential July 1, 1945.

Harry R. Bell, Birdsneest, Va. Office became Presidential July 1, 1945.

Harry B. Marshall, Blue Grass, Va. Office became Presidential July 1, 1945.

Mary Webb, Branchville, Va. Office became Presidential July 1, 1945.

Bertha B. Alvis, Brook Hill, Va. Office became Presidential July 1, 1945.

Lawrenceson C. Costen, Buell, Va. Office became Presidential July 1, 1945.

John Duke, Jr., Carrsville, Va. Office became Presidential July 1, 1945.

Annie L. Davis, Cascade, Va. Office became Presidential July 1, 1945.

Jerry Morgan, Catawba, Va. Office became Presidential July 1, 1945.

Virginia M. Cline, Clear Brook, Va. Office became Presidential July 1, 1945.

Edwina Boisseau, Dewitt, Va. Office became Presidential July 1, 1945.

Idamae Turner, Dorchester, Va. Office became Presidential July 1, 1945.

French S. Brawner, Dumfries, Va. Office became Presidential July 1, 1945.

Rosalie R. Baker, Dunbar, Va. Office became Presidential July 1, 1945.

Fleda H. Goodwyn, Dundas, Va. Office became Presidential July 1, 1945.

Edna Kilgore, East Stone Gap, Va. Office became Presidential July 1, 1945.

Mary E. McChesney, Fishersville, Va. Office became Presidential July 1, 1945.

Etta C. Turner, Fort Blackmore, Va. Office became Presidential July 1, 1945.

John R. Sweeney, Jr., Gainesville, Va. Office became Presidential July 1, 1945.

Nathan H. Tillage, Gloucester Point, Va. Office became Presidential July 1, 1945.

James M. Jones, Goodview, Va. Office became Presidential July 1, 1945.

Cynthia L. Kerr, Goodwins Ferry, Va. Office became Presidential July 1, 1945.

Maude Gilmer, Hansonville, Va. Office became Presidential July 1, 1945.

Gorman A. Hilton, Hiltons, Va. Office became Presidential July 1, 1945.

Edna Y. Harper, Holdcroft, Va. Office became Presidential July 1, 1945.

Gordon P. Murray, Hollins, Va. Office became Presidential July 1, 1945.

Fred L. Marshall, Keeling, Va. Office became Presidential July 1, 1945.

Rosa L. Thrift, Kinsale, Va. Office became Presidential July 1, 1945.

Genevieve P. Gresham, Lancaster, Va. Office became Presidential July 1, 1945.

Ella S. Hockaday, Lanexa, Va. Office became Presidential July 1, 1945.

Claude L. Bradshaw, Laurel, Va. Office became Presidential July 1, 1945.

Eva G. Davenport, Leona Mines, Va. Office became Presidential July 1, 1945.

Marie H. Clark, Lively, Va. Office became Presidential July 1, 1945.

Gladys M. McLaughlin, Lowmoor, Va. Office became Presidential July 1, 1945.

Theron P. Bell, Jr., Machipongo, Va. Office became Presidential July 1, 1945.

Adelbert D. Sydnor, Mannboro, Va. Office became Presidential July 1, 1945.

Nannie B. Chase, Mappsville, Va. Office became Presidential July 1, 1945.

John E. Dodson, Mattoax, Va. Office became Presidential July 1, 1945.

Norman O. Armstrong, Midland, Va. Office became Presidential July 1, 1945.

Stephen M. Nelson, Nelson, Va. Office became Presidential July 1, 1945.

Ellie I. Amburgey, Nora, Va. Office became Presidential July 1, 1945.

Julia Maloney, North Garden, Va. Office became Presidential July 1, 1945.

Lucille H. Gilbert, North Holston, Va. Office became Presidential July 1, 1945.

Edward L. Deane, Nottoway, Va. Office became Presidential July 1, 1945.

Nancy C. Leontal, Oakton, Va. Office became Presidential July 1, 1945.

Lauza Richie, Oakwood, Va. Office became Presidential July 1, 1945.

Walter H. Burgess, Paces, Va. Office became Presidential July 1, 1945.

Charlie A. Pannell, Parrott, Va. Office became Presidential July 1, 1945.

C. Meredith Richardson, Pendletons, Va. Office became Presidential July 1, 1945.

Anne G. Pearl, Port Republic, Va. Office became Presidential July 1, 1945.

Joseph Thomas Tokarz, Port Richmond, Va. Office became Presidential July 1, 1945.

William R. Bailey, Quinton, Va. Office became Presidential July 1, 1945.

Ollie May Brooks, Red Ash, Va. Office became Presidential July 1, 1945.

Anne H. Giles, Rock Castle, Va. Office became Presidential July 1, 1945.

Margaret M. Powell, Seaford, Va. Office became Presidential July 1, 1945.

Linda T. Meissner, Skipwith, Va. Office became Presidential July 1, 1945.

Thomas H. Elmore, Snowville, Va. Office became Presidential July 1, 1945.

Wiley H. Robertson, Spout Spring, Va. Office became Presidential July 1, 1945.

James H. L. Parker, State Farm, Va. Office became Presidential July 1, 1945.

John E. Winstead, Village, Va. Office became Presidential July 1, 1945.

Lola G. Fowler, White Post, Va. Office became Presidential July 1, 1945.

Buren Skinnell, Wirtz, Va. Office became Presidential July 1, 1945.

WASHINGTON

Helen L. Gilbert, La Grande, Wash. Office became Presidential July 1, 1945.

Benjamin B. McKenzie, Mead, Wash. Office became Presidential July 1, 1945.

John Dean, Otis Orchards, Wash. Office became Presidential July 1, 1945.

Austin J. Dickinson, Riverside, Wash. Office became Presidential July 1, 1945.

WEST VIRGINIA

John J. Balassone, Albert, W. Va. Office became Presidential July 1, 1945.

Edgar D. Combs, Augusta, W. Va. Office became Presidential July 1, 1945.

Martin D. Welsh, Bakerton, W. Va. Office became Presidential July 1, 1945.

Nancy R. Browning, Barnabus, W. Va. Office became Presidential July 1, 1945.

Charles R. Cunningham, Baxter, W. Va. Office became Presidential July 1, 1945.

Gladys P. Frazier, Beards Fork, W. Va. Office became Presidential July 1, 1945.

Irma Botkin, Big Chimney, W. Va. Office became Presidential July 1, 1945.

Mamie P. Maynor, Bluecreek, W. Va. Office became Presidential July 1, 1945.

James D. Mode, Cinderella, W. Va. Office became Presidential July 1, 1945.

Wilda Y. Shannon, Coalton, W. Va. Office became Presidential July 1, 1945.

Ruby Williams, Drybranch, W. Va. Office became Presidential July 1, 1945.

John U. Hevener, Dunmore, W. Va. Office became Presidential July 1, 1945.

Maude S. Walker, Fort Ashby, W. Va. Office became Presidential July 1, 1945.

Jesse P. James, Frametown, W. Va. Office became Presidential July 1, 1945.

Stanley A. Patton, Gap Mills, W. Va. Office became Presidential July 1, 1945.

George O. Morris, Gay, W. Va. Office became Presidential July 1, 1945.

James F. Lewis, Gerrardstown, W. Va. Office became Presidential July 1, 1945.

Arthur E. Stacey, Glen Ferris, W. Va. Office became Presidential July 1, 1945.

Arietta J. Allen, Green Spring, W. Va. Office became Presidential July 1, 1945.

Orville G. Toney, Eansford, W. Va. Office became Presidential July 1, 1945.

Alice B. Chapman, Hartford, W. Va. Office became Presidential July 1, 1945.

Shirley L. Diddle, Henderson, W. Va. Office became Presidential July 1, 1945.

Lillie B. Sharps, Independence, W. Va. Office became Presidential July 1, 1945.
 Vennie B. Coleman, Itmann, W. Va. Office became Presidential July 1, 1945.
 Maurice H. Smith, Killarney, W. Va. Office became Presidential July 1, 1945.
 Lester H. Harman, Kingmont, W. Va. Office became Presidential July 1, 1945.
 Mollie Davis, Lavalette, W. Va. Office became Presidential July 1, 1945.
 Nellie Robinette, McConnell, W. Va. Office became Presidential July 1, 1945.
 Thomas F. Dick, Maitland, W. Va. Office became Presidential July 1, 1945.
 Ruby E. Garten, Meadow Creek, W. Va. Office became Presidential July 1, 1945.
 Clara M. Hall, Miami, W. Va. Office became Presidential July 1, 1945.
 Kathrynne Marlow, Palestine, W. Va. Office became Presidential July 1, 1945.
 William Baxter Harvey, Premier, W. Va. Office became Presidential July 1, 1945.
 Harley Z. Moore, Smithburg, W. Va. Office became Presidential July 1, 1945.
 Aubrey J. Bishop, Summerlee, W. Va. Office became Presidential July 1, 1945.
 Marjorie Hamilton, Switzer, W. Va. Office became Presidential July 1, 1945.
 Nancy Sinclair, West Milford, W. Va. Office became Presidential July 1, 1945.
 Lloyd C. Gwinn, Whipple, W. Va. Office became Presidential July 1, 1945.
 Arthur Downing, Wilkinson, W. Va. Office became Presidential July 1, 1945.

WISCONSIN

Hattie M. Gannon, Armstrong Creek, Wis. Office became Presidential July 1, 1945.
 Donald E. Chapman, Ashippun, Wis. Office became Presidential July 1, 1945.
 Charles H. Barlow, Briggsville, Wis. Office became Presidential July 1, 1945.
 Frank W. Zetzman, Fall Creek, Wis., in place of H. E. Steinbring, resigned.
 Omar F. Huebner, Ixonia, Wis. Office became Presidential July 1, 1945.
 Edgar H. Bradley, Pickett, Wis. Office became Presidential July 1, 1945.
 Kate M. Pottie, Stockbridge, Wis. Office became Presidential July 1, 1945.

WYOMING

Floyd M. Vaughn, Clearmont, Wyo. Office became Presidential July 1, 1945.
 Warren Clark, Frannie, Wyo. Office became Presidential July 1, 1945.
 Clifford A. Kizzire, Granger, Wyo., in place of R. R. Steenburgen, resigned.
 William R. Kirlin, Lagrange, Wyo. Office became Presidential July 1, 1945.
 Florence B. Robertson, Manderson, Wyo. Office became Presidential July 1, 1945.

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 27, 1945

The House met at 12 o'clock noon.

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

Strong Son of God, in this era of confusion, draw all hearts to Thee and lift us above all impediments; when the clouds lower and the tides are adverse, give us that inner force which increases our usefulness many times. In every emergency, we pray for a cooperative and loyal citizenship which realizes that the true way of a nation is to work and earn, to save and give. Not by might nor by power, but by my spirit, saith the Lord.

Our country has a commission to carry out, though its path be of pain or of difficulty; O bring men to their senses;

cleanse all minds of unwise impulses that stand in the way of duty and responsibility; take away all hindrances from wise decisions, and remove the yoke from the oppressed of every rank and station, however diverse in circumstances and character. In these crippled times, O give us such a power as we have never before felt, losing ourselves in healing the wounds of an uprooted world. Let Thy guidance today be a token of Thy goodness and of our worthiness. We pray in Jesus' name. Amen.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On September 18, 1945:

H. R. 3907. An act to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

On September 20, 1945:

H. R. 3644. An act to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

On September 22, 1945:

H. R. 999. An act for the relief of Lily L. Carren;

H. R. 1057. An act for the relief of the legal guardian of Margaret Hockenberry, a minor; H. R. 1257. An act for the relief of George C. Tyler and Doris M. Tyler;

H. R. 1564. An act for the relief of William W. Maddox and the legal guardian of Donna Sue Maddox and Saddle Inez Maddox;

H. R. 1913. An act for the relief of Aloysius G. Miller;

H. R. 2028. An act for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec;

H. R. 2089. An act for the relief of Edmund F. Danks, as administrator of the estate of Edna S. Danks, deceased;

H. R. 2183. An act for the relief of Teresa Tine;

H. R. 2511. An act for the relief of Patricia W. Kacprzyk and Alex D. Leontire; and

H. R. 2641. An act for the relief of Frank Gien.

On September 24, 1945:

H. R. 241. An act for the relief of Mrs. Ruby H. Hunsucker;

H. R. 799. An act for the relief of the estate of Stanley E. Smallwood; to the legal guardian of Frank Carter, Jr., a minor; to the legal guardian of Donald R. Keithley, a minor; to Keithley Bros. Garage;

H. R. 1882. An act for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington.

H. R. 1992. An act to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; and

On September 25, 1945:

H. R. 1456. An act for the relief of George E. Baker; and

H. R. 3974. An act to provide for termination of daylight-saving time.

On September 26, 1945:

H. R. 1713. An act for the relief of Canal Dredging Co.; and

H. R. 3686. An act to authorize the Commissioner of the General Land Office and the registers of the land offices in Alaska to perform functions under the Alaska real property ownership declaration law.

MESSAGE FROM THE SENATE

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

H. R. 3951. An act to stimulate volunteer enlistments in the Regular Military and Naval Establishments of the United States.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that on Monday next, after disposition of matters on the Speaker's table and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

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

There was no objection.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that on today, after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the Record and to include an address.

Mr. CELLER asked and was given permission to extend his remarks in the Record in two instances.

AUTHORIZING ADMISSION INTO THE UNITED STATES OF PERSONS INDIGENOUS TO INDIA

Mr. SABATH, from the Committee on Rules, reported the following resolution (H. Res. 361, Rept. No. 1029), 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. 3517) to authorize the admission into the United States of persons of races indigenous to India, to make them racially eligible, for naturalization, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

REORGANIZATION OF AGENCIES OF THE GOVERNMENT

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 360, Rept. No. 1028),

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 consideration of the bill (H. R. 4129) to provide for reorganizing agencies of the Government, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments, 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.

EXTENSION OF REMARKS

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Batesville (Ark.) News Review.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD on the coffee situation.

ELLIOTT ROOSEVELT

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

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

There was no objection.

Mr. JENKINS. Mr. Speaker, much publicity has been given to the investigation by the Committee on Ways and Means of loans made by various individuals to Elliott Roosevelt. The Committee on Ways and Means has concluded its investigation and will soon make a report thereon. I had expected to discuss this investigation and report before the House, but I cannot with propriety do so until the report has been made public after having been filed with the House. As soon as that is done I expect to discuss the matter either on the floor or by way of an extension of remarks.

PERMISSION TO ADDRESS THE HOUSE

Mr. CORBETT. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

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

There was no objection.

Mr. FULTON. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

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

There was no objection.

UNEMPLOYMENT PROBLEM

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

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

There was no objection.

Mr. RICH. Mr. Speaker, if your home was on fire you would first look after your family and put out the fire. You would not go to the cellar and take the ashes out of the furnace, you would not go to the kitchen and prepare a dinner. You would not carry in wood and paper and place it on the fire—no, you would try to put out the fire.

America today is on fire—strikes in the oil industry putting thousands and thousands out of work—strikes in the auto industry putting hundreds of thousands of peoples out of work. Strikes of elevator operators in New York City putting out 1,850,000 office workers. It is spreading over this Nation fast just when we want to get business in operation.

We are having hearings in the Committee on Expenditures in the Executive Departments to create more jobs when we have 4,000,000 jobs going begging. The President is interested in greater unemployment payments to workers out of jobs, when we have millions of jobs going begging. Put out this fire. Let the President and Congress direct their efforts in stopping strikes and permitting men to work before this fire burns down our Government house.

The Communists want to burn this house down by having the Government take over all private business.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article by George S. Benson, president, Harding College, entitled "Five-Talent Men."

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances and include in one an editorial from the Saturday Review of Literature. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$104, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

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

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include two bills he is introducing today.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

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

There was no objection.

HARRY BRIDGES

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

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

There was no objection.

Mr. RANKIN. Mr. Speaker, the Attorney General of the United States ought to take an appeal from the decision of the judge in California to make a United States citizen of Harry Bridges. If he does not do that, somebody ought to be investigated to find out just why this Communist trouble-maker was made a citizen of the United States.

The other day, in addressing a group of CIO members, here is what this West Coast Communist, Harry Bridges, said to them, according to the newspapers:

If all CIO members could understand what united political actions mean, there might not be any more employers or private industry in the United States.

If that is not a subversive statement, I want to know what it is.

If we are going to sit here, if the courts of the country and the Attorney General, the law-enforcing agency of this Government, are going to permit a revolutionary Communist, preaching revolution, to come in here and be made a citizen of the United States while our boys are fighting and dying to save constitutional government, it is about time we let the American people know it.

ELEVATOR OPERATORS' STRIKE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remark and include a newspaper article.

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

There was no objection.

Mr. HOFFMAN. Mr. Speaker, an AP press dispatch this morning carries the statement that 15,000 elevator workers in New York City are carrying on a strike which affects an estimated 1,500,000 individuals. In that 1,500,000 individuals are probably at least 100,000 garment workers, who want to go to work making clothing. I suggest to Dubinsky and to members of his union that they personally go over and argue peaceably, quietly, politely, but effectively—do you get my meaning?—effectively, but without violence—be careful about that, with these fellows who will not run the elevators, and they will get to their jobs. Otherwise those who want to work, who are not permitted by the strikers to work, will soon be hungry.

Why argue with men who want to strike? Let them strike, but let them get out of the way of those who want to work, and do not give strikers relief at the expense of the taxpayers who stay on the job.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—CITY OF COUNCIL BLUFFS, IOWA

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1634, Seventy-ninth Congress, first session, a bill for the relief of the city of Council Bluffs, Iowa.

The purpose of the measure is to authorize and direct payment of the sum of \$8,750.13 to the city of Council Bluffs, Iowa, in full settlement of all claims against the United States for 50,144 sacks purchased by the city which were used together with other sacks furnished by the Engineer Corps, United States Army, to strengthen embankments along the Missouri River in order to avert the flood which threatened the city in the spring of 1943. The sacks for which payment is sought were purchased directly by the city of Council Bluffs from a private concern in advance of the threatened high waters.

It appears that during the high-water conditions encountered, the United States district engineer at Omaha, Nebr., rendered all possible assistance to local interests in the protection of private and public property at Council Bluffs and in strengthening all flood-protection systems. This assistance also included rescue work.

As indicated in the report on the measure, it has been the policy of the Engineer Department over a period of years to furnish Government property such as boats, barges, and other equipment to stricken communities for emergency use in protection of life and property when no suitable private equipment was on hand. The cost of this assistance has been borne by the War Department. It has never been the practice of the Engineer Department to make monetary restitution for efforts or materials expended by local authorities in flood fighting. The emergency flood protection measures taken by the city of Council Bluffs do not appear to differ from those taken by other cities and municipalities similarly affected by flood conditions.

Because the enactment of the bill would have the effect of establishing a precedent for the payment of similar expenditures made by local interests during the 1943 flood emergency, as well as other emergencies which might arise on all navigable waters and their tributaries which have been improved in the aid of navigation, and for flood-control purposes, I feel obligated to withhold my approval of the legislation.

HARRY S. TRUMAN.

SEPTEMBER 27, 1945.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the message and accompanying bill will be referred to the Committee on Claims and ordered printed.

There was no objection.

EXEMPTING ANNUITY PAYMENTS UNDER CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. 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. 2948) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, so as to exempt annuity payments under such act from taxation.

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. 2948, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia [Mr. RAMSPECK] is recognized for 30 minutes and the gentleman from Kansas [Mr. REES] is recognized for 30 minutes.

Mr. RAMSPECK. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this matter was discussed when the rule was under consideration the day before yesterday and there is not very much more to be said about it. The purpose of the bill is to relieve to a limited extent the distress that has been experienced by 78,000 elderly citizens who have retired from the Government service and who are now on the annuity rolls under the Civil Service Retirement Act and whose average annuity is approximately \$950. Many of them, of course, receive much less. These citizens, because of the reduction during wartime of the exemptions under the income-tax legislation, are required to pay taxes on these small annuities which they receive.

It has been said there are approximately 78,000 of these people, 90 percent of whom are beyond 60 years of age, one of whom is 100 years of age, and thousands of whom are up in the seventies, and hundreds are in the eighties. Most of them receive very small annuities and find it burdensome to have to pay taxes on these small amounts which they receive.

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

Mr. RAMSPECK. I yield.

Mr. TARVER. Is it true or is it not true that some of these people receive annuities as high as \$4,000 a year?

Mr. RAMSPECK. There are a few who do, yes; but the vast majority get \$600, \$700, \$800, and \$900 a year.

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

Mr. RAMSPECK. I yield to the gentleman from Missouri.

Mr. COCHRAN. I am very much in sympathy with those in the low brackets who receive a small annuity, not only Federal employees but State and city employees. For instance, in my city the firemen and policemen and their widows receive a very small annuity and very few of them receive over a thousand dollars. I have looked into the situation, but as this bill is drawn I am prohibited from

offering an amendment to the Civil Service Retirement Act that could include the policemen and firemen in my city. I would like to see something done for them because they do not receive the amount that the Federal employees receive. Many of them are widows of policemen and firemen who lost their lives in line of duty.

Mr. RAMSPECK. That is true, but that is within the jurisdiction of the Ways and Means Committee. The Civil Service Committee has no jurisdiction over it. I think there is a bill pending before the Ways and Means Committee on that subject.

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

Mr. RAMSPECK. I yield.

Mr. WALTER. Does not the gentleman feel it would be more logical to take up this entire question in one measure rather than deal with it piecemeal?

Mr. RAMSPECK. I do not think it will ever be taken up if you wait for that, to be perfectly frank about it. We are dealing with this as the Committee on Interstate and Foreign Commerce dealt with the railroad employees. Exactly the same exemption is provided in that act as we are undertaking to put into this act. The question did not arise until we got into the war situation, when personal exemptions were lowered to \$500 under wartime taxation, and for the first time these small annuities were brought under the tax law.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DOUGHTON of North Carolina. The gentleman says these smaller annuities, which average only \$900, must pay taxes. They do have the same exemption as other taxpayers, do they not?

Mr. RAMSPECK. Yes; they do.

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

Mr. RAMSPECK. I yield myself two additional minutes, Mr. Chairman.

I have in my hand several letters from old people, and I want to refer to one or two of them.

I have a letter from a gentleman in Los Angeles who retired under an annuity of \$1,200 a year. He states that his taxes for this year are \$131. He points out the increased cost of living and how difficult it is for him and his wife to get along on that amount.

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

Mr. RAMSPECK. I am sorry I cannot yield right now.

I have a letter from a gentleman in Texas who points out somewhat the same thing. He also complains of the fact that he is discriminated against because those who are beneficiaries under the social security and railroad retirement are treated differently and do not pay any tax on their annuities. Of course, that is also true of pensions granted to former servicemen.

I have another letter from a man in Maryland who receives an annuity of \$1,108.68. He is complaining of the same situation and the difficulty of getting along on these small annuities.

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

Mr. RAMSPECK. Not at this time.

The fact of the matter is that the Senate in the last Congress passed a bill to increase these annuities by 15 percent, on the theory that the increased cost of living made it necessary. That would have cost the Government many times what this will cost. It would have cost over \$11,000,000.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. RAMSPECK. I yield myself one additional minute, Mr. Chairman.

I think it is simple justice to those people to put them in the same situation in which the Congress put the railroad people who retired under the Railroad Retirement Act, and in which the Treasury Department put the beneficiaries of the Social Security Act by interpretation.

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

Mr. RAMSPECK. I yield.

Mr. COX. Is the gentleman in position to advise the Committee as to what loss in revenue will be sustained by the adoption of this measure?

Mr. RAMSPECK. No; I am not. I have no estimate of it. It would not amount to a great deal, because most of them receive very small annuities. They have an exemption of \$500, so that the amount exempted by this act would be very small.

Mr. COX. Is the gentleman advised as to the attitude of the administration with reference to this legislation?

Mr. RAMSPECK. The Treasury Department wrote a letter to both the chairman of the Ways and Means Committee and to myself opposing it.

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

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

Mr. KUNKEL. Are postal employees included under this bill?

Mr. RAMSPECK. Yes; they are. All people in the Government service who have retired under the Civil Service Retirement Act are included. Many thousands of former postal employees do come under the provisions of this bill.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. RICH. I would like to have 5 minutes.

Mr. REES of Kansas. All I can yield the gentleman is 1 minute; I am sorry.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 1 minute.

Mr. RICH. I wish to ask the gentleman from Georgia [Mr. RAMSPECK] this question: Who is to blame for the high taxes to which these people are objecting? Who is responsible?

Mr. RAMSPECK. Emperor Hirohito and Adolf Hitler.

Mr. RICH. That is about the kind of answer I would expect the gentleman to make. It is my creed that in the matter of taxation all should be treated alike. Whether a man earns \$2,000 or receives it from the Government in the form of an annuity, no distinction should be

made. This bill should be defeated because everybody in this country should be treated alike, notwithstanding the fact that the Railroad Retirement does provide for exemption of annuities paid thereunder; everyone should be treated the same in the matter of taxation.

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

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, the bill before us (H. R. 2948) provides for exempting from taxation annual annuity payments of retired Federal Government employees up to \$1,440.

As all know, civil-service employees pay into the retirement fund 5 percent of their salaries. The statutes already provide for exempting practically all of this 5 percent.

Data furnished me by the Civil Service Commission show that, on an average, a retired civil-service employee would have contributed only between \$240 and \$290 out of the \$1,440 that is proposed to be exempted from taxation in this bill, while the Government, that is the taxpayers, would have contributed the remainder, or between \$1,150 and \$1,200.

This bill proposes, therefore, to make a flat tax exemption on the income of each retired Federal Government employee up to about \$1,175. This would be in addition to the regular \$500 personal exemption that is already allowed all taxpayers. This would be unfair to the other taxpayers of the Nation—wage earners, farmers, school teachers, entrepreneurs, and so forth.

It is wrong to exempt from taxation the income of particular groups. Such a policy results in shifting a disproportionate share of the tax burden onto the other groups. To be fair we must lift the exemption level for all alike.

This is a tax measure and should have been referred to the Committee on Ways and Means and not the Committee on the Civil Service. It is hardly likely that the Committee on Ways and Means would have reported this bill out.

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

Mr. REES of Kansas. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, there seems to be a considerable amount of opposition to this legislation because it happens that it did not come from the Committee on Ways and Means. As I said on Tuesday when this measure was under consideration under the rule, I regret if anyone's feelings have been injured by reason of the committee which reports this bill. This is a civil-service measure and was correctly referred to the Committee on the Civil Service.

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

Mr. REES of Kansas. I yield to the distinguished gentleman from Ohio.

Mr. BROWN of Ohio. This bill after introduction was referred by the Speaker of the House under his prerogative, was it not, to the Committee on the Civil Service?

Mr. REES of Kansas. That is correct.

Mr. BROWN of Ohio. And the Speaker is guided by parliamentary procedure and practice, is he not?

Mr. REES of Kansas. Most assuredly.

Mr. BROWN of Ohio. Any suggestion that the bill was improperly referred, of course, is a criticism of the Speaker? Certainly no one wants to in anywise criticize the action of the Speaker or anyone else with regard to such action.

Mr. REES of Kansas. In any event, not one member of the Ways and Means Committee of the House ever asked that this bill be referred to that committee during the period of several months it was pending before our committee. Not one member of the Ways and Means Committee appeared before the Rules Committee to object to consideration of this bill on the floor of the House. So the Ways and Means Committee does not have to feel hurt. Certainly no one has bypassed that committee with respect to consideration of this measure.

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

Mr. REES of Kansas. I shall be glad to yield to the gentleman from Massachusetts, the majority leader of the House.

Mr. McCORMACK. Having been responsible for putting this bill on the program under a rule, the thing that impresses me is that the bill is now before the House, having been reported by the committee of the House to which it was referred under the rules of the House. The Committee of the Whole should now consider the bill on its merits, the substance of the bill rather than enter into a jurisdictional discussion. That is the way the matter appeals to me. There is no leadership question involved. My own personal opinion is that the bill is a deserving one and should pass. Certainly there is a clear distinction between income earned during life employment and an annuity received when people have earned it as a result of putting back some of their earnings gained out of their productive years of life to give them at least minimum economic security during the latter years of life. I agree with the gentleman from Missouri that we ought to extend it to all annuities, not only Federal but State and city, and again expressing my own personal opinion, I do not see why we should let any jurisdictional fight interfere with consideration of the bill on its merits. It is a good bill and I intend to vote for it.

Mr. REES of Kansas. I intended to say practically the same thing the gentleman from Massachusetts has so well expressed. The bill is before us. We ought to consider the legislation on its merits, whether we are for or against it. But let us not vote against it because some committee members feel that the bill should have been referred to their group for consideration.

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

Mr. REES of Kansas. I yield to the distinguished gentleman from Georgia.

Mr. COX. In the interest of uniformity of treatment, and the gentleman is in favor of that, why not extend

the provisions of this bill to include all low-income annuitants, school teachers, farmers, and others?

Mr. REES of Kansas. If the gentleman wants to bring that problem to the attention of the Congress, I am sure it will receive the consideration to which it is entitled.

I want to add one more statement. The gentleman from Georgia inquired a moment ago with respect to the attitude of the Secretary of the Treasury. The Secretary of the Treasury himself supported legislation that gave the railroad people the retirement benefits that they receive now and he also supported legislation dealing with social security whereby those payments were exempted. Of course, in his letter to the chairman of the Ways and Means Committee of the House he suggests that all that be taken out and no exemptions allowed. If the Ways and Means Committee proposes to take the advice of the Secretary of the Treasury, then that committee will bring to the floor of the House a bill to require every social-security recipient, 50,000,000 of them, to pay taxes on the funds they receive from the Government and every retired railroad employee would have to pay taxes on the funds accumulated in his favor and to which he contributed. I just do not believe that all of the members of the Ways and Means Committee of this House want to go on record to do that sort of thing, but that is the recommendation they are submitting as a part of their opposition to this bill. I have not heard any Member say he wants to repeal the present law with respect to those two groups, and I do not think I will hear a demand from anyone to do it. Of course not. I do not believe that any one Member of this House who seems to oppose this measure so vigorously and who quotes from the statement of the Secretary of the Treasury will submit legislation to take away exemptions from social-security recipients, retired railway employees, and others in similar categories. Of course not. I certainly would not favor such action.

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

Mr. REES of Kansas. Mr. Chairman, I yield myself seven additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. May I ask the gentleman if legislation is pending before his committee to increase all annuities at the present time?

Mr. REES of Kansas. That is correct. May I say further that there are inequities in the amount of retirement payments as between those who retired before January 1942 and those retiring subsequent to that date. If the bill before us is defeated, the pressure for consideration of legislation on that problem will be even greater than it is now. Those people who retired before January 1942 feel they are entitled to an increase in payments because of the increased cost of living, and for the further reason that a large group of employees who retired since 1942 are receiving more liberal payments than they are.

Mr. AUGUST H. ANDRESEN. Would that not be a fairer way to handle this matter?

Mr. REES of Kansas. I am not so sure. You have quite a complicated problem when you deal with that question, I will say to the gentleman from Minnesota. When you proceed to attempt to adjust retirement payments for any group, and I agree there are adjustments that should be made, you will find that there are thousands affected thereby who will feel they are entitled to what they regard as fairer consideration. The whole problem should be reexamined, but we cannot do that in this legislation.

Mr. AUGUST H. ANDRESEN. The President has also recommended that the Members of Congress increase their salaries.

Mr. REES of Kansas. I am advised he recommended an annual salary of \$20,000. I appreciate his opinion, but I am certainly not in accord with his views. I just do not think it is the thing to do. Let me say this in line with the gentleman's observation. The majority of the membership of this House saw fit not many weeks ago—and some Members have been talking about precedent around here—to increase their own incomes by 25 percent, not only for the present, but they made it retroactive, so each Member could receive the full \$2,500. I did not go along with the majority on that question, but I certainly respect the views of those who differed with me on that proposition. Perhaps I should add that this House will be confronted with legislation to increase all Federal employees by 25 percent. I am informed the administration is supporting such measure. In fact, a bill is now pending before the Committee on Civil Service on that subject. So when you talk about precedent you see what you get into on that question. I do not see how Members who voted for and supported and are receiving that extra \$2,500 should oppose this legislation on the ground of economy, because the amount that they voted for this House membership is more than is going to be allowed to the whole 76,000 who are included in this bill; I mean it amounts to as much money as the taxes you are going to forego by this measure.

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

Mr. REES of Kansas. I yield to my friend the gentleman from Pennsylvania.

Mr. RICH. If an individual bought an annuity from some insurance institution and his income was \$1,500, under this bill would he be exempt?

Mr. REES of Kansas. The gentleman knows this legislation would not affect the individual who bought an annuity. But may I say this, if the gentleman from Pennsylvania is receiving an annuity from a life-insurance company—

Mr. RICH. I do not receive any.

Mr. REES of Kansas. He does not pay taxes on the annuity. All he pays taxes on is what amounts to about 3 percent of it.

Mr. RICH. On the income.

Mr. REES of Kansas. On the investment. The recipient of returnment funds, when he pays money into the Federal Treasury, pays it out of his sal-

ary and he pays taxes on it; that is, that part which he contributes. At the present time he also pays taxes on part of that same money.

Mr. RICH. Is not our tax structure such that every individual is supposed to pay on the amount that he receives? Is that not the case, outside of the Railroad Retirement Act?

Mr. REES of Kansas. The Railroad Retirement, certain funds paid to soldiers and to those in the naval forces and to those under the Social Security Act and I do not know how many more.

Mr. RICH. This bill is going to make another preferred class, is it not?

Mr. REES of Kansas. This bill is going to provide for a further exemption for a low-income group that receives an average of \$960 a year. A group of people of average of between 68 and 70 years. It will provide them a chance to have a little bit of relief from a part of the burden of taxation to which I think they are entitled. There are about 78,000 people involved here. All but a very small percent receive less than \$1,000 a year income. Ninety percent of these recipients do not have any income in addition to their retirement payments. Nearly all of them do not have earning power. As I have said, the average is between 68 and 70 years, and a good many of them are more than 70 or 80 years of age. I should add for the RECORD, that under civil service retirement, the life expectancy of those 62 years of age is 15 years; those aged 68, 11.4 years; 70 years of age, 10 years. I feel these individuals are entitled to this consideration. It should be brought out, too, that the right to retirement pay has always been regarded as a part of the remuneration of Federal employees. The policy of allowing retirement funds is followed to a great extent to make the Federal positions more attractive for career service.

Mr. RICH. Let us exempt them all from tax and treat everybody in this country alike.

Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. Mr. Chairman, it seems to me this bill is so important the Members of the House ought to hear the debate on it. I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seven Members are present, a quorum.

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

Mr. REES of Kansas. I yield to the distinguished gentleman from Michigan.

Mr. DONDERO. I think I asked this question the other day. I voted for the rule on this measure in order to get some information. Can the gentleman tell us how much money this would affect as far as taxes are concerned?

Mr. REES of Kansas. As near as we can ascertain, it will amount to a little less than \$1,000,000 in taxes. That is the figure that has been given to me, right around \$1,000,000. It affects about 78,000 annuitants. I believe I gave the figure of 72,000 before.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from North Carolina, chairman of the great Ways and Means Committee of the House, whose opinion I respect.

Mr. DOUGHTON of North Carolina. If all taxpayers in a similar category were extended the same treatment, what would the loss to the Treasury be, approximately? I know the gentleman believes in fair treatment to all taxpayers, but if all taxpayers are extended the same treatment, what would be the estimated loss of revenue at this time when our Government expenditures are so colossal?

Mr. REES of Kansas. If the gentleman brings in a bill from his committee that would take in all individuals receiving a like amount, I am not sure how much the amount would be, but I am talking only of these individuals, and this figure is less than \$1,000,000 and affects some 76,000 people who are in a low-income group and whose average age is between 68 and 70 years. Of course, they have passed the age when they can earn for themselves and 90 percent have no other income.

I have in my files several hundred letters from individuals, some of them from the State of North Carolina, telling me that because of their low income, and because of increased cost of living and because the tax assessed against them has reached so far down into the lower income brackets, they just do not have enough to live on, even to get along and have the bare necessities of life. It seems to me this House can at least take care of a group that is entitled to this consideration. Then, if the distinguished chairman wants to do so, and feels that it should be done, he can bring to the floor of the House legislation to take care of the other groups, and we will iron that out when it comes to the floor of the House. If he follows the advice in the letter he approved, he had read to this House, then he would wipe out all exemptions, that I assumed when considered by this House.

Mr. DOUGHTON of North Carolina. Why should it not all be done at the same time?

Mr. REES of Kansas. I agree the whole problem should be carefully studied, but I am inclined to believe, if past record is a criterion, such legislation might not reach the floor of the House very soon. I say this in view of the fact that the committee has been rather slow in giving consideration to matters of this kind. I know the committee is extremely busy. It has evidently been quite busy during the past few weeks. I am sure the people of this country are looking and hoping with great expectations for a real, sound, constructive tax program.

We are all looking forward to the time that tax program might get to the floor; I am a little afraid it will not come in time to give much consideration to the group that we are talking about here today.

Mr. Chairman, this legislation ought to stand or fall on its merits. If you are in

favor of this legislation, you ought to support it. If you are not in favor of taking care of this group, that is something else. But let us not be influenced by the feeling of a committee of this House, who seem to be more opposed because they did not have the bill referred to that group, rather than of its merits. This legislation is supported by the American Federation of Labor.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. REES of Kansas. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, I have a telegram from William Green, president of the American Federation, endorsing this bill wholeheartedly and requesting that it receive the support of the membership of the House of Representatives.

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

Mr. REES of Kansas. I yield.

Mr. JONKMAN. What would be the approximate tax on a \$900 annuity? Would it be about \$15?

Mr. REES of Kansas. I assume it would be about that. The gentleman, of course, can easily figure that out. I assume that would be about the average.

Mr. JONKMAN. The gentleman from Georgia mentioned that on an income of \$1,200, a \$130 tax would be paid. Is that correct or would that include other income?

Mr. REES of Kansas. I cannot quite agree with his views. I tried to explain to the House about 90 percent of these individuals receive only money from their annuity and do not have additional income.

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

Mr. REES of Kansas. I shall be glad to yield to the gentleman from Nebraska.

Mr. STEFAN. Would the normal \$500 individual tax exemption be added to the \$1,440 exemption on these annuities?

Mr. REES of Kansas. If an individual is getting a great big income in addition to this, he might have that benefit, but there are very few in that group.

Mr. STEFAN. As the bill is written, however, the bill introduced by the gentleman from Kansas [Mr. REES] provides for an exemption of \$1,440. Is that correct?

Mr. REES of Kansas. That is right. That is the maximum in any case and conforms to other legislation that has been approved by this House for other groups.

Mr. STEFAN. However, it could include an additional \$500 exemption, could it not?

Mr. REES of Kansas. It could be worked out, but very few would be affected by that.

Mr. STEFAN. As the gentleman explained previously, the normal average income of these people is \$900?

Mr. REES of Kansas. The average income is \$960.

Mr. STEFAN. And their average age is 68?

Mr. REES of Kansas. That is right; a little more than 68. At the age of 62, the average life expectancy is 15 years. A few come in at 60 years of age, a small

group come in at 62. As I said, the average life expectancy of a man at 62 is 15 years. For those 68 years of age, the life expectancy is 11 years. For those 70 years of age, the life expectancy is 10.28 years.

Mr. STEFAN. How many years of service have been rendered by these 76,000 people, on an average per individual?

Mr. REES of Kansas. They have rendered some 30 to 35 years of service in the Federal Government.

Mr. STEFAN. But they have not served for less than 30 years?

Mr. REES of Kansas. That is correct.

Mr. Chairman, I believe this legislation should stand or fall on its merits. It ought to be passed and we should not let any bias or prejudice enter into this thing. I cannot see why the question of establishing a precedent should enter into the matter. As I said a moment ago, you have already established plenty of precedents. The House established a precedent of its own when it voted additional funds for its Members. We were told it was necessary because the additional funds were needed on account of the increased cost of living and other increases in expenses. The question of precedent is not involved here.

I have no feeling at all with regard to this legislation. I have the highest respect for the views of those who differ from me. The question involved is whether this measure is right. That is all there is to it. May we vote accordingly?

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. RAMSPECK. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Chairman, it is always a bit discouraging, especially when you are dealing with a technical subject such as taxes, to find three-fourths of the Members not present. Therefore, I am rather glad that I did not know until about 30 minutes ago that I would speak on this bill in general debate, because I think I would have been wasting my time to have prepared a documented discussion of what is involved because it does no good to talk to empty seats.

May I say to my distinguished friend who said that the House should not be influenced by the attitude of the Committee on Ways and Means, which is almost unanimous in its opposition to this measure, that I agree with him in general in that opinion because we do not claim to be any smarter than anybody else.

We do claim that we spend more time studying taxes than any other committee, and we do claim that we have access to better technical advice than most of the other committees avail themselves of. I do not know what technical advice the Civil Service Committee received on this bill, but my horseback opinion is that it did not get any. In the first place we have a constitutional question. That may not mean so much these days, but I would hate to see the time come when it does not mean anything to the House.

Our courts have always held, under the fifth amendment to the Constitution, that taxes must not be capricious; they must not be discriminatory; they must have the essence of equality. In 1870 the Supreme Court held in Collector against Day that we could not tax the salaries of State employees. In 1939 Mr. Justice Stone overruled that opinion in Collector against Day, and then we passed a bill taxing State employees along with Federal employees. We provided that the States could tax Federal employees, provided they did not discriminate against them. Now we are proposing to discriminate against State employees, of whom I understand there will be 158,000 or more eligible for retirement, by virtually eliminating all retired Federal employees from income taxes. That is about what it amounts to. I understand there will be only 1 percent left to pay. In addition to a tax-free \$1,440 income, if single, the taxpayer receives \$500 exemption; if a married man, he receives \$1,000; if a married man with two children, his exemption is \$2,000 and all are allowed deductions. It leaves about 1 percent who will be subject to tax.

It is estimated that the average income in this Nation next year will be \$2,207. When we last had up an income-tax bill, Mr. Murray, of the CIO, said we should not tax anybody with an income of less than \$2,500. I understand that is still his position. In order to get revenue to finance about 45 percent of our war spending—and that is all we did, because we have been having a forty-five- or fifty-billion-dollar deficit, and we will have a \$30,000,000,000 deficit this year—we had to impose 3 percent on all over \$500; then 19 percent in the lower brackets, which was heavy. I will agree it was heavy.

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

Mr. ROBERTSON of Virginia. I yield.

Mr. MAY. With a \$30,000,000,000 deficit for this year, what will be the public debt?

Mr. ROBERTSON of Virginia. The public debt, so the Secretary of the Treasury tells me, would amount to \$272,000,000,000, because he has a right nice little nest egg of cash. I think the cash is between fifteen and seventeen billion dollars. I offered the suggestion that with \$30,000,000,000 added to it we would be pushing the \$300,000,000,000 limit. He said fortunately that would not occur.

Now, in the highest peacetime year the actual expenditures were only \$8,400,000,000. I do not know what we propose to spend in the first peacetime Budget, which will be fiscal 1947, but it is generally talked about as a \$25,000,000,000 Budget. That is 300 percent more than any peacetime expenditure before, and if we apply the principle of this bill to all of similar income we will have a tax rate below any peacetime tax rate in the last 10 years.

So the proposal of this bill really amounts to this: We will spend 300 percent more, and tax less than we did in peacetime. That adds up in the end, Mr. Chairman, to bankruptcy, and it cannot add up to anything else. It

would mean a lack of faith to those who have bought bonds on the assurance that there could be no sounder or safer security than the obligations of their Government. It adds up to failing to keep faith with the 11,000,000 men who fought for the preservation of representative democracy, because in the midst of financial chaos no democracy will survive.

Why do I say we would be called upon to extend this? Because already this morning I have received a letter from the National Education Association of the United States demanding the same thing. Mr. Frank W. Hubbard, director of the research division of this association, under date of September 26, writes as follows, and I ask your attention while I read it:

NATIONAL EDUCATION ASSOCIATION
OF THE UNITED STATES,
Washington, D. C., September 26, 1945.
HON. A. WILLIS ROBERTSON,
House Ways and Means Committee,
House Office Building,
Washington, D. C.

DEAR SIR: The undersigned has been asked to call the attention of the House Ways and Means Committee to certain tax problems facing the teaching profession. These problems have been brought before the Bureau of Internal Revenue and other officials of the United States Treasury several times, but they are of the opinion that the solution is a legislative rather than an administrative matter. The National Education Association, therefore, speaking for the teaching profession, asks that the House Ways and Means Committee consider these problems when it convenes for the purpose of revising tax legislation this fall.

The three problems in question are: (1) The withholding exemption applied to teachers employed for a school year of less than 12 months, (2) the deductibility of summer-school expenses when attendance at summer school is a required business expense, and (3) the exemption from taxation of a portion of the retirement allowance of retired teachers.

1. The majority of public-school teachers are paid in 9, 10, or less number of monthly payments. The Bureau of Internal Revenue has ruled that the available yearly withholding exemption must be applied as if these teachers were paid in 12 monthly payments. This ruling works a hardship upon teachers in that a greater amount is withheld from each monthly pay check than is necessary for the annual tax due. Although the law provides for later adjustment, teachers are in the meantime unable to enjoy the purchasing power of the amount unduly withheld. Teachers' salaries are in the beginning so low that this extra withholding causes unnecessary hardship. The adjustment of the withholding exemption would considerably ease the financial burden of present tax rates upon these low salaries.

2. In a number of school districts, and often by State law, teachers are required to attend summer school in order to retain their positions and their licenses to teach. The expenses of attendance at summer school is a business expense for teachers, but because it results in professional improvement, the Bureau of Internal Revenue has refused to permit its deduction. Perhaps it is true that those who attend summer school for the purpose of self-improvement, primarily, or to qualify for a raise in salary, or for any other voluntary reason should not deduct the expenses incurred. However, when the attendance at summer school is a requirement the expense becomes a business expense; and since such attendance is applicable to all teachers in a school system or in a State, and recurs at stated intervals, the expense be-

comes an ordinary business expense—ordinary in the business life of a public-school teacher. Furthermore, the Bureau's denial of this deduction seems inconsistent with other rulings of the Bureau; for example, a teacher's expenses in research work are deductible. Hence, if a teacher attends classes his expenses are not deductible, but if he does research work during the summer such expenses are deductible.

3. With regard to the exemption of a part of the retired teacher's income from taxation, there are two bills already before Congress: H. R. 2330 introduced by Congressman WEISS provides for the exemption of the first \$2,000 of pension or annuity received in any year. This bill applies to public employees in general and to employees of nonprofit (tax-free) corporations. H. R. 456 introduced by Congressman KEOGH would exempt the first \$1,440 of all retirement allowances regardless of the source thereof. There is also H. R. 577 introduced by Congressman REES which applies to civil-service employees of the Federal Government and provides for the exemption of civil-service annuities in their entirety. It is difficult to see why civil-service employees of the Federal Government should be given this exemption if other public employees do not have the same privilege.

I agree with him. I cannot see why one type of public employees should be taxed and another exempted, nobody else can see it and be logical because there is no logic in it. You are proposing to discriminate in behalf of the Government Federal employees and you are doing it, in my opinion, in an unconstitutional manner.

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

Mr. ROBERTSON of Virginia. I yield.

Mr. MASON. I consider the statement just read as unanswerable.

Mr. ROBERTSON of Virginia. I fully agree with the gentleman; you cannot answer it. You can say, if you want to, that we sympathize with those of small income. But the reason you should leave this matter to the Ways and Means Committee is that in our next tax bill we intend to go as far as the spending program of the Congress will permit in increasing the exemptions so that those in the lower income brackets will suffer no undue hardship. We want, however, to carry out the constitutional requirements for equality of taxation. What are you going to say to your school teacher, your policeman, your fireman, your company pensioner, and the millions of others, if we give this special treatment to a few retired Government workers?

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

Mr. REES of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Chairman, I believe that the gentleman from Virginia has raised some pretty strong issues in connection with this bill and I believe he has presented them fairly. I feel that the difficulty I have in dealing with legislation in many instances comes not from the fact that the argument taken as a whole is sound but that in the application of the argument when we get down here to Congress we never have a chance to vote on the entire issue as the gentleman from Virginia [Mr. ROBERTSON] has expounded it. What we are faced with is the fact that by order of the Speaker this

bill went to a certain committee and they have reported it.

We are told that if this covered teachers, policemen, firemen, and every Federal, State, and municipal employee, it would be sound and ought to be passed. I agree with that position and I think the majority leader, the gentleman from Massachusetts [Mr. McCORMACK], expressed it very well. We are faced here with a proposition that we have one group of annuitants out of all the groups that we feel should be entitled to some relief. The question is, having this opportunity shall we pass it up and wait perhaps forever for an opportunity to act in favor of a larger group?

I feel that these people at the age of 68 and 70 with a small income—\$1,440 is named, but the amount of money they receive is in some instances \$500 or \$600—ought to be allowed to keep the money that is paid to them. At the time the agreement was reached when they went to work they thought they would get the whole of it. To tax this small amount I do not believe is necessary.

So far as committees are concerned, I would like to have had a report from the Ways and Means Committee on this bill. I would like to have them bring forward a bill that will cover all annuitants. Then we could thresh the whole matter out, but in the meantime we must act on this one. Therefore, as I would support a similar bill for school teachers because I believe they are entitled to such protection and as I would support such a bill for other annuitants, I will support this one.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. I call attention to the fact that 25,000,000 of the present taxpayers have an income of less than \$2,000 and they will stay on the tax rolls until general relief is given. Under this bill we will be giving relief to 75,000 retired Government workers.

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

Mr. REES of Kansas. Mr. Chairman, I yield the gentleman two additional minutes. Will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I would suggest that the individuals we are talking about today are people who have reached the age of 68 and 70 years. We are not talking about the group who still has a chance to earn an income as they go along. These people we are talking about today are past their income-earning years.

Mr. ROBERTSON of Virginia. Is the income of those people less valuable than the income of the man who earns \$2,000 a year?

Mr. CLASON. Mr. Chairman, I seem to be between two fires and I am not sure whether I am supposed to answer either one. So far as I am concerned, the action of the House on this bill will be some indication to the Ways and Means Committee as to how the House feels

with reference to the payment of taxes on annuities.

Mr. Chairman, every committee of this House has more than it can handle in the Seventy-ninth Congress. Certainly that is true of the Ways and Means Committee. To show how difficult it is for groups to get proper protection when legislation on a large scale is being considered by a committee, we have seen the unemployment compensation bill recently side-tracked by the Ways and Means Committee. Included within the terms of that bill was a provision for Federal workers who have no unemployment compensation at the present time. They do not receive a cent under the State compensation acts. At the Springfield Armory from 12,000 to 15,000 men and women since May 1, 1945, have lost their jobs. They were loyal. They were urged to stay on the job and not seek permanent employment in companies elsewhere because they were making a very important weapon, the Garand rifle. They stayed there until the job ran out. There is no State unemployment compensation for them. I would like to see that bill brought up for consideration so that we might have a chance to act favorably on it. I feel certain that a majority of Congress would vote for the provision for Federal unemployment compensation.

This provision should be retroactive in scope to May 1, 1945, at least, since the termination of the hostilities with Germany caused many contracts to be canceled with resulting loss of employment to war workers.

I would also call the attention of the House to the fact that Government workers in arsenals have their wages determined by wage surveys. These wage surveys cover a considerable area surrounding the city in which the arsenal is located. Throughout this war, the Federal employees at the Springfield Armory have received less than the average wage paid in private plants in and about Springfield for the same type of work. A wage survey was in progress at the time that President Roosevelt proclaimed his "hold the line" order. The survey was completed and showed that substantial increases in pay should be made to many classes of employees at the Armory. They were denied these increases by the ruling of the War Department that the President's order prevented them from putting into effect the findings of the survey.

Not only did employees in surrounding private plants receive higher pay than the armorers, but, in those cases where their employment did not prove to be permanent at the end of hostilities, these men and women became eligible for Massachusetts State unemployment compensation at the rate of \$21 a week for 23 weeks. Since the rifle is a war product, it was evident that most of the armorers must lose their jobs when the war ended. There is no Federal unemployment compensation today which can be made available to them. For that reason, I hope that the members of the Ways and Means Committee, who have raised the question of jurisdiction on the present bill to tax annuities reported by

the Civil Service Committee, will see to it that further consideration of the unemployment compensation bill shall be given shortly. By postponing the present consideration of the bill, hardship has been visited upon many Federal employees who are deserving of unemployment compensation. The people of every State in the Union have provided such compensation by State laws for employees in private plants. It is only fair that a benefit which is available to one group of our citizens shall be made equally available by this Congress to the thousands of loyal and patriotic men and women of America who helped to win the war on the production line in Government plants.

Mr. RAMSPECK. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, this is indeed a very important measure.

Everybody, of course, would like to give relief to low-income people of this country. Nobody would like to withhold from them the consideration that is here proposed. Yet we have a responsibility that we must meet. We have the credit of your Nation and mine that has to be protected. We have 85,000,000 bondholders that are entitled to protection. If this type of relief is going to be given to every special group that comes along and says that they deserve it, it will simply wreck the revenue program of this country. It is not a question of what we would like to do. It is a question of what should be done under the stern realities that are facing us. If this relief is given to this small group of retired Federal employees you cannot in all fairness and equity and in sound logic say that similar relief should not be given to all the other people of this country. When you allow this \$1,440 credit against gross income and then the person gets \$500 specific exemption that he is entitled to under the law now, that means \$1,940 exemption for this small group of retired Federal employees. If you extend that same type of treatment to all the other taxpayers of this country, which would only be fair and right, it would mean a loss of more than \$7,000,000,000 of revenue, and for 1946 it is estimated that the individual income-tax revenue will only amount to about \$13,500,000,000, so that it would mean that you would lose more than half of the individual income-tax revenue. It is time for us to give careful consideration to a matter of this kind. These retired Federal employees are receiving the same type of fair treatment that other people of the country receive today. Only 3 percent is collected on the amount that is paid in, because it is estimated that the fund earns 3 percent, so that 3 percent of their contribution to the fund is treated as income and the balance of their annuity is excluded for income. When the entire amount excluded equals their total contribution, the entire annuity is included in income. It is on a fair basis. We could not justify action here today in allowing this type of discrimination in favor of the retired employees of the Federal Government and

thereby discriminate against all of the other people of this country; thousands of them who are living on annuities. You have your local school teachers, the farmers, the policemen, as well as beneficiaries under private retirement plans of industry throughout the Nation.

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

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

Mr. KEEFE. Does the gentleman have any figures available to show a breakdown of the seventy-thousand-odd annuitants who are receiving annuities under the Federal plan which will indicate the wage or annuity classification in which they fall? I would like to know, for instance, how many people are receiving annuities in excess of \$2,000 a year. I am told that there are a large number.

Mr. COOPER. I do not have those figures before me.

Mr. KEEFE. How many are receiving annuities in the various brackets that would be affected by taxation?

Mr. COOPER. I do not have full figures on that. But I submit that the Committee on the Civil Service reporting this bill should have provided that type of information. We do know that there are some few retired Federal employees receiving as high as \$5,000.

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

Mr. REES of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee.

In reply to the inquiry made by the gentleman from Wisconsin—

Mr. COOPER. Do not yield to me if you want to make a speech yourself. Go ahead and make it.

Mr. REES of Kansas. I thought the gentleman wanted the information.

Mr. COOPER. The gentleman from Kansas has the time. The gentleman from Wisconsin asked for that information. As a member of the committee the gentleman should have already given that information.

Mr. REES of Kansas. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman from Tennessee talked about the number of recipients and about those who are receiving thousands of dollars of income, and all that sort of thing. There are 1,803 who receive annuities of more than \$1,440 per annum, so that less than 2½ percent of the recipients receive more than \$1,440. So there are 1,803 out of the total of 76,551 who receive more than \$1,440 annually. This is in reply to the inquiry of the gentleman from Wisconsin.

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

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Then as to the 1,803, they would be receiving an exemption credit of \$1,940 under the terms of this bill, \$1,440 plus \$500 normal exemption.

Mr. REES of Kansas. The gentleman does not have the complete statement.

Mr. RAMSPECK. Mr. Chairman, I yield such time as he may desire to the

gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, I voted against the rule making H. R. 2948 in order, and when the bill comes up for final passage I shall vote against the bill.

My primary reason for opposing this legislation is because it is discriminatory in that it gives one class of our citizens a tax advantage over other classes. One of the cardinal principles of taxation is that the tax should not be discriminatory. Now, what is proposed in this bill? Its sole purpose is to give retired Government workers a tax advantage over all other taxpayers. Manifestly this is not right. Under the law at present the ordinary citizen and the Government employee, whether active or retired, is given a tax exemption, if single, of \$500, and if married \$1,000, plus a further exemption of \$500 for each dependent. This legislation would give the Government employee, if retired, an exemption of \$1,440, which, plus the exemption under the general tax law of \$500, would make a total exemption of \$1,940. Of course, the retired Government employee if married would be entitled to a further exemption of \$500, making a total of \$2,440, and in addition \$500 for each dependent. Only about 1 percent of the 77,000 retired Government employees have retirement benefits of over \$1,900; hence 99 percent of the retired Government employees would not pay one penny income tax to the Federal Government.

Now, may I ask, why give this exemption to retired Federal employees and not extend the same consideration to retired State employees—to school teachers, policemen, firemen, clerical workers, and so forth? And, may I also ask, even if extended to State employees, why exempt retired Federal and State employees and not exempt other citizens falling in the same income class? If the same treatment is accorded all citizens in the same income class—and it should be if we give this special treatment to retired Federal employees—the Government would lose something like \$7,000,000,000 in revenue.

Another cardinal principle of taxation is that the tax burden should be distributed in such a way that the burden will fall, as far as possible, upon those best able to pay. This legislation would destroy this great principle in that it would place the tax burden in the lower-income group upon those least able to pay. Why? Simply because those in the lower-income group of retired workers best able to pay are those who draw retirement pay. Farmers and millions of laborers do not draw retirement pay, and many of these people when they retire do not have a single thing to fall back on and are right up against it, and yet under the terms of this legislation these people would be given no relief.

This is class legislation pure and simple, and should be defeated.

Mr. RAMSPECK. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, the Secretary of the Treasury, our distinguished and beloved friend, Fred Vinson, in a letter he wrote

to me on September 21 about this matter says this:

As the report of your committee on this bill indicates, old-age benefits under the Railroad Retirement Act and the Social Security Act at present enjoy exemption from Federal income tax. While these benefits are not strictly pensions in the usual sense of the word, much of what I have said regarding special pension or retirement income exemptions would appear to be applicable to them. It is the view of this Department that the benefits under both the Railroad Retirement Act and the Social Security Act should be recognized as income and their tax status governed by the generally applicable revenue laws.

There has been some talk here about jurisdiction. I say that if the Committee on Ways and Means raise the question of jurisdiction, why have they not abolished the exemption held under Social Security, which is entirely within their jurisdiction? Fifty million people are covered by that act. They have done nothing about it. They have not attempted to do anything about it, yet it is exclusively within their jurisdiction.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to my distinguished friend.

Mr. DOUGHTON of North Carolina. The annuity they receive is so very small, anyway, that it would amount to very little. It would practically amount to nothing.

Mr. RAMSPECK. The amount these people receive is so small it amounts to very little.

Mr. DOUGHTON of North Carolina. That exemption was not made by the Committee on Ways and Means.

Mr. RAMSPECK. I understand that, but the Treasury exempted them and the Committee on Ways and Means has not done anything about it.

They talk about discrimination in favor of this group. The very opposite is true. Who is exempted now from the income tax? Army and Navy pensions are all exempted, and those men contribute nothing to their retirement pay. The social-security beneficiaries are exempted by action of the Treasury Department. The beneficiaries of the Railroad Retirement Act are exempted by action of this Congress. The group that is not exempted is this one, with which this bill deals. All we are asking you to do is not to discriminate in favor of these people but to remove a discrimination against them in favor of millions of other people in this country, under similar legislation.

Mr. ROBERTSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. No; I cannot yield.

Mr. ROBERTSON of Virginia. The gentleman misquoted the law as to Army and Navy pensions. The gentleman ought to be willing to be corrected.

Mr. RAMSPECK. All right; go ahead.

Mr. ROBERTSON of Virginia. The regular retirement pay of Army and Navy men is subject to full tax. It is only the compensation of wounded soldiers which is free from income tax.

Mr. RAMSPECK. I am glad the gentleman corrected me on that.

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

Mr. RAMSPECK. I yield.

Mr. KILDAY. That is not entirely correct. It is correct that the retirement pay of an Army man is exempt unless he is retired for disability incidental to his service. But he does have the right to elect to take the maximum portion of it as compensation from the Veterans' Administration, and in that case it is no longer taxable.

Mr. RAMSPECK. That is correct. Now, then, we have had that question straightened out.

Mr. Chairman, I ask that the Members pass on this question on its merits. I make this proposition to my distinguished and beloved friend, the gentleman from North Carolina: Let us remove this discrimination against these poor old people who get an average annuity of \$960, most of whom are in their seventies and eighties and one of whom is 100 years of age. Then, if the gentleman wants to consider the whole question of exemption, let the great Committee on Ways and Means bring in a bill abolishing all of them and we will pass on all of them at one time and pass on them fairly. I think that is a fair proposition. Let us remove this discrimination now and put these people on the same basis as those under social security and railroad retirement. Let us treat them fairly. Let them bring in the whole question of taxation as to whether anybody is going to be exempt or not, and, if so, for how much, and treat them all alike. Then I will be willing to meet them here on that proposition. But they are undertaking here to continue a discrimination against people who are no longer able to earn; against people who are struggling with the high cost of living and trying to get along on a mere pittance; against old men and old women who need this exemption because they do not have enough money to meet the increased cost of living. I say to you in all seriousness I believe we will save money in passing this bill because if it had not been for one or two of us on the Committee on Civil Service you would have had a bill in here last year, a Senate bill already passed by that body, costing over \$11,000,000 which would have increased these annuities by 15 percent. Just a few of us on the committee held out, and the committee did not act on it. If this bill is not passed, you will have renewed pressure for that. The people affected by this act are the rural letter carriers, the city letter carriers, and the post-office clerks, and various other people who have served this Government faithfully for more than 30 years. The vast majority of the seventy-odd thousand people affected by this act, with the exception of those who retired because of disability, have put in 30 years of faithful service. They could not retire until they were 60 years of age. They have just a few years left to live and they ought to have this discrimination removed.

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

The Clerk read as follows:

Be it enacted, etc., That section 18 of the Civil Service Retirement Act approved May 29, 1930, as amended, is amended to read as follows:

"Sec. 18. None of the moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, or attachment, garnishment, taxation, or other legal process; *Provided, however*, That the exemption from taxation as provided herein shall apply only to so much of any annuity as does not exceed \$1,440 in any calendar year."

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

Mr. Chairman, I am opposed to the enactment of this proposed legislation. I want to make it clear in the first instance that I am not opposed to it because of any jurisdictional question or because I feel that this measure should not have been brought before the House from any committee except the Committee on Ways and Means. I think the question before the House today as to the passage of this measure should be decided wholly on its merits. I submit to the membership, Mr. Chairman, that this bill is highly discriminatory. I do not think anybody will deny that fact. It is discrimination in favor of retired Federal employees. Just because it is a pension from the Federal Government is no argument why it should be exempt, unless you are going to argue that every citizen in the United States who has an income from a pension fund, whether it be a city employee, whether it be from a teachers' retirement fund, or whether it be from investments he made throughout his life. I think they should all be treated on the same level. If you are going to pick out a pensioner from the Federal Government and give him special exemptions, I say it is not fair to the millions of other persons in the country who subsist on a pension.

There has been an appeal to the membership on the basis that these pensioners receive only a small amount of money. The bill makes no provision that only those shall be entitled to exemption who have a small income. If a pensioner has an income of \$50,000 and receives a pension, he is entitled to this extra exemption of \$1,440. So you are not doing anything but discriminating in favor of a special class, no matter what their income is. If you provided in this measure, "A person who has no other income from any other source is entitled to this exemption," that would be a different matter. But any Government employee who has worked in Washington for 20 or 30 years, if he has been at all prudent, has other income aside from this pension. These pensions run up as high as \$5,000. A pensioner receiving \$5,000 gets a special exemption of \$1,440. Is that fair to any person who keeps on working after he is 60 or 65 years of age? You are placing an extra burden on every other taxpayer by creating this special exemption.

Mr. Chairman, this bill is too highly discriminatory. If you consider it from the over-all tax picture, it should not be passed. If the question came up to exempt every pensioner in the United

States, no matter from what source, then would come the question, If pensioners all over the United States, no matter from what source they receive their pension, should be exempt, why not say that every person in the United States, no matter from what source his income is derived, is entitled to the same amount of exemption? That is the point. It is too highly discriminatory. Legislation should be passed only with a view as to the over-all picture, and not because some of these people may be old or something like that.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I cannot yield. Mr. Chairman, I hope the committee in its good judgment will defeat this measure.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has expired.

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

Mr. Chairman, let us hold counsel together for a few moments, and consider this measure and its implications when and if it becomes law, and what is likely to transpire when you men and women return home to visit with your constituents.

If this bill is finally passed and becomes law, you will have any number of people stop you on the street and say, "Bill, why did you vote to exempt Federal employees from paying income taxes? Why did you vote for a bill that will give those in the higher brackets \$1,440 exemption, plus \$500 that they now get under the general tax law?" "Well," you will say, "they cannot pay it." "That may be true, but what have you done for me? It is also hard for me to pay Federal taxes. They are high. I am a retired teacher. I draw only \$75 a month retirement pay. What did you try to do for me, Bill?" And Bill is going to be put to it to answer it; and Bill is going to be kept busy from the time he steps out of his automobile back in the district until he returns to Washington. In a few days he will be counting the days when he can leave the district, without losing face, and get away from the criticism that the enactment of such legislation as this is going to heap upon his sorely perplexed head.

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

Mr. KNUTSON. I yield.

Mr. MAY. The gentleman means that Bill will be perplexed only for the time that he stays.

Mr. KNUTSON. Bill will be perplexed all the time he is in the district. And when the votes are counted Bill is going to comment upon the cruelty of fate. You cannot afford to pass legislation like this which singles out one group for preferred tax treatment.

I hope everyone present listened attentively to the gentleman from Pennsylvania [Mr. EBERHARTER]. His argument is unanswerable—to think of granting \$1,940 tax exemption to retired Government workers in the higher brackets, men and women who have been working for the Government for years,

who have been getting 30 days annual leave and 15 days sick leave, with few worries during the depression. How are Members going to justify voting for a proposition like this, Mr. Chairman? They cannot do it and none will be able to get away with it because some young clever fellow is going to get into the game in your district and he is going to say: "Well, Bill took care of that little group, but what did he do for you farmers or you workmen or you small businessmen? Did he get you out of paying Federal incomes taxes?"

I am not talking of the ethics of the thing. The bill, of course, should have gone to the Ways and Means Committee; but that is water over the wheel. Let us look at its practical application. It is dynamite, gentlemen, it is dynamite; and I want to plead with you on this side of the aisle not to commit political harakiri by voting for it.

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

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

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. RAMSPECK. I wish to say in answer to the gentleman from Minnesota that every argument he makes applies with equal force to the exemptions now in existence for beneficiaries under the social-security law. They apply with even greater force, because under the Social Security Act many men who are wealthy and work for corporations receive those benefits, and if they die and leave a widow or children the benefit in some cases far exceeds anything that is possible under the Civil Service Retirement Act. So I say to the gentleman from Minnesota, why do not he and other members of the Ways and Means Committee bring in a bill repealing the exemption which is now enjoyed by the beneficiaries under the Social Security Act?

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

Mr. RAMSPECK. I yield.

Mr. KNUTSON. I believe the gentleman is on good ground there; I believe his contention is absolutely right. All should be treated alike.

Mr. RAMSPECK. That is exactly what I am arguing now.

Mr. KNUTSON. And I will propose to the committee that we take all exempted taxpayers off the exempt list.

Mr. RAMSPECK. Until that bill is brought to the floor let us do justice to these people and put them on the same basis as those that are under the gentleman's jurisdiction.

By unanimous consent, the pro forma amendments were withdrawn.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to make an effort not to repeat arguments that have been made on this proposition unless what I am about to say has been said during the time I was absent from the Chamber.

For many years, for more than a quarter of a century, I have been interested in the very people this bill is supposed to grant special benefits to. They have all

been friends of mine and I do not know of anything that gives a Congressman more joy, more genuine happiness, than to go back to his district and to say to any group: "Did you see what I did for you?" Of course, they are delighted. You figure it means a great many votes.

It is not pleasant to stand up here at this time when you are offering a special group some benefits that you are not giving to other people. I want to say that the real issue involved here is the question of whether or not we are going to have continuity in our revenue system. I do not know of a time that it has been more important for the Ways and Means Committee to retain jurisdiction over revenue measures than at this time. I know the individual members of the Ways and Means Committee, including myself, would like to bring relief to all the taxpayers of the country who have carried a tremendous burden during this war. We would like to be able to reduce it not only for individuals but we would like to reduce taxes, if possible, for industry, for the individual proprietorships and partnerships and all. Why? So that they can give jobs to people during the reconversion period in order to head out into prosperity and to normal conditions again.

If these bills are brought in here piecemeal, as this one has been, and if this bill is passed now without any consideration on the part of the committee that should have had jurisdiction of it, all of this talk about trying to do something for the great masses of people throughout the country and about creating jobs goes into the ash can. You have simply destroyed all of the efforts that have been made during the past few months by different organizations to try to work out a postwar tax bill that will stimulate industry and encourage private investors to use their capital in order to build up the pay rolls of this country and to create more jobs with the idea of stopping inflation. All of those questions are involved here.

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

Mr. REED of New York. I yield to the gentleman from Minnesota.

Mr. KNUTSON. If this measure should become law, would there not immediately spring up a demand that the Military Affairs Committee, the Naval Affairs Committee, and the Committee on the Merchant Marine and Fisheries bring in similar legislation to take care of the retired in those branches of the services?

Mr. REED of New York. That is undoubtedly true. I have the utmost respect for the chairman of the Civil Service Committee here and also for the gentleman who is leading the fight on the minority side, the gentleman from Kansas [Mr. REES], but I know just exactly what those gentlemen would say if we were to attempt to usurp the jurisdiction of their committee. Our form of government cannot work unless under the committee system the integrity and the jurisdiction of each committee is preserved. We must do that today, or, I am telling you, we will have the most terrific reaction generally throughout the country on the coming tax bill that we

have ever had over any legislation in this country.

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

Mr. REED of New York. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. It seems to me it is rather strange to try to increase the incentive to people to go to the Government and get a political job for themselves when we ought to have a bill here demobilizing those in the Government service and getting some of the people off the Government pay roll.

Mr. REED of New York. I thank the gentleman for her remarks.

Mr. Chairman, we must be fair to the public generally. If we grant this exemption of \$1,440 and the other exemption of \$500 or a total of \$1,940 that has been mentioned before, we cannot go before the country without offering the same \$1,940 exemption to other persons throughout the country. That means \$7,000,000,000 added to the tax burden, and away go the tax reductions, and away go the incentive to build up industries and pay rolls in this country.

The correction of the erroneous reference of public bills is governed by rule XXII, sections 1, 2 and 3, which provide for the introduction, reference to committees and change of reference of petitions, memorials, bills, and resolutions. Under section 3 of this rule, the erroneous reference of a public bill may be corrected by the House without debate in accordance with rule XI—relating to the jurisdiction of committees—on any day immediately after the reading of the Journal, by unanimous consent, or on motion of a committee claiming jurisdiction, or on the report of the committee to which the bill has been erroneously referred—IV, 3364. According to the later practice the erroneous reference of a public bill, if it remain uncorrected, in effect gives jurisdiction to the committee receiving it—IV, 4365-71. It is too late to move a change of reference after such committee has reported the bill—Speaker Clark, December 15, 1917, page 349.

The correction of the erroneous reference of public bills is, then:

First. Without debate—rule XI, section 3.

Second. Immediately after the reading of the Journal.

Third. And is made: (a) by unanimous consent, (b) on the authorized motion of the committee claiming jurisdiction, or (c) on the report of the committee to which the bill was erroneously referred.

The motion is privileged only when formally authorized by the committee to which referred or the committee claiming jurisdiction—VII, 2121-2123. Such motions are open to amendment but the amendment, like the original motion, is subject to the requirement that it be authorized by the proper committee—VII, 2127. The following is the proper form of resolution by the appropriate committee, authorizing a motion to re-refer:

Resolved by the Committee on _____ of the United States House of Representatives, That the chairman of the committee be, and he is hereby, authorized and directed to appear upon the floor of the House of Representatives at the first opportunity available to him and to move to re-refer H. R. _____, a

bill to _____, introduced by the gentleman from _____ [Mr. _____], on _____, from the Committee on _____ to the Committee on _____.

Upon moving to re-refer, the chairman will thereupon say:

CHAIRMAN. Mr. Speaker, by direction of the Committee on _____, I move to re-refer the bill, H. R. _____ to _____ and for other purposes, from the Committee on _____ to the Committee on _____.

SPEAKER. The question is on the motion to re-refer the bill H. R. _____ from the Committee on _____ to the Committee on _____.

Reference of a public bill is subject to correction at any time before the bill has been reported, although the committee to which referred may have held hearings and have given the bill extended consideration—VII, 2127, 2128. The re-reference of one section of a bill would carry with it the entire bill—VIII, 2326.

Motions for change in reference:

First. Must be authorized by the committee claiming jurisdiction—Section 854; 65-2-2068.

Second. Must apply to a single bill and not to a class of bills—VII, 2125.

Third. Must not apply to bill identical with one already reported—VII, 2125.

Fourth. Must apply to a bill erroneously referred—VII, 2125.

Fifth. May be amended if amendment is authorized by the committee claiming jurisdiction—VII, 2127.

Sixth. May not be divided—VII, 2125.

Seventh. May not be debated—VII, 2126-2128.

Mr. MURRAY of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by **Mr. MURRAY** of Wisconsin: Page 1, line 6, after the word "act", insert "or moneys received by recipients of State, county, city, or village retirement payments."

Mr. RAMSPECK. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill.

Mr. MURRAY of Wisconsin. Will the gentleman from Georgia please withhold his point of order?

Mr. RAMSPECK. I will be glad to.

Mr. MURRAY of Wisconsin. Mr. Chairman, I do not want to issue a discordant note in this discussion, but last Saturday on my way home I stopped at a filling station to get some gas. The chap buttonholed me right away and wanted to know if I was going to vote for such and such a bill, because he was much interested in it. So I said, "Why are you interested?" He said, "Why, I get \$147 a month and my wife gets \$100, and we have to pay considerable taxes on that, and we would like to have that bill passed to cut down our taxes." I said, "My good friend, you know in the country I am from the hired hands out on the farm get \$50 a month and have to pay \$75 a year income tax. People receiving from \$15 to \$20 per week are having a high percentage of their wages withheld each month. Congress has made many commitments that they are not fulfilling too well these days." I said, "You probably do not know it, but you ask one of your many other customers, **Mr. WICKERSHAM**, of Oklahoma, and he will tell you that eggs are only 24 cents a dozen in Okla-

homa, when 90 percent of parity guaranteed by law is 31.5 cents per dozen. So before I vote for any bill to take money out of the Treasury I am going to vote to put enough in the Treasury and keep enough there to fulfill our commitments made to the food producers during the war. So I am sorry I cannot support your bill next week," and I did not the other day and I shall not today. But regardless of that, I do say if we are going to enter into this field of special legislation for the few at the expense of the many, at least we should include the people in the States and the cities and the counties who are recipients of these same kinds of payments. I think most anybody would be willing to go that far, and I am very much surprised that my distinguished colleague would object to my amendment. We have legislation for the few at the expense of the many. The hearts bleed but only for the few.

Mr. RAMSPECK. Mr. Chairman, I renew my point of order, not because of any disagreement with the gentleman's argument, but because I think this subject should be voted on its merits.

The **CHAIRMAN.** Does the gentleman from Wisconsin wish to be heard?

Mr. MURRAY of Wisconsin. No, Mr. Chairman.

The **CHAIRMAN.** The bill under consideration deals strictly with civil-service retirement benefits to Federal employees. The gentleman's amendment would include all recipients of State, county, city, and village retirement benefits. It is very clearly outside of the scope of the bill, and the Chair sustains the point of order.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to make it clear that I have not suggested that this bill should have gone before the Committee on Ways and Means because my feelings are hurt. I am not a member of that committee. The reason this bill should have gone before the Committee on Ways and Means is because that committee is wholly responsible for maintaining an equitable and just tax structure, and the Civil Service Commission is not, or is any other committee of the House. This is important and should be emphasized.

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

The Clerk read as follows:

Mr. MAY moves that the Committee do now rise and report the bill, H. R. 2948, back forthwith to the House with the recommendation that the enacting clause be stricken out.

Mr. MAY. Mr. Chairman, I yield my 5 minutes to the gentleman from North Carolina, if I may.

Mr. RAMSPECK. The gentleman cannot do that, Mr. Chairman.

The **CHAIRMAN.** He can yield time while he is holding the floor.

Mr. MAY. I yield part of my time, then, to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. Mr. Chairman, for the first time in a number of years we are now preparing to bring in a tax-relief bill. The bills we have been bringing in for a number of years have been bills to increase taxation, made necessary especially, of

course, by the large expenditures on account of the war.

In my judgment, the way we determine this matter here today will have very much to do with what action will be taken in the future with respect to general taxation relief legislation. The distinguished gentleman, the silver-tongued orator from Georgia, my good friend [Mr. RAMSPECK], very adroitly tries to dodge the issue by saying, "Why does not the Committee on Ways and Means bring in legislation repealing the exemptions given in respect to the Railroad Retirement Act and the Social Security Act?" Why has he not been before our committee asking such a change in the tax laws with respect to that legislation? If his reason is that there is a discrimination in favor of these two classes, the way to correct the wrong is not to repeat the wrong. The way to correct two mistakes is not to make a third mistake, as the gentleman proposes to do.

Mr. RAMSPECK. Mr. Chairman, will the gentleman from Kentucky yield to me to answer the question?

Mr. MAY. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I am glad to answer the gentleman's question. I am not a member of the Committee on Ways and Means.

Mr. DOUGHTON of North Carolina. The door is always open. We hold public hearings all the time. If the gentleman spent as much time trying to help the Committee on Ways and Means remove what he admits is a discrimination as he has spent on this bill, it perhaps would not be necessary to bring in this legislation. That is an adroit move to strengthen this bill; that is all it is. That is a flank attack.

Mr. RAMSPECK. May I say in reply to the gentleman from North Carolina that my committee has no jurisdiction over the Railroad Retirement Act, over the Social Security Act, or over taxes in general, and I have not advocated the repeal of either one of the exemptions enjoyed by those under such legislation.

Mr. DOUGHTON of North Carolina. Yes; but the gentleman challenges us to do it.

Mr. RAMSPECK. The gentleman from North Carolina read a letter from the Secretary of the Treasury advocating their repeal. The gentleman has in his committee a bill proposing to widen the exemptions and include State, county, and municipal employees. It has been there for months and months, but the gentleman's committee has not taken any action on it.

Mr. DOUGHTON of North Carolina. It is very easy to widen exemptions and it is very easy to extend reductions of taxes, but when you come to denying relief it is quite difficult.

In conclusion, may I say that a bill of this importance with the implications of this bill should not have been brought in here without our being given time to explain the ramifications of this bill and its implications. I am not criticizing the Committee on Rules, but as to bringing it in here with 1 hour of general debate, when everyone knows it covers the whole field of taxation, we should have been

given more time to explain it and to explain our opposition to it.

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

Mr. MAY. I yield.

Mr. COX. I want to make answer, at least for myself as a member of the Committee on Rules, that I offer my apologies to the House for voting to bring this measure before it at this time.

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

Mr. RAMSPECK. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, there is no one in this House with any more admiration or affection for the gentleman from North Carolina than I have. I was named after him. We are both named Bob. But he has a great committee that has been sitting on this question for many, many months. The gentleman from Virginia [Mr. ROBERTSON] called your attention to the fact that they have bills pending dealing with this subject.

Mr. DINGELL. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. RAMSPECK. I yield to the gentleman.

Mr. DINGELL. May I call to the attention of the gentleman the fact that we in the Committee on Ways and Means have not been idle these many months.

Mr. RAMSPECK. No, I did not say the gentleman's committee has been idle. But the gentleman from North Carolina is talking about wanting time. There is absolutely nothing to prevent the Committee on Ways and Means, after we dispose of this bill on its merits, from bringing to this House any legislation they want to dealing with the whole question. Therefore, I appeal to you to vote on this thing on its merits.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DOUGHTON of North Carolina. The gentleman knows that in the short time that we will have to get a tax bill through the House and the Senate and on the statute books, which tax bill we propose to bring out, we will not have the time to explore the tax situation. If we do that, we will get no relief whatever for 1946. It will be impossible.

Mr. RAMSPECK. It does not have to come in necessarily as part of that bill. But the gentleman's committee can at any time, this month, next month, or in November or December, bring in legislation dealing with this whole question.

Mr. MAY. Mr. Chairman, in view of my liberality toward the gentleman from Georgia and the gentleman from North Carolina, will the gentleman yield to me?

Mr. RAMSPECK. I yield to the gentleman.

Mr. MAY. Mr. Chairman, this is the second time in my 15 years of service in the House that I have offered a preferential motion to strike out the enacting clause. I have done so this time for the same reason as I did the first time, namely, to avoid a controversy between two of the high and important committees of the House of Representatives. I think we ought to vote on this thing and get it out of the way.

Mr. RAMSPECK. Mr. Chairman, I disagree with the gentleman from Kentucky. We have only a few more minutes of debate, and we can vote on this thing on its merits. This is just a parliamentary maneuver to try to prevent a real vote on the merits. I ask you to vote down this motion and let us then vote on this bill, which we will do in a few moments, and vote on it on its merits. Then, if the Committee on Ways and Means wants to bring in legislation of a general nature, they have that opportunity, and the House can then pass on the whole question. Let us put these people in a position of equality and justice with those under the Railroad Retirement Act and the Social Security Act. If we want to change the policies later, that can be done.

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

All time has expired on the motion.

The question is on the motion of the gentleman from Kentucky [Mr. MAY], which the Clerk will report.

The Clerk again read the motion.

The question was taken; and on a division (demanded by Mr. RAMSPECK) there were—ayes 76, noes 89.

Mr. MAY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MAY and Mr. RAMSPECK.

The Committee again divided; and the tellers reported that there were—ayes 98, noes 91.

So the motion was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, 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. 2948) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, so as to exempt annuity payments under such act from taxation, pursuant to House Resolution 350, he reported the same back to the House with the recommendation that the enacting clause be stricken out.

The SPEAKER. The question is on the recommendation of the Committee.

The question was taken; and on a division (demanded by Mr. RAMSPECK) there were—ayes 99, noes 85.

Mr. RAMSPECK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that no quorum is present.

The SPEAKER. The Chair has just counted. Evidently no quorum is 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 146, nays 177, not voting 108, as follows:

[Roll No. 155]

YEAS—146

Andersen, H. Carl	Bates, Ky.	Bredley, Mich.
Andresen, August H.	Bates, Mass.	Brown, Ga.
Arends	Bell	Braumbaugh
Arnold	Bennett, Mo.	Buck
Barrett, Wyo.	Blend	Buffett
	Boren	Burgin
	Boykin	Butler

Camp	Hill	Reed, N. Y.
Cannon, Mo.	Hobbs	Rich
Carlson	Hoffman	Richards
Chapman	Holmes, Mass.	Riley
Chief	Jarman	Rizley
Church	Jenkins	Robertson, Va.
Clements	Jennings	Robinson, Utah
Clevenger	Jensen	Robison, Ky.
Cole, Kans.	Johnson, Calif.	Rockwell
Cole, N. Y.	Johnson, Ill.	Rodgers, Pa.
Cookey	Johnson, Okla.	Rogers, Fla.
Cooper	Luther A.	Russell
Cox	Johnson, Okla.	Schwabe, Okla.
Crawford	Jones	Scrivner
Curtis	Jonkman	Sheppard
Dingell	Judd	Short
Dondero	Kean	Sikes
Doughton, N. C.	Keefe	Simpson, Pa.
Drewry	Klizer	Smith, Ohio
Dworshak	Knutson	Spence
Eaton	Larham	Springer
Eberharter	LeCompte	Stefan
Ervin	Lyle	Stockman
Fellows	McConnell	Sumner, Ill.
Fisher	McMillen, Ill.	Sumners, Tex.
Flannagan	Mahon	Sundstrom
Folger	Maoney	Taber
Gavin	Martin, Mass.	Talle
Gillette	Mason	Tarver
Gillie	May	Tibbott
Gossett	Miller, Nebr.	Trimble
Graham	Mills	Wadsworth
Gregory	Monroney	Walter
Gross	Murray, Wis.	Wasilewski
Gwinn, N. Y.	Norrell	West
Gwynne, Iowa	O'Hara	Whitten
Hall	Pace	Whittington
Edwin Arthur	Patman	Wickersham
Hall	Peterson, Ga.	Wigglesworth
Leonard W.	Phillips	Winstead
Hancock	Pickett	Woodruff, Mich.
Harris	Poage	Worley
Hays	Priest	
Henry	Rankin	

NAYS—177

Adams	Gallagher	Mansfield, Mont.
Allen, Ill.	Gardner	Mansfield, Tex.
Allen, La.	Gary	Marcantonio
Anderson, Calif.	Geelan	Morrow
Angell	Gillespie	Michener
Auchincloss	Goodwin	Miller, Calif.
Bailey	Gordon	Morgan
Baldwin, N. Y.	Gorski	Morrison
Barden	Granahan	Mott
Barrett, Pa.	Grant, Ind.	Neely
Beall	Green	Norton
Beckworth	Griffiths	O'Konski
Bennet, N. Y.	Hale	O'Neal
Blumiller	Ealleck	O'Toole
Bishop	Hart	Outland
Blackney	Hartley	Patterson
Bloom	Havener	Peterson, Fla.
Bradley, Pa.	Healy	Pittenger
Brehm	Hébert	Price, Fla.
Brooks	Hedrick	Quinn, N. Y.
Brown, Ohio	Heffernan	Rabin
Bryson	Heselton	Ramey
Bunker	Hess	Ramspeck
Byrne, N. Y.	Hinshaw	Randolph
Byrnes, Wis.	Hoeven	Rayfield
Canfield	Holmes, Wash.	Reece, Tenn.
Case, N. J.	Hook	Reed, Ill.
Case, S. Dak.	Horan	Rees, Kans.
Chenoweth	Howell	Rese
Clason	Huber	Rogers, Mass.
Cochran	Hull	Rogers, N. Y.
Coffee	Izac	Roney
Cole, Mo.	Jackson	Rowan
Combs	Johnson, Ind.	Ryter
Corbett	Johnson,	Sabath
Cravens	Lyndon B.	Savage
Crosser	Kearney	Schwabe, Mo.
Cunningham	Kefauver	Shafer
Curley	Kelley, Pa.	Smith, Maine
D'Alesandro	Kelly, Ill.	Smith, Va.
De Lacy	Keogh	Snyder
Delaney,	Kerr	Somers, N. Y.
James J.	Kilday	Stigler
D'Ewart	Kirwan	Sullivan
Dirksen	Kopplemann	Talbot
Dolliver	Kurkel	Thom
Domengeaux	LaFollette	Thomason
Douglas, Calif.	Lane	Tolan
Doyle	Larcade	Torrens
Earthman	Latham	Towe
Elston	Lemke	Traynor
Engel, Mich.	Lesinski	Vinson
Engle, Calif.	Lewis	Voorhis, Calif.
Fallon	Link	Vorys, Ohio
Felghan	Ludlow	Weichel
Fernandez	McCormack	Weiss
Flood	McDonough	Welch
Fogarty	McGlinchey	Woodhouse
Forand	McGregor	Woodrum, Va.
Fulton	Manasco	

NOT VOTING—108

Abernethy	Gibson	Philbin
Andrews, Ala.	Gifford	Ploeser
Andrews, N. Y.	Gore	Plumley
Baldwin, Md.	Granger	Powell
Barry	Grant, Ala.	Price, Ill.
Bender	Hagen	Rabaut
Boiton	Hand	Rains
Bonner	Hare	Rivers
Buckley	Harless, Ariz.	Robertson,
Bulwinkle	Harness, Ind.	N. Kak.
Burch	Hendricks	Roe, Md.
Campbell	Herter	Roe, N. Y.
Cannon, Fla.	Hoch	Sadowski
Carraban	Hollifield	Sasscer
Celler	Hope	Sharp
Chipperfield	Kee	Sheridan
Clark	Killburn	Simpson, Ill.
Colmer	King	Slaughter
Courtney	Landis	Smith, Wis.
Daughton, Va.	Lea	Sparkman
Davis	LeFevre	Starkey
Dawson	Luce	Stevenson
Delaney,	Lynch	Stewart
John J.	McCowen	Taylor
Dickstein	McGehee	Thomas, N. J.
Douglas, Ill.	McKenzie	Thomas, Tex.
Durham	McMillan, S. C.	Vursell
Elliott	Madden	Weaver
Ellis	Martin, Iowa	White
Elsworth	Mundt	Wilson
Elsesser	Murdock	Winter
Fenton	Murphy	Wolcott
Fuller	Murray, Tenn.	Wolfenden, Pa.
Gamble	O'Brien, Ill.	Wolverton, N. J.
Gathings	O'Brien, Mich.	Wood
Gearthart	Patrick	Zimmerman
Geriach	Pfeifer	

So the recommendation of the Committee of the Whole House on the State of the Union that the enacting clause be stricken out was rejected.

The Clerk announced the following pairs:

On this vote:
 Mr. Gathings for, with Mr. John J. Delaney against.
 Mr. Baldwin of Maryland for, with Mr. Herter against.
 Mr. Wolfenden of Pennsylvania for, with Mr. McCowen against.
 Mr. King for, with Mr. Pfeifer against.
 Mr. Thomas of New Jersey for, with Mr. Murdock against.

General pairs until further notice:
 Mr. Sheridan with Mr. Vursell.
 Mr. Colmer with Mrs. Bolton.
 Mr. Murray of Tennessee with Mr. Ellsworth.
 Mr. Abernethy with Mr. Fenton.
 Mr. McMillan of South Carolina with Mr. Gamble.
 Mr. Gore with Mr. Hand.
 Mr. Bulwinkle with Mr. Fuller.
 Mr. O'Brien of Illinois with Mr. LeFevre.
 Mr. Sparkman with Mr. Harness of Indiana.
 Mr. Courtney with Mr. Martin of Iowa.
 Mr. Rabaut with Mr. Hope.
 Mr. Barry with Mr. Ploeser.
 Mr. Davis with Mr. Mundt.
 Mr. Hare with Mr. Plumley.
 Mr. Lea with Mr. Taylor.
 Mr. Zimmerman with Mr. Simpson of Illinois.

Mr. BUFFETT and Mr. GILLIE changed their votes from "no" to "aye."
 The result of the vote was announced as above recorded.

The doors were opened.
 The SPEAKER. The Committee will resume its sitting.

The Committee resumed its sitting.
 Mr. RAMSPECK. Mr. Chairman, I move that all debate on the pending bill do now close.

Mr. BREHM. Mr. Chairman, I wish to offer an amendment.

Mr. RAMSPECK. Mr. Chairman, I renew my motion.

The motion was agreed to

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, 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. 2948) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, so as to exempt annuity payments under such act from taxation, pursuant to House Resolution 350, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

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.

Mr. TARVER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TARVER. I am.

The SPEAKER. Does any Member of the minority who is opposed to the bill wish to offer a motion to recommit?

Mr. KNUTSON. Mr. Speaker, I am opposed to the bill. I offer a motion to recommit, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the motion offered by the gentleman from Minnesota.

The Clerk read as follows:

Mr. KNUTSON moves to recommit the bill (H. R. 2948) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, so as to exempt annuity payments under such act from taxation, to the Committee on the Civil Service.

Mr. RAMSPECK. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken and the Speaker announced that the yeas had it.

Mr. KNUTSON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.
 So the motion to recommit was rejected.

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

Mr. KNUTSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 190, nays 130, not voting 111, as follows:

[Roll No. 156]
 YEAS—190

Adams	Bradley, Pa.	Cole, Mo.
Allen, Ill.	Brehm	Combs
Allen, La.	Brooks	Corbett
Anderson, Calif.	Brown, Ohio	Cravens
Angell	Braumbaugh	Crosser
Arnold	Bryson	Cunningham
Auchincloss	Bunker	Curley
Bailey	Butler	D'Alesandro
Baldwin, N. Y.	Byrne, N. Y.	De Lacy
Barden	Byrnes, Wis.	Delaney,
Barrett, Pa.	Canfield	James J.
Beall	Case N. J.	Dirksen
Beckworth	Chelf	Dolliver
Bennet, N. Y.	Chenoweth	Domengaueux
Biemiller	Clason	Douglas, Calif.
Bishop	Clements	Doyle
Blackney	Cochran	Earthman
Bloom	Coffee	Elston
Bradley, Mich.	Cole, Kans.	Engel, Mich.

Engle, Calif.	Jackson	Patterson
Fallon	Johnson, Ill.	Peterson, Fla.
Feighan	Johnson, Ind.	Pittenger
Flood	Johnson.	Price, Fla.
Fogarty	Lyndon B.	Quinn, N. Y.
Forand	Kearney	Rabin
Fulton	Kefauver	Ramey
Galagher	Kelley, Pa.	Ramspeck
Gardner	Kelly, Ill.	Randolph
Gary	Keogh	Rayfiel
Geelan	Kerr	Reece, Tenn.
Gillespie	Kilday	Reed, Ill.
Gillie	Kirwan	Rees, Kans.
Goodwin	Kopplemann	Rosa
Gordon	Kunkel	Rogers, Mags.
Gorski	LaFollette	Rogers, N. Y.
Granahan	Landis	Rooney
Grant, Ind.	Lane	Rowan
Green	Larcade	Ryter
Griffiths	Latham	Sabath
Hale	Lemke	Savage
Hall	Lesinski	Schwabe, Mo.
Edwin Arthur	Lewis	Shafer
Halleck	Link	Sheppard
Hart	Ludlow	Smith, Maine
Hartley	McCormack	Smith, Va.
Havenner	McDonough	Snyder
Healy	McGlinchey	Somers, N. Y.
Hebert	McGregor	Springer
Hedrick	Manasco	Sullivan
Heffernan	Mansfield, Tex.	Talbot
Heslton	Marcantonio	Thom
Hess	Marrow	Thomason
Hill	Michener	Tolan
Hinsshaw	Miller, Calif.	Torrens
Hoch	Morgan	Towle
Hoeven	Morrison	Traynor
Hoffman	Mott	Virson
Hollifield	Murdock	Voorhis, Calif.
Holmes, Wash.	Neely	Voyrs, Ohio
Hook	Norton	Vursell
Horan	O'Konski	Walter
Howell	O'Neal	Weichel
Huber	O'Toole	Welch
Hull	Outland	Woodhouse
Izac		

NAYS—130

Andersen,	Graham	Peterson, Ga.
H. Carl	Gregory	Phillips
Andresen,	Gwinn, N. Y.	Pickett
August H.	Gwynne, Iowa	Pcage
Arends	Hall.	Priest
Barrett, Wyo.	Leonard W.	Rankin
Bates, Ky.	Hancock	Reed, N. Y.
Bates, Mass.	Harris	Rich
Bell	Hays	Richards
Bennett, Mo.	Henry	Riley
Bland	Hobbs	Rizley
Boren	Holmes, Mass.	Robertson, Va.
Boykin	Jarman	Robinson, Utah
Brown, Ga.	Jenkins	Robson, Ky.
Buck	Jennings	Rockwell
Buffett	Jensen	Rodgers, Pa.
Bulwinkle	Johnson, Calif.	Rogers, Fla.
Camp	Johnson,	Russell
Cannon, Mo.	Luther A.	Schwabe, Okla.
Carlson	Johnson, Okla.	Scrivner
Case, S. Dak.	Jones	Short
Chapman	Jorkman	Sikes
Church	Judd	Simpson, Pa.
Clevenger	Kean	Smith, Ohio
Cole, N. Y.	Keefe	Stefan
Cooley	Kinzer	Stigler
Cooper	Knutson	Stockman
Cox	Lanham	Summer, Ill.
Crawford	LeCompte	Sundstrom
Curtis	Lyle	Taber
D'Ewart	McConnell	Talle
Dingell	Mahon	Tarver
Dondero	Maloney	Thomas, N. J.
Doughton, N. C.	Mansfield,	Tibbott
Drewry	Mont.	Wadsworth
Dworshak	Mason	Wasielewski
Eaton	May	West
Eberharter	Miller, Nebr.	Whitten
Ervin	Mills	Whittington
Fisher	Monroney	Wickersham
Flannagan	Murray, Wis.	Wigglesworth
Folger	Norrell	Winstead
Gavin	O'Hara	Wood
Gillette	Pace	Woodruff, Mich.
Gossett	Patman	Worley

NOT VOTING—111

Abernethy	Campbell	Delaney,
Andrews, Ala.	Cannon, Fla.	John J.
Andrews, N. Y.	Carraban	Dickstein
Baldwin, Md.	Celler	Douglas, Ill.
Barry	Chipperfield	Durham
Bender	Clark	Elliott
Bolton	Colmer	Ellis
Bonner	Courtney	Ellsworth
Buckley	Daughton, Va.	Elsesser
Burch	Davis	Fellows
Burgin	Dawson	Fenton

Fernandez	McCowen	Sadowski
Fuller	McGehee	Sasscer
Gamble	McKenzie	Sharp
Gethings	McMillan, S. C.	Sheridan
Gearhart	McMillen, III.	Simpson, III.
Gerlach	Madden	Slaughter
Gibson	Martin, Iowa	Smith, Wis.
Gifford	Martin, Mass.	Sparkman
Gore	Mundt	Spence
Granger	Murphy	Starkey
Grant, Ala.	Murray, Tenn.	Stevenson
Gross	O'Brien, Ill.	Stewart
Hagen	O'Brien, Mich.	Summers, Tex.
Hand	Patrick	Taylor
Hare	Pfeifer	Thomas, Tex.
Harless, Ariz.	Philbin	Trimble
Harness, Ind.	Ploeser	Weaver
Hendricks	Plumley	Weiss
Herter	Powell	White
Hope	Price, Ill.	Wilson
Kee	Rabaut	Winter
Kilburn	Rains	Wolcott
King	Rivers	Wolfenden, Pa.
Lea	Robertson,	Wolverton, N. J.
LeFevre	N. Dak.	Woodrum, Va.
Luce	Roe Md.	Zimmerman
Lynch	Roe, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. John J. Delaney for, with Mr. Gathings against.

Mr. Herter for, with Mr. Baldwin of Maryland against.

Mr. McCowen for, with Mr. Wolfenden of Pennsylvania against.

Additional general pairs:

Mr. Fellows with Mr. King.

Mr. Andrews of Florida with Mrs. Bolton.

Mr. Kee with Mr. Taylor.

Mr. Clark with Mr. Martin of Massachusetts.

Mr. Durham with Mr. Wilson.

Mr. O'Brien of Michigan with Mr. Stevenson.

Mr. McGehee with Mr. Wolverton of New Jersey.

Mr. Roe of Maryland with Mrs. Luce.

Mr. Price of Illinois with Mr. Gifford.

Mr. Thomas of Texas with Mr. Hagen.

Mr. Weiss with Mr. Gross.

Mr. WADSWORTH and Mr. EBERHARTER changed their votes from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on this bill.

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

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

CONSENT CALENDAR TO BE CALLED ON TUESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar on Monday be dispensed with and that it may be in order to call the Consent Calendar on Tues-

day immediately preceding the call of the Private Calendar.

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

There was no objection.

PROGRAM FOR WEEK OF OCTOBER 1

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. MICHENER. Mr. Speaker, I do this for the purpose of asking what the program will be for next week.

Mr. McCORMACK. Mr. Speaker, on Monday the ship disposal bill, H. R. 3603, comes up. On this bill there will be 3 hours of general debate. Consideration of that bill will continue until Tuesday, following call of the bills on the Consent and Private Calendars.

After disposal of that bill, the so-called reorganization bill will come up for consideration, and it is expected that will take the rest of the week. It is hoped, however, that we may dispose of it by Friday. A number of Members have stated that they have made certain arrangements and plans ahead of time and if the bill is disposed of by Friday I shall ask unanimous consent that the House adjourn until the following Monday. In order to accomplish that it may be that I will ask the House to meet on some if not all of the days that the reorganization bill is being considered at 11 o'clock. I shall confer with the leadership on the other side on that later.

Mr. JENKINS. I am especially interested in knowing whether there is any chance of finishing the reorganization bill and voting on it Thursday?

Mr. McCORMACK. That would be most pleasant to me.

Mr. JENKINS. Of course, I hope we do not.

Mr. McCORMACK. When I stated that some Members had made arrangements for Friday, it might have been they stated Thursday. I have discussed this with some Members.

Mr. JENKINS. I would sooner the vote come on Friday, but I am just wondering if the gentleman thought the vote might come on Thursday.

Mr. MICHENER. Has the gentleman taken into consideration Nimitz Day on Friday?

Mr. McCORMACK. I am glad the gentleman calls that to my attention. We could legislate, if necessary, on Friday. I would like to dispose of the reorganization bill next week. This meeting for Admiral Nimitz will take place on Friday. I had completely overlooked that and I thank the gentleman from Michigan for reminding me of it. I am very anxious to have the reorganization bill disposed of next week. On Wednesday and Thursday probably we will meet at 11 o'clock, and if consideration of the bill is not disposed of on Thursday, we will proceed on Friday after the joint meeting to complete consideration of the bill.

Mr. MICHENER. If consideration of the reorganization bill is concluded on Thursday, there will be no business on Friday, other than the joint session?

Mr. McCORMACK. That is correct.

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

HIGHWAY CONSTRUCTION PROGRAM PROVIDED FOR BY ACT OF DECEMBER 20, 1944

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 81.

The Clerk read the concurrent resolution, as follows:

Be it resolved by the House of Representatives (the Senate concurring), That for the purposes only as specified in section 2 of the Federal-Aid Highway Act of 1944 (Public Law 521, 78th Cong.), it is hereby found as a fact that the war emergency has been relieved to an extent that will justify proceeding with the highway-construction program provided for by said act, and for the purposes of said act the first postwar fiscal year referred to therein shall be the fiscal year ending June 30, 1946.

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

Mr. MICHENER. Mr. Speaker, reserving the right to object, there was a rule granted on this bill?

Mr. ROBINSON of Utah. Yes. I may say for the benefit of the House that a rule has been granted for the consideration of the bill under which 1 hour's general debate has been provided. However, I have made a careful check of this matter and I do not believe there is any opposition at all to the adoption of the resolution.

Mr. MICHENER. There are several members of the committee here. The Members over here on our side are anxious to know what the bill is about.

Mr. ROBINSON of Utah. I will be glad to explain it.

When we passed the Postwar Highway Act, which was approved December 20, 1944, we provided that it should not go into effect until after the war because it was a postwar highway program. Under the terms of the act, therefore, none of the provisions of that law can become effective until we do certain things. The President must determine when the emergency has ceased to exist or a concurrent resolution must be adopted by both Houses. We brought this resolution before the House for the sole purpose of having the Highway Act go into effect and become operative. I am sure it will pass the Senate.

Mr. MICHENER. Mr. Speaker, I yield to the gentleman from Oregon (Mr. MOTT).

Mr. MOTT. Mr. Speaker, this bill comes before us with a unanimous report from the Committee on Roads. The chairman of the committee, the gentleman from Utah (Mr. ROBINSON), has explained the necessity for this concurrent resolution, because the Postwar Highway Act provides for such a concurrent resolution. This is the time to begin the long-deferred highway-construction program of the country, which is unanimously concurred in by all the State and Federal agencies having to do with road

construction and which I think meets with the full approval of the Congress. I hope, as the gentleman has suggested, that it passes by a unanimous vote.

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

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

Mr. JENKINS. Without this, as I understand, they cannot proceed; is that right?

Mr. ROBINSON of Utah. That is right.

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

Mr. MICHENER. I yield to the gentleman from Kansas.

Mr. CARLSON. May I ask when this will go into effect if we adopt this resolution? When would the road-building program get under way?

Mr. ROBINSON of Utah. The fiscal year ends June 30, 1946. We hope to get it started within this fiscal year.

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

Mr. MICHENER. I yield to the gentleman from Massachusetts.

Mr. CLASON. I would like to know whether or not the basis of distribution of the fund is satisfactory to the majority of the State highway commissioners and the Governors of the several States.

Mr. ROBINSON of Utah. There was some controversy about the distribution of funds, but the whole thing was finally ironed out, and when the postwar construction bill was reported out it was accompanied by a unanimous-consent report.

Mr. MICHENER. Mr. Speaker, the necessity for this legislation, as I see it, is due to the fact that the laws authorizing this construction carry the special provision that the war must be over before any of this money can be spent for road construction.

Mr. ROBINSON of Utah. Yes.

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

Mr. MICHENER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I would like to ask my chairman if it is not true that the Highway Act provides that the money shall be expended for 3 years beginning with the first fiscal year following the cessation of hostilities as declared by the President, as declared by concurrent resolution of the Congress, or, in the third place, as declared by concurrent resolution of Congress fixing the first fiscal year only for highway construction, and that the sole purpose and effect of this bill is to provide that the first fiscal year for highway construction shall be the fiscal year ending June 30, 1946?

Mr. ROBINSON of Utah. The gentleman has accurately stated the proposition.

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

Mr. MICHENER. I yield to the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, both the chairman of the committee and the gentleman from Mississippi [Mr. WHITTINGTON] have explained the bill. The Committee on Rules has reported a rule

which was unanimously adopted, favoring the need of this legislation. I therefore hope that unanimous consent will be given for the consideration of this resolution, which would save an hour and a half or 2 hours' debate.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. May I ask the gentleman from Utah, the chairman of the committee, what effect this declaration that the fiscal year shall be that ending June 30, 1946, will have on the matching by the States?

Mr. ROBINSON of Utah. No effect whatever. That is provided for in the bill.

Mr. CASE of South Dakota. But in a certain sense it will shorten the time in this year for getting under way.

Mr. ROBINSON of Utah. Of course, it will shorten the time, but it will permit the program to go into effect immediately on the adoption of this resolution.

Mr. CASE of South Dakota. This fiscal year's program will have to get under way immediately in order to take full advantage of this year's allotments.

Mr. ROBINSON of Utah. That is correct.

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

Mr. MICHENER. I yield.

Mr. HINSHAW. It is true, is it not, that nearly all of the States, counties, and cities that intend to proceed with this program have funds available already with which to match these funds?

Mr. ROBINSON of Utah. I may say that I have heard from nearly all the States in the Union and they are all very eager to have this resolution passed. They all tell me they have plans ready to proceed with the work as soon as this resolution is adopted.

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

Mr. MICHENER. I yield.

Mr. SUNDSTROM. May I say for the benefit of the committee that I have talked to the chairman of the State Highway Commission of New Jersey and have been informed that we already have our postwar plans ready, and that the sooner this Government money is made available the sooner we will be able to go ahead and increase employment in that great State.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. MANSFIELD of Montana. Mr. Speaker, I want to take this opportunity to urge the immediate passage of this bill dealing with the postwar highway construction program. This is one of the measures which we have contemplated as cushioning the change from war to peace. It is time now to enact this bill so that the funds necessary for this road program will become effective at the earliest possible opportunity. This measure means much to Montana and the West because we already have laid our plans for highway construction and rehabilitation and we want to be prepared to take care of our veterans when they return and our workers who have

been employed in war industries on the Pacific coast. This concurrent resolution should be passed now so that our long deferred and necessary highway program can get under way.

The SPEAKER. Is there objection to the request of the gentleman from Utah? There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

House Resolution 359 was laid on the table.

EXTENSION OF REMARKS

Mrs. DOUGLAS of California., Mr. WOODRUFF of Michigan, and Mr. ERVIN asked and were given permission to extend their remarks in the RECORD.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Times.

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

Mr. HANCOCK asked and was given permission to extend his remarks in the RECORD and include a speech by Secretary of War Patterson.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD, and further to extend his remarks and include a letter from two constituents.

Mr. BUTLER asked and was given permission to extend his remarks in the RECORD in regard to the St. Lawrence seaway.

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

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an article by the scientist who invented the atomic bomb.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a copy of a short bill he introduced today.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Creek Tribe of Indians of Oklahoma.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include a statement he had given to the newspapers.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

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

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that on Monday next, following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

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

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. FOLGER] is recognized for 20 minutes.

DEMOBILIZATION AND PROHIBITING DRAFTING OF CERTAIN INDIVIDUALS INTO THE ARMED FORCES

Mr. FOLGER. Mr. Speaker, a few days ago I introduced a resolution to direct and require the discharge of certain members of the armed forces, to prohibit the drafting or required enlistment into the Army or Navy of boys under 21, and for other purposes.

Mr. Speaker, I wish to say in the beginning that it is not my purpose, in introducing this bill, to preempt the authority or prerogatives of the Army or the Navy. I have listened with great interest to the statements of certain of our Army men which were quite enlightening and altogether fairly reassuring. But I did not observe and I do not now observe in the regulations which have been adopted consideration with any particularity of the matters which are adverted to in the bill which I have introduced.

In order that you may know immediately what it is about, I desire to read a part of the bill, as follows:

There shall be discharged from the military and naval forces of the United States as rapidly as discharge facilities will permit every member of such forces or any component part of either who (a) is on the date of the enactment of this act under the age of 21 years; (b) has on the date of the enactment of this act a wife and one or more children to whom he bears or would maintain, but for his service, a bona fide family relationship in his home; (c) has attained on the date of the enactment of this act or shall thereafter attain the age of 35 years.

Mr. Speaker, I provide in this bill that this act shall not be deemed to affect the program of the Army or Navy as to the discharge of men in the service on other grounds and for other reasons not named in this act, but provide that this act shall be construed as additional requirements in the demobilization and discharge of servicemen from the Army and the Navy. Those are the salient portions of the bill which I have found myself compelled to introduce for the very particular reason that we have been definitely and positively told that no consideration would be given to the fact that a boy is under the age of 21 years in the matter of his discharge. Neither has there been a disposition, so far as I have been able to observe, to give attention to family life in retaining men overseas or in the service since the war has ended. I think these are two of the most important considerations which could move the Army, Navy, or anybody else in the demobilization of the armed forces wherever they may be, whether located in this country, or in camps, or buildings doing what we call desk jobs, or overseas now on patrol duty. These are two considerations, as I view it, which cannot with impunity be neglected by the people of the United States, the Army

and the Navy included. It is a serious thing to separate longer than is absolutely necessary the father from the wife and children at home.

Whether they shall have been separated for a period of a year and a half, or 2 years, or 3 years, or 4 years, in my judgment, as soon as it can possibly be accomplished, in a time when the forces are going to be reduced and reduced most materially, these husbands and fathers should be discharged; we should remember that fathers are needed at home; that husbands are needed at home, and unless there is an emergency and a compelling reason to deny them the privilege of returning to their firesides, where they may look after their wives and children, it ought not to be done.

I said the other day that it would not be my purpose to engage upon a tirade of abuse against the Army and Navy or any of its officers, and I decline to do that. In fact, I profess to you I do not have a disposition to do so. But surely it is legitimate, and would not be considered treasonable, if one were to make suggestions of the need of the daddies back at home with their wives and children, and that, at the earliest time facilities for the return to their homes will permit, which I conceive to be a reasonable requirement, they should be discharged.

Then we come to the important consideration of what we are going to do with the boys who, by necessity, were required to enlist in the Army and Navy of the United States when they were but children, 18 years of age, supposed to be in school, needful to the country that they be in school.

I stop to observe, Mr. Speaker, that I voted on that proposal, when we who thought, and we were not mistaken, that the country would be overtaken by this holocaust of war that promised to invade the earth, and I voted for the conscription of boys 18 years of age. I have no apology, and I cannot regret my personal action upon that occasion, because we were told, and I rather agree now, that those boys were needed and that they should be in training; that a great war was about to overtake us; that those young men were susceptible of training and becoming efficient soldiers, sailors, and airmen. Under this necessity—and it was a necessity, in my judgment—we provided that boys 18 years of age, throughout the land, should leave their schools, quit their colleges, and go to the protection and salvation of their country. Some will never come back. Some of many ages will never return. That we only have to grieve about and can do nothing more about. They will not be back. No doubt their families, with all their sorrow and grief and heartaches that have been caused by the fact that they will not return, have a measure of relief from their feelings in the realization that those grand young boys gave their lives in behalf of freedom, democracy, and righteousness in the world. But there are many of them, those who were taken from their schools, interrupted in their efforts to obtain knowledge which they sought to obtain in order that they might increase their

chances of making valuable citizens in the country, who are still in the service and ought not to be.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. FOLGER. I yield.

Mr. MILLER of Nebraska. I agree with the gentleman's idea of releasing them. How does the gentleman feel about stopping the further drafting of individuals of that age?

Mr. FOLGER. That is in the bill I have offered, I may say to the gentleman from Nebraska, that no more boys under the age of 21 shall be drafted.

Mr. MILLER of Nebraska. I am pleased to know that. I am concerned about the military authorities using the draft law as an instrument of forcing compulsory military training upon the country which we are doing now in peacetime.

Mr. FOLGER. I thank the gentleman.

Mr. Speaker, I began to wonder if the past preparations we have made throughout the United States in school districts, in every county, in every State in all the Nation, have been wisely conceived, and the great expenditure of billions on top of billions in providing educational opportunities for the boys and girls of the United States were justified or wise. I do not believe we have gone far enough in that direction. I believe we should be wisely spending if we would increase, and I may say by far, our appropriations notwithstanding our situation from a financial standpoint today, increase the efforts we have made to give the young men from the time they enter the schools, until their college days are over greater opportunity than has been afforded to many of them, a greater opportunity than they have had heretofore. But what I am referring to is: Have we been playing with something that is not of particular concern, that is not regarded as of very high importance in providing, one way and another the school advantages that our country affords to the young men and the young women of this country? There is nobody who will say, "Yes," we have been.

What are the school ages? Ordinarily the child begins his school at 6 years of age. He goes through the elementary processes and reaches what we may term the high-school status or position in his life. He continues with that until he shall have put in 11 or 12 years and by that time he is 17 or 18 years of age. Those who by appropriations from the State and the ability of their parents to afford it, sometimes at great sacrifice, those people to whom opportunities have been given, then spend 4 years in college from 17 to 21, the very years, if you please, that have been set apart by the economy of the universal program of the entire United States to furnish these boys an opportunity to get an education. Shall we here, when the emergency that compelled us to draft them in the beginning, is over, when that time has passed, treat this as a light consideration, as a relatively unimportant thing in the life and welfare, if you please, not only of the boy himself but of the country, too, say that

it is not interesting to us in the demobilization program that consideration shall be given to these young men in the very years set apart by us and of necessity now obtains? Shall we deny to the grand Republic, which we all love—and as much as anything else—the opportunity to the glory and worth these educated boys will give to our Nation; and the opportunity, if you please, that this Government offers to every young man in his life as he comes on to the status or position when he must take his place in the affairs of men? Their opportunities have been jeopardized during war; but it is cruel to demand of them further denials of a chance in life—and it is dangerous to the Nation.

Again I say, I am not disposed to enter upon a tirade of abuse against anybody. Time after time we have glorified the deeds of those yet living, who led us through successfully this debacle of war that tried the souls of men all over the earth. I joined in it as heartily as anybody else.

Not long ago we were considerate enough to bury in Arlington Cemetery an unknown boy in honor of the privates in the ranks who fought and brought victory to us in a former war and we denominated that in honoring them the grave of The Unknown Soldier, he who represented the boys and the young men who went to war and under the direction and authority of their superior officers dared to die. Many did die that this country might continue to be a land of glorious opportunity.

Yet on this day in 1945, in the month of September, we have not come to the place in our program of demobilization where we are willing to manifest a concern for the welfare of these boys who did go, those privileged to come back, so as to permit them to continue in their education preparatory to a life which may extend to that of threescore years and ten and possibly by reason of strength to fourscore years. We seem content to allow them to lose forever this opportunity of educational development and preparation for the years that are to come.

It is a matter of importance to them, yes, and one that we should not fail to be very, very much concerned about. It is a matter of great anxiety to their fathers and mothers, and anxiety that we should not despise; but more than that, it is a matter of high importance and should be a matter of definite concern to the public welfare.

We want a nation of educated men and children. If there is to be thrown at us any dereliction in the years to come it is that one of our greatest failures was the failure to furnish greater opportunity, greater opportunity in this life to start out with a chance when they reach that age which we have denominated by law as the age of manhood, 21 years of age, with an education upon which to build that life in whatever vocation they may choose and not be forced to be unprepared. For the fathers, the husbands, the children back home, the wives, the boys under 21 years of age, I plead for a most definite and hurried consideration of the necessity that the

law-making power the Army and Navy are under to give these people a chance and do it now. Of course, we shall not forget the wounded and the weary soldiers. There is plenty of room to include all these. In any case, in the Army and Navy more than 9,000,000 can be discharged. The VE- and VJ-days have already come and gone.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

AMENDMENT PROPOSED TO ROBINSON-PATMAN ACT; ALSO AMENDMENT TAKING FROM NATIONAL CHAIN STORES UNFAIR TAX ADVANTAGE

Mr. PATMAN. Mr. Speaker, I asked for this time to discuss two bills which I am presenting today. One is an amendment to section 2 (a) of the Robinson-Patman Act. This amendment which I propose does nothing more than requires that no seller shall sell a commodity at a price or at a discount, by reason of quantities sold, or seasonal orders, or for any other reason, unless he has made the availability of such price and/or such discount under the same conditions known to all of his customers, and unless such price and/or such discount under the same conditions is, after having been so made known, in fact available to all of his other customers for a reasonable period of time, according to customary trade practices.

This amendment will eliminate all secret deals and make prices and discounts known to all customers of manufacturers and other sellers operating in interstate commerce. Its approval by the Congress will prevent a vicious practice which has a tendency to, and, in fact, does breed a monopoly in favor of the large operators and places small business at their mercy. It writes into unmistakable language the original intent of the Robinson-Patman law so there can be no further doubt about it.

The other bill which I am offering today is an amendment to chapter 1 of the Internal Revenue Code as section 10 on chain stores operating at a loss. This is a bill to prevent national chain stores from operating a store at a loss to destroy a competitor and receive a tax deduction therefrom.

Mr. Speaker, in presenting an amendment to section 2 (a) of the Robinson-Patman Act, I do so with a view to strengthening that law to prevent evasion and discriminations that have had the effect of defeating the purpose of this act.

The Robinson-Patman amendment to the Clayton Antitrust Act has for its purpose the prohibition of all discriminations of every description in the sale of merchandise by the seller, whether in price, quantity, or service—

Where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of

such discrimination, or with customers of either of them.

This law further prescribes—

That nothing herein contained shall prevent differentials which make only due allowance for difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered.

It is further—

Provided, however, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *Provided, further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade; and *provided further,* That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

There has crept into business, however, secret pricing or concessions of one type or another to evade the provisions of this act, to favor large buyers, which this amendment seeks to correct and overcome. In the investigation of large-scale buying and selling by a special investigating committee of the House in 1935, of which I had the honor to be chairman, there was disclosed a condition whereby a large national retail distributor in the dry-goods business placed orders for blankets in January in advance of the usual trade-buying season with manufacturers, and he was granted a special price concession because this kept the organization of the manufacturer intact for the first 6 months of the year, until the normal buying by wholesalers and others opened around June and July.

Due to this advance buying, it was asserted by this buyer, his company obtained special prices. On the other hand, it was the regular trade which kept these manufacturers' organizations intact the latter half of the year. If it were not for this later normal buying the organization of the manufacturer would not be occupied the last half of the year, and the entire operating costs would be heaped on the companies buying in advance. It is an injustice and a discrimination, therefore, to favor the advance buyer with extreme concessions over the normal buyer.

Moreover, it has been disclosed in the trial of the Great Atlantic & Pacific Tea Co., now taking place in the Federal court at Danville, Ill., on a criminal information filed by the Government, that

this company has been receiving a secret price of 20 cents a case on package branded rice, conditioned on the purchase of 50,000 cases in a year, and an extra 5 percent if 60,000 or more cases were purchased. The next largest chain store corporation received but 10 cents a case, while other quantity buyers obtained no allowance. Letters from this company's files show this discrimination to have taken place.

In another instance this same A. & P. Corp., according to documentary evidence, received 25 to 30 cents a case lower price on private-brand oats than any other chain or wholesale buying agency, which this trial alone exposed. From what I am informed, there is much of this secret pricing going on in various lines of industry to the detriment of the great majority of competitors of these favored secret buyers.

This amendment which I propose does nothing more than require that—

No seller shall sell a commodity at a price or at a discount, by reason of quantities sold, or seasonal orders, or for any other reason, unless he has made the availability of such price or such discount under the same conditions known to all his customers, and unless such price and/or discount under the same conditions are, after having been so made known, in fact available to all of his other customers for a reasonable period of time according to customary trade practices.

This amendment will eliminate all secret deals and make prices and discounts known to all customers of manufacturers and other sellers operating in interstate commerce.

Its approval by the Congress will prevent a vicious practice which has a tendency to, and in fact does, create a monopoly in favor of the large operators and places small business at their mercy.

A bill relating to certain discriminatory pricing practices affecting commerce

Be it enacted, etc., That section 2 (a) of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," as amended (U. S. C., 1940 ed., title 15, sec. 13 (a)) is amended by inserting immediately after the colon at the end of the first proviso the following:

"Provided, however, That no seller shall sell a commodity at a price or at a discount, by reason of quantities sold, or seasonal orders, or for any other reason, unless he has made the availability of such price and/or such discount under the same conditions known to all of his customers, and unless such price and/or such discount under the same conditions is, after having been so made known, in fact available to all of his other customers for a reasonable period of time, according to customary trade practices."

SEC. 2. The amendment made by this act shall be applicable only with respect to sales made after 60 days after the date of the enactment of this act.

BILL TO PREVENT CHAIN STORES FROM OPERATING A STORE AT A LOSS TO DESTROY A COMPETITOR AND RECEIVE A TAX DEDUCTION THEREFOR

Mr. Speaker, in offering this amendment to chapter 1 of the Internal Revenue Code as section 10 on chain stores operated at a loss, I am led to the necessity of this action by what I have known to occur in the past, and especially by the disclosures brought out in documentary evidence in the trial of the Great Atlantic & Pacific Tea Co. now being heard in the Federal court at Dan-

ville, Ill., before District Judge Walter C. Lindley.

The object sought is to prevent corporations of this type operating numerous stores throughout the country at a loss to undermine independent competitors to gain a monopoly of production and distribution and, at the same time, in returns for income-tax purposes, to be able to deduct such losses from corporation reports. This has become a notorious practice and places in the hands of such corporations an effective weapon to destroy all competition. This applies not only to the food trade but to distribution fields in other industries which have the same effect.

To illustrate my point, the court record in the A. & P. trial discloses the alarming fact that as many as 4,374 stores of this system were operated at a net loss in 1938 which was charged against the corporation's income-tax return. Other exhibits from A. & P. files show that at a meeting of the executive committee of the New England division, John A. Hartford and George L. Hartford, the two owners of this gigantic chain corporation, authorized its operation without any profit. The same thing applies to the Atlantic division, operating out of Philadelphia.

This company was making a vicious price war on the First National Stores of Boston and independent grocers in the entire territory of the New England division, comprising some 1,600 stores, with branches in Albany, N. Y.; Portland, Maine; New Haven, Conn.; Providence, R. I.; and Boston, Mass. Testimony in this case points out that the New England division adopted resolutions on two different occasions thanking the two Hartfords for their generosity in permitting the division to conduct all stores without realizing any profit on store operations.

The court record in this case further shows that the Government was deprived of income tax on \$780,000 due to the losses in the New England division, and \$592,000 in the Atlantic division, or a total of \$1,272,000 in 1939, according to the minutes of the divisional presidents' meeting who, with the Hartfords, dominate the policy of this large corporation. In addition, \$300,000 yearly was spent by National Consumers Tax Commission, which was disbanded after several years because it failed to function as the Hartfords wanted it, through the ladies who were chairmen of some 600 such groups in various cities. In addition, there is the \$93,000 yearly fee plus expenses of Carl Byoir and associates for lobbying and propaganda purposes. It is fair to assume that all of these items were charged off as legitimate expenses, which, combined, should represent more than \$2,000,000 a year on which the Government collected nothing for income tax.

The main dependence for profit is placed on subsidiary earnings, allowances from other manufacturers, and stock gains commonly known in the trade as short weighting, overcharging, and price boosting at check-out counters. Without these outside earnings all the stores would be conducted at a distinct loss. The effect of this creates a monopoly and makes impossible the operation of com-

peting independent dealers. The treasurer of the First National Stores Corp. testified at this trial that his company suffered a decrease in earnings of \$1,421,000, or 27 percent, because of this price war. The Government therefore lost that income tax from this corporation while other competing food dealers were similarly affected.

The Great Atlantic & Pacific Tea Co. has 5,700 stores, or 1½ percent of the total number of all grocery stores, including other chains. Its sales are around \$1,400,000,000, or 13.5 percent of the total grocery business. This leaves the remaining 86½ percent for distribution among 345,611 independent food dealers and 34,658 chain stores, or a total of 380,269 of both types.

Taking all types of chain stores into consideration, with 123,195 units out of a total of 1,770,355 stores of all kinds, the chain corporations have but 7 percent of the stores. Yet they control, according to the last census, 21.7 percent of all the retail business. Included in this total number of chain stores, it should be remarked, are a large number of small local companies, because four stores are considered to be a chain. With those eliminated the percentage of sales control over total retail business would be materially increased, while the number of stores of the larger chain systems would be substantially reduced.

Under these circumstances the present Internal Revenue Code, by virtue of passing on losses of stores caused by operating many of them deliberately at a loss for a period of time to establish them on a profitable basis at the expense of other retail competitors who have no such cushion, is allowing these big corporations to escape payments of income tax and at the same time to create a monopoly.

If we are to have full employment and provide opportunities for returning servicemen to enter business, protect small business in general, and collect all just income tax on legitimate earnings, this amendment should be adopted by the Congress.

A bill relating to the tax treatment of chain stores operated at a loss

Be it enacted, etc., That chapter 1 of the Internal Revenue Code is amended by inserting, after section 109, a new section reading as follows:

"SEC. 110. Chain stores operated at a loss.

"(a) In general: In the case of any retail store which is part of a retail chain, if for any taxable year the amounts which, except for this section, would be deductible on account of such store exceed the amounts which, except for this section, would be includible in gross income on account of such store, the amounts which would be so deductible shall not be allowed as deductions for such taxable year and the amounts which would be so includible shall be excluded from gross income for such taxable year.

"(b) Definition: As used in this section, the term—

"(1) 'Retail chain' means a group of — or more retail stores which, either directly or through one or more persons, or by leases, contracts, or other arrangements or devices, are subject to a single common control.

"(2) 'Retail store' means any place at which sales of merchandise, and delivery thereof, are made, or at which services are furnished, to retail customers in the ordinary course of business, but such term does

not include any establishment or facility maintained by a common carrier as part of its transportation facilities primarily for furnishing meals or other commodities to its passengers and employees, or any branch office maintained by a newspaper for the distribution of its papers or taking subscriptions or advertisements therefor."

Sec. 2. The amendment made by this act shall be applicable with respect to taxable years beginning after December 31, 19—.

I ask unanimous consent, Mr. Speaker, to revise and extend my remarks and to insert copies of the bills which I am introducing today and which I have discussed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. Hook] is recognized for 15 minutes.

Mr. HOOK. Mr. Speaker, we have had some very curious headlines appearing in the papers of late. The American people are wondering what there is to the headlines. General Eisenhower has stated that General Patton has had too many Nazis remain in office. I do not know what the situation is, but I hope we get to the bottom of it. I also feel that the American people do not believe that they have sent their boys to death at Iwo Jima and in the bloody jungles of the South Pacific to have Hirohito made a socialite.

Almost every paper I have picked up in the past 2 weeks has had a front-page story with scare headlines on the so-called strike wave throughout the country. A great many editorial writers have clamored for governmental action against the men and women out on strike.

I do not share the newspaper hysteria about the strikes or the threatened strikes in many industries vital to the reconversion program.

I think there should be governmental action. It should not, however, be punitive action against the strikers, but constructive action to get at the real basis of the strikes.

Unfortunately there seems to be a strong feeling among my colleagues in Congress that the way to settle a strike in the oil, or automobile, or lumber industry is for Congress to go on strike against American workers.

That, in effect, is what the decision by the House Ways and Means Committee to shelve the Kilgore unemployment compensation bill adds up to.

I cannot conceive of any action better calculated to create labor unrest than this decision.

I deplore the fact that thousands of American men and women have to resort to the economic pressure of the strike to gain concessions from management. Strikes now inevitably will threaten the reconversion program; will interfere with the smooth and speedy return to peacetime production.

I do not believe, however, that too much weight should be given to the exaggerated accounts of strikes and of impending strikes.

As far as I have been able to ascertain, the number of workers on strike throughout the country since VJ-day has never exceeded 350,000. This is a high figure, true, but, compared to the total work force, it represents less than 1 percent. It is a fractional part of the millions of workers who have been laid off since VJ-day.

I certainly do not mean to underestimate the seriousness of the labor unrest in the country, nor to condone strikes. But neither do I think the picture should be distorted out of all proportion to serve the purposes of antilabor interests.

Too much credit cannot be given to American labor for the miraculous job of war production. That record should not be forgotten now when labor is feeling the pinch of unemployment and reduced earnings.

The abrupt end of the war in the Pacific came at a time when no governmental program had been formulated to cushion the shock of reconversion unemployment. The human side of the reconversion program had been almost totally neglected.

Inaction and indecision by both the Congress and the administrative departments of the Government has served to strengthen the conviction of labor—organized and unorganized—that bad times are ahead.

The man or woman who is lucky enough still to have a job in any one of the great mass production industries sees his or her weekly pay check shrink and knows it will shrink further. These workers know that industry has been cushioned against reconversion losses to the tune of billions of dollars in tax refunds, and in Government contract termination clauses. The workers know that industry made enormous profits during the war years—and is guaranteed profits for at least 2 years after the war.

The individual worker has no such guaranties. His uncertain economic position, his fear for the future, is the flame that is blowing the lid off the labor pot. The way to keep the lid from blowing off entirely in a series of reconversion-impeding strikes is to put out that fire—to remove the uncertainty and fear of unemployment.

There certainly has been little done in Washington in the past few weeks to remove these basic causes of strikes.

Some time ago, while still Director of War Mobilization and Reconversion, Secretary of the Treasury Fred Vinson told Congress that the American people were faced, as he called it, "with the pleasant prospect" of living 50 percent better than they had before the war.

American consumers—workers, farmers, businessmen—all are going to have to live on a basis of an ever-widening and improving standard of living. This assumption must be at the basis of all our thinking in economic terms, if we are to take advantage of the technological improvements and the vastly increased plant facilities developed during the war.

Unfortunately, not enough of the lawmakers and administrators in Washington are operating on this principle. On the contrary there seems an all too general assumption that the standard of

living of millions of Americans must shrink with the end of the war.

The one individual who took the forthright position that a higher standard of living was possible under the free enterprise system has been pilloried by the press and rather unceremoniously relieved of his duties.

William Davis, until a few days ago Economic Stabilizer and long the Chairman of the National War Labor Board, said he believed it was entirely possible for wages to be increased up to 50 percent within the next 5 years without calling for price increases.

To me this statement is the logical corollary to Secretary Vinson's warning that we must live 50 percent better than we did before the war.

I not only agree that substantial wage increases can be granted without interfering with the price structure, but I firmly believe that they must be increased if the necessary purchasing power to keep American industry fully productive is to be maintained.

Labor will not feel any security against unemployment and lowered incomes until the Government adopts a positive policy of high wages and low prices.

Obviously it will not be possible for all industries to grant substantial wage increases without making some upward price revisions. But it can and must be done in the great mass production industries which are the backbone of the reconversion program, and which have plenty of profits, both on hand and assured, to absorb increased wages.

A high-wage policy, openly arrived at and adopted by the Federal Government, should not be looked upon as a concession to organized labor. It must be recognized as a concession to the necessities of this period of economic transition.

If, as Fred Vinson and other farsighted economic thinkers have said, Americans must learn to live better than ever before, the means must be provided to make this possible.

Certainly it cannot be done, the national standard of living cannot improve, on the wage structure which prevailed before the war.

The consumer purchasing power generated by prewar family incomes is just not great enough to purchase full production and full employment in this country.

Instead of dissipating energy and promoting labor strife by name calling and vilification, serious study should be given to the demands of labor.

Strikes are never settled in the editorial columns of the papers. They are settled by honest cooperation between labor, management, and Government to find an acceptable and honorable compromise.

The end of the war in the Pacific, a war in which both labor and management contributed so much, should not signalize the start of industrial warfare on the domestic front.

There are several things that I wish to raise at this point as to what the Congress may do to bring about less disputes between management and labor. Take, for instance, the National Labor Relations Board, which is now 3 months behind in

their decisions, because of the fact that the Congress of the United States failed to appropriate a sufficient amount of money for the operations of that agency. When a dispute arises, it should be settled as expeditiously as possible. What good does it do to have a paper decision of a dispute a year after the actual dispute arises? In the interim, the workers are penalized, management is in confusion—the result is, strike after strike.

First. Let the Congress appropriate a sufficient amount of money so that the National Labor Relations Board can keep current in their decisions, and you will eliminate many of the controversies that have arisen.

Second. The Congress should authorize legislation and appropriate a sufficient amount of money for a complete reorganization of the Labor Department, so that the Labor Department can be put on a basis of service to both management and labor; an expanded conciliation department; an educational program so as to educate both labor and management in the field of human relations. Yes; in the field of being able to properly contact the worker at the factory level. The program should be instituted so as to train stewards and foremen in the field of human relations and in the field of labor relations. Universities in this country should be encouraged to cooperate with the Department of Labor in setting up a course of labor relations. In other words, the Department of Labor should be placed on the same basis of service to labor and management as the Department of Agriculture is to the farmers of this Nation. The Department of Agriculture has actual direct contact with practically every farmer in the Nation. The Department of Labor should be placed in the same position.

Third. Legislation should be passed in economic fields so as to place in the hands of consumers the purchasing power necessary for the purchase of the product of industry, and necessary for the products of agriculture. When the farmers of the South were receiving \$25 a bale for cotton they could not buy the farm machinery necessary for the proper operations of their agricultural pursuits. But now that they are receiving \$105 a bale for cotton they are in a position to buy the machinery that is produced by the workers in the factories of Detroit, Cleveland, and other large metropolitan industrial areas. But the workers in these factories cannot buy \$105 cotton on 50-cent wages. Consumers make jobs, providing they have consumer purchasing power. Let us enact the minimum wage, the full coverage, unemployment compensation—to tide us over during the reconversion period, and a tax program that will give to the worker the same privilege that has been given to industry.

An increase in wages, without an increase in prices, is necessary. The economic facts of life prove that wages can be increased without increasing prices. Increased production must be supported by increased consumption, and increased consumption will be possible only through increased wages. Profits of all corporations, before income taxes in 1944 were about \$25,000,000,000. That is five

times what they made in the prewar years of 1936 to 1939. The present wage demands made by labor organizations would, if approved, add not more than \$8,000,000,000 to the total wage bill of the country. Corporate profits last year, therefore, were large enough to pay labor's demands and still leave them \$17,000,000,000 profit, or more than three times what they made before the war.

The demand now made by labor for an increase in wages without an increase in profits is a reasonable one, because that increase would come out of the extra profits that were made because of war. Is it reasonable that there should be allowed by the OPA an increase of 30 percent over the 1942 price of a half-ton Chevrolet truck, without any increase in the wage scale of the workers? The fact is that corporations have been making so much money in war contracts that they can run at a loss in order to drive down the wage scale. The Congress of the United States, in the "gyp" tax bill that was passed, provided industry with reserves and insurance to carry it through the reconversion period, even if profits go down or turn into losses. Corporations now hold in their vaults or in banks \$20,000,000,000 of cash and Government bonds, in excess of their 1939 net working capital. This sum came out of war profits. Corporations will soon receive, on account of this "gyp" tax bill, a refund from the United States Treasury of 10 percent of all excess-profits taxes paid during the war. That will give them another \$3,000,000,000 in cash. Corporations can claim further cash refunds from the Treasury during the 2 years of reconversion if their profits fall below prewar normal, or they incur losses. This provides an additional cushion amounting to another \$27,000,000,000. So that the total reserves and possible refunds for corporations add up to approximately \$50,000,000,000. Average net income of all corporations after taxes in 1936 to 1939 was \$3,300,000,000 a year. To carry them through the reconversion period of reduced earnings, corporations have, first, war savings equal to 6 years of average prewar profits, second, a cash refund from the United States Treasury equal to 1 year of average prewar profits, third, an insurance fund provided by the United States Treasury to be drawn upon in case of low earnings or losses, equal to 8 years of average prewar profits. Now let us bring this down to the individual and compare it to the meager claim that is being made for unemployment compensation of the worker of \$25 a week for 26 weeks to tide him over the reconversion period. This is the bill that the Ways and Means Committee attacked so viciously and turned down this week. This was the same committee which acted so favorably by passing the tax bill so generous to industry. If the average wage earner were treated as the corporations are treated and protected by the Congress for the reconversion period, if the individual worker were a corporation, he would have, first, savings in cash or war bonds of \$7,200. Second, he would be entitled to a refund from the United States Treasury of \$1,200. Third, he would be entitled to a Government insurance fund

to draw on in case of reduced earnings or loss of a job, equal to \$9,600. His total protection if he were treated the same as the corporations are being treated, would amount to \$18,000 per person. And still there are those in the Congress of the United States who refused to even give him the meager protection of \$25 a week for 26 weeks to tide him over the reconversion period.

I think it is about time that the Congress of the United States turn toward fair treatment of the laboring class of this Nation and give to them a program whereby they will have decent wages, decent housing—yes, even an annual wage. When that is done, you will have practically eliminated labor-management disputes.

In closing, might I say that if the Members of Congress of the United States—including the Senators, of course—would turn their efforts toward blending into the President's program the breath of human relations, instill into it an inertia, that would make it a living reality by the enactment of that program, we will have given to the boys who sacrificed during the bloody years of the war, their fathers and mothers, and all America, the American way of life. When that is done, we will have done our duty as representatives of the people of America, and industrial strife, labor-management disputes, will disappear into thin air. Until we have done that, we shall continue to have labor-management disputes. It is my suggestion that the Congress of the United States should never take any step toward compulsory arbitration in any form whatsoever. The enactment of legislation which will take care of the causes is the kind of legislation that is necessary to bring about a democratic America and the American way of life.

The launching of any repressive legislation against labor, or any legislation which tends toward compulsory arbitration at this point, is done, in my opinion, for the purpose of diverting the attention of the workers and other progressive Americans from the real issues which confront the Nation. Today the real problem is not industrial disputes which are so luridly held up as a threat to our economy. The real problem, in my opinion, is the problem of an expanding economy. The Congress of the United States should turn its attention to the enactment of legislation that would put into effect the 21 points advocated by President Truman.

Full employment, and full production—with an increase in wages without an increase in prices—a raising of the standard of living to the millions of workers so that their families may be well clothed, well fed, well housed, and properly educated.

If a program of this kind is adopted by the Congress, we will have taken care of the disputes between labor and management.

Workers do not strike without cause. They do not strike for the fun of striking—they fully realize that a strike means a present loss of earning power to themselves—it means sacrifice on the part of their families. Therefore, it is

the duty of the representatives of the people to determine what those grievances are, to enact legislation to eliminate those grievances, instead of attempting to enact legislation of a repressive nature, which tends toward compulsory arbitration. These are abnormal times. In a democratic nation there are bound to be disputes in times of stress. There are bound to be strikes unless the economic problems are met so as to eliminate the causes of strikes.

The people in Germany did not strike. Do we want to implant upon this Nation the type of government that eliminated strikes in Germany? God forbid that such be the case while the battlefields of Europe are still wet with the blood of those who offered up the supreme sacrifice that democracy might live.

Mr. Speaker, I ask unanimous consent that I may include in my remarks at this point an article from the magazine PM of last Thursday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. Hook]?

There was no objection.

Mr. HOOK. The following article was written by Mr. I. F. Stone, one of the foremost economists and writers of America, and appeared in PM magazine on Thursday, September 20, 1945.

In explanation, might I point out that preceding this article were two illustrations. One to the left is a man in a rowboat fishing, representing industry, and one to the right a laboring man standing in front of an employment agency.

THE COCKEYED ECONOMICS OF THE UNITED STATES
CONGRESS

The gentleman at the end of the line on the left is going to spend the reconversion period fishing.

The gentleman at the end of the line on the right is going to spend the reconversion period standing in front of an employment agency.

The first gentleman is one of the owners of industry. The second gentleman is an industrial worker.

The first gentleman is so well protected by unemployment insurance that he can make more money loafing at Palm Beach than working during the next 2 years.

The second gentleman is so poorly protected by unemployment insurance that he and his family will soon be hungry if he doesn't find a job.

Is there such a thing as unemployment insurance for industrialists? There is.

True, there is no statute called jobless insurance for the owners of industry. Nevertheless, provision has been made to protect them against loss of income during the reconversion period.

In the first place, they get a kind of "severance pay" to compensate them for the cessation of war work. This is a flat 10-percent rebate on their wartime excess-profits taxes. This will amount to about \$2,840,000,000, or a sum equal to more than half total net corporate earnings in the banner year 1937.

In the second place, should they merely drop below their so-called normal profit level in the next 2 years, they can draw a further cash refund from the United States Treasury to make good on those losses.

Their refunds, of course, cannot be greater than the amounts they paid in income and excess-profits taxes during the war. But the backlog on which they can theoretically draw amounts at this time to \$62,000,000,000.

Of course, they will not draw that much. Net corporate earnings in 1929 were less than \$9,000,000,000. In 1937, they were little more than \$5,000,000,000. The point is that this backlog is many times larger than that required to guarantee high peacetime profits to industry during the next 2 years.

In fact, it is so high that many businessmen could make more money in 1946 and 1947 if they shut up shop and went off to Miami. Guaranteed cash refunds from the United States Treasury are larger than anything they could make in the normal operations of their businesses.

Do you think we exaggerate? We give you an example supplied by the latest report of the United Steel Workers of America, CIO: The Lukens Steel Co., one of the first steel firms to cash in on the carry-back provisions of the excess-profits law.

For the 36 weeks ended June 16, 1945, Lukens Steel earned only \$40,968 in net profits after taxes. Under the carry-back provisions of the Federal tax laws, Lukens received back some of the taxes it had previously paid.

The United States Treasury sent Lukens a check for \$366,000, a refund of taxes in other years, making Lukens' profit for period in question \$407,768—as compared with average earnings from 1935 to 1939 of \$7,000 a year.

Do we really think the average businessman is going to go fishing during 1946 and 1947 and live off his tax refund? No!

Neither do we think the average worker would go fishing during 1946 and 1947 if Congress had increased his unemployment compensation to a maximum of \$25 a week for 26 weeks.

We ask Members of Congress to consider (1) the unfairness, and (2) the economic unsoundness of a situation in which industry is protected against loss during reconversion while its workers get only the most meager protection.

War workers cannot go to the United States Treasury and collect a flat 10-percent rebate on the high income taxes they paid during the war. Industry can.

War workers cannot collect a further rebate on their taxes if their earnings during 1946 and 1947 fall below average prewar earnings or a fixed percentage of their invested capital, whichever is higher. Industry can.

Philip Murray, of the CIO, in testifying for the full-employment bill, recently told the Senate Banking and Currency Committee that if labor were as well supplied as capital with reserves for the reconversion period, every worker in this country would have \$18,000 in savings and possible tax refunds.

All that workers can fall back upon is their inadequate jobless insurance—and the same Congress which has been so generous with industry in framing the tax laws balked yesterday at maximum payments to workers of \$25 a week for 26 weeks.

Let us examine the situation a little more closely. The taxes on which industry is allowed rebates during the reconversion period were not taxes so high as to wipe out war profits. On the contrary, despite the high rates, profits after taxes were three times higher than before the war.

Nor did these high taxes prevent industry from accumulating reserves with which to tide itself over the reconversion period. On the contrary, its reserves have grown to the highest point in history:

Net working capital, United States industry:	
1945 -----	\$47,000,000,000
1939 -----	25,000,000,000

So industry faces reconversion with \$47,000,000,000 in its jeans, with a check coming in from the United States Treasury for another \$2,840,000,000, and with the right to cover any losses from a \$62,000,000,000 kitty in the Treasury.

Compare that with the worker's principal backlog—the unemployment-compensation reserves of the States, which total less than \$7,000,000,000.

What of the worker's savings?

Few figures are available. But we do have a sample provided by the steel industry. The United Steel Workers, CIO, estimate that America's 475,000 steel workers emerge from the war with a total of \$285,000,000 in savings, or \$600 a worker.

Compare that backlog with the backlog of the steel industrialists. They emerge from the war with savings (net working capital) of \$2,000,000,000. Their flat 10 percent rebate from the Treasury will amount to more than \$200,000,000. If they only break even next year, they will be able to collect another \$149,000,000 from the United States Treasury.

It is obvious that in the steel industry the "haves" copped off the lion's share of the war profits. The situation in steel is pretty much the situation in all war industry.

There are circumstances in which it would make sense for Congress to allow only the most meager jobless compensation to workers while handing out big cash rebates to industry.

In the steel industry, for example: Let us suppose the positions were reversed. Let us suppose the \$2,000,000,000 of working capital was in the pockets of the steel workers and the \$285,000,000 of worker savings were in the treasuries of the companies.

In that case, the buying power of steel workers would be so great as to require no help from the Government. In that case the buying power of the workers would be so great as to necessitate expansion of industry to meet demand.

In that case industry would need liquid funds quickly for expansion and it would be good economic policy for the United States Treasury to allow hefty rebates.

But that is not the case today. The existing circumstances make as little sense from the standpoint of economics as of abstract justice.

When steel and other workers have so little to spend for the products of industry, what capitalist is going to be reckless enough to invest his money in expansion? Why add to idle investment funds with huge rebates from the Treasury?

Would it not make better sense to end the cash rebates from the Treasury and instead allow decent unemployment compensation to workers during the reconversion period?

The money paid Joe Jones, the steel worker, shows up at once on the cash registers of industry and stimulates business. The money paid Joseph M. Jones, the steel capitalist, ends up with other idle funds, an undigested lump on the sick stomach of the investment market.

It is cockeyed economics to add to the idle investment funds of industry and skimp on jobless pay to industry's workers.

For industry's workers are also industry's consumers. And until their purchasing power rises, those investment funds will stay idle.

The pattern of congressional policy is as sinister as it is senseless. Low jobless compensation holds down wages when it is essential that wages rise to make it possible for us to consume all that our war-expanded industry can produce.

High cash reconversion rebates from the Treasury are the other side of the picture. They make it possible for industry to "sit it out" during the reconversion period.

A big industrialist can live off the United States Treasury while he cuts down production to reestablish a basic monopoly, to break a labor union, or to force down wages through lock-outs.

The United States Treasury is thus in the position of subsidizing unsound, social and economic policy. For American stability and

prosperity depend on expanding output and rising wages.

This is the background, these are the fundamental issues, behind the brave, but unsuccessful, fight KILGORE and a handful of progressives, with too little support from the White House, waged in the Senate for half-way decent unemployment compensation during reconversion.

I. F. STONE.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Under previous order of the House, the gentleman from Pennsylvania [Mr. CORBETT] is recognized for 15 minutes.

DEMOBILIZATION

Mr. CORBETT. Mr. Speaker, the Army and the Navy have been doing a progressively better job of demobilization. For this we commend them. We all know, of course, that the speed of demobilization cannot be fast enough to satisfy anxious parents, wives, and sweethearts. Nor can it be fast enough to satisfy the men and women who want to get home to loved ones and to interrupted careers.

I am among those who feel that constant emphasis of the human element in demobilization is necessary and desirable. It is the only way to keep attention focused on the No. 1 reconversion problem—the problem of reuniting American families and returning our service men and women to normal lives.

I am also one of those who believe that the Army and Navy are capable of speeding up demobilization more than they have. To think otherwise would be to ignore their recent efficiency records.

What groups should be discharged first is a very difficult problem on which the answers vary. There is no age group, or combat group, or group of fathers and husbands that cannot present compelling argument for their immediate release. Frankly, up to the extreme point consistent with national safety I believe that every man inducted for duty should be released in the shortest possible time and that an enthusiastic effort should be made to secure every possible volunteer for the Regular Army.

However, there are a few small groups that do deserve special consideration. It is about one of these groups that I now address my remarks in the hope that the War Department will hear and heed.

Very soon after VE-day some six divisions were quickly shipped from Europe to the United States. These divisions were screened for men with over 85 points, and practically all the high-point men were discharged. The rest were given 30 days' furlough and reassembled for shipment to the Pacific. The first of these to be sent to the Pacific theater was the Eighty-sixth Division, better known as the Black Hawk Division. The other was the Ninety-seventh Division.

In these two divisions are thousands of fathers, combat veterans, and men with more than 2 years of service. It is possibly true that a great majority have more than 35 points, since the average number of points in the Eighty-sixth Division is 55. Men with 35 points are no longer given overseas assignments.

The Eighty-sixth and Ninety-seventh Divisions were shipped to the Pacific a

considerable time after VJ-day. The other four divisions were held back by a change of orders.

Therefore, and because the Eighty-sixth and Ninety-seventh Divisions were accorded special treatment in being moved out of the country, it is my contention that they should be given special treatment in being moved back into this country.

The War Department says that demobilization must deal with individuals, not units. That is their own rule and subject to their own amendment. In any case, it seems to me to be only simple justice that these men, who were redeployed from the European theater to the Pacific theater, should be governed by the point system now in effect just as if they were still in the United States. The fact that they were sent first should not deprive them of the benefits of the change of regulations. Certainly all of them who have more than 35 points should be returned to this country. Certainly all past and future regulations governing the discharge of combat troops and men with dependents should apply to them as being in this country regardless of where they are stationed.

These men of the Eighty-sixth and Ninety-seventh are among the most dejected men in the service. I have had scores of letters from them and from their parents portraying their mental attitude. It is not wholesome. If I were to do less than urge special consideration of their case, I would be heartless.

Two weeks ago several hundreds of the parents and wives of members of the Black Hawk Division held a mass meeting in Pittsburgh at the courthouse. They there agreed to petition for the return of their sons and husbands. In 6 days they mailed to me petitions with over 17,000 signatures appended. These petitions are here before you for your inspection. Perhaps as many more signatures have since been secured.

Let me read what the petition says:

The mothers and wives of soldiers of the Eighty-sixth Blackhawk Division which fought in Europe and are now on their way to Japan for occupational duty, solicit your support in petitioning Congress to return this division to this country at once, if possible to be stopped en route, for the following reasons:

1. These soldiers fought and sacrificed so that the world might have freedom, liberty, and justice for all. Now they themselves are not getting justice. Soldiers who fought in Europe should not do occupational duty.

2. Soldiers in our camps who have never left our soil, with 1, 2, and 3 years training should be considered capable soldiers, they and other nationalities should do occupational duty. All must do their part.

3. If 2 years service is to be the maximum for the newly drafted, the same rule must apply to combat soldiers who fought for us and helped save the world. Here again if we expect to teach others how to be fair we should start at home and see that our soldiers are given a fair deal.

4. Some of the sergeants and corporals in the Eighty-sixth Division have been in this division 31 to 34 months, however have only 41 to 45 points. This low score despite long service is no fault of their own, they did what the Army told them, trained several separate sets of soldiers, for overseas duty, before this division went overseas as a unit.

These soldiers, if we again mean to be fair, should have received or now should receive an additional point per month for the months they spent in this country as instructors. The present Army point system actually penalizes these soldiers who were capable to instruct.

In connection with the petitions I received the following letter from the chairman of the group which should be read into the RECORD at this point:

PITTSBURGH, PA., September 20, 1945.
HON. ROBERT J. CORBETT,
Congressman from Pennsylvania,
Pittsburgh, Pa.

DEAR CONGRESSMAN: A meeting of the mothers and wives of the gallant soldiers of the Eighty-sixth Blackhawk Division was held in Pittsburgh, Pa., on September 13, 1945, for the purpose to devise ways and means of having this combat division, which is one of the two divisions which fought in Europe that are now on their way to Japan for occupational duty, returned to this country at once, stopped en route if possible. The meeting was attended by over 400 persons.

The meeting was opened by all present bowing their heads in silent prayer, asking God's help for these soldiers who fought so the world might have freedom, liberty, and justice, that they now receive immediate justice from their own country.

All present know that the Eighty-sixth Division and one other division are the only two divisions which fought in Europe and left this country to do occupational work in Japan, and we understand that no other divisions will be sent to do this duty, therefore, this can only be considered unfair treatment to the Eighty-sixth Division and the one other division. It was then decided that to correct this unfair treatment we would request Congress by petitioning them for the return of the Eighty-sixth Division to this country at once and to request Hon. ROBERT J. CORBETT, Congressman from Pittsburgh, Pa., to present our petition.

Further, Congress should make a thorough investigation at once why this division, which was scheduled to be at Camp Gruber, Okla., for a period of 8 weeks, was, after only about 2 weeks at this camp and only a few days before VJ-day, sent to California, and then, actually about 1 week after VJ-day, rushed onto ships and started on their way to Japan for occupational duty.

General MacArthur's recent statement that only 200,000 Regular Army soldiers will be required to police Japan further proves that this division should be returned to this country at once.

This division does not have the benefits of the recent September 5 revised discharge plan; however, due to the unfair treatment to date the mothers and wives of these soldiers asked that the division be returned as a unit.

The present Army point system should be disregarded in its entirety and our representatives should provide a new set of rules for demobilization.

It is hard to believe that gray-haired mothers and fathers of these soldiers, after having prayed to God for a speedy victory and their sons' early return, have to, in this country, go door to door getting petitions signed to prove that many, many others feel as they do.

We ask, please, that Congress do everything in their power to get these soldiers returned to this country at once. God surely will reward all who help get these men home to their loved ones and a civilian Christian life to which they are now entitled.

Attached hereto is the petition which has been signed by 17,300 persons.

The next meeting will be held in Pittsburgh, Pa., September 27, 1945, with the fathers also being invited to attend, at which time plans will be discussed as to making

this a permanent organization, probably to be known as the Mothers, Fathers, and Wives of the Eighty-sixth Blackhawk Division of World War II.

Sincerely yours,

Mrs. ADAM T. MEYER,
Chairman.

Mr. Speaker, if the authorities in the War Department can picture in their mind's eye the terrific effort that has gone into the securing of these petitions; if they can visualize the anxiety, yearning, and concern of all of these human beings, I am sure they will take steps to correct this injustice. They believe that the accident of the speedy departure of the Eighty-sixth and Ninety-seventh Divisions should not deprive these men of the benefits of the regulations now governing all other men returned from Europe to the United States. I wholeheartedly support this position and respectfully urge the fastest possible action.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FULTON] is recognized for 10 minutes.

Mr. FULTON. Mr. Speaker, I rise today to emphasize the necessity of dealing fairly with our servicemen in all matters, and especially on demobilization. I believe the Army and the Navy are making every effort at this time to be fair and speedy in the demobilization of our servicemen. But in this instance I wish to call to the attention of the Congress and the American people and the War Department that the Eighty-sixth and Ninety-seventh Divisions have not received that fair consideration which we Americans expect and demand for our boys. As a Pacific theater combat veteran myself I know that the combat man from the European theater has done his fair share and should not have been sent to the Pacific since VJ-day and if so sent, as were the Eighty-sixth and Ninety-seventh Divisions, they should now be returned.

You ask me, how can we do it without the ships? I know the Navy is putting into use all possible ships to bring our boys back, and is doing a magnificent job. Fine large troopships like the U. S. S. *Mount Vernon*, under her capable captain and fine crew, are bringing back thousands of our servicemen in fine health and spirits. A salute to the *Mount Vernon* and her sister ships of the Navy for their fine job.

Having returned from Europe on a Navy troop ship myself within the past several weeks from a congressional tour of investigation, I know the actual facts of the fine job being done. However, how about the War Shipping Administration and their shortsighted policy which I believe is delaying the return of our boys?

At the present time I am advised there are approximately 138 Liberty ships and Victory ships entirely serviceable being held at James River. These ships are fully manned and the War Shipping Administration is holding full crews on such ships for a month. These ships are being manned by seamen who are being forced to stay on the ships, not in active service. This is being done by the War Shipping Administration. Ships of our merchant fleet are not in the service of

bringing back our servicemen from overseas. Think of the thousands and thousands of boys who could be on their way home in 138 ships.

You ask me, Do I know whether the Liberty ships can carry servicemen? Of course they can. So there are at least 138 ships that can be used at once. If not, why not? Get these ships in service and bring our boys back at once. Bring back the men who have their 36 points in the Eighty-sixth and Ninety-seventh divisions, as under the present regulations such men are not required to serve in the Pacific. Be fair with these men and apply the War Department rules to every serviceman, whether he be in this country or far away in the Pacific where his protests of injustice cannot be heard. The families and friends of these men have spoken and are protesting by these petitions which contain over seventeen thousand signatures. Fair treatment must be given these outraged thousands of citizens who protest the War Department's treatment of these servicemen of the two divisions indicated. You know that one of the reasons we have a democracy in this country is that everyone is willing to abide by fair and honest decisions, and the fact that the minority have a right to be heard on all questions. Let us heed what the people want. Let us make fair and just decisions for our servicemen.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. VURSELL] is recognized for 20 minutes.

OPA POLICY

Mr. VURSELL. Mr. Speaker, President Truman by his directive 9599, under which Mr. Bowles is operating, has thrown open the switch that will help to sidetrack business, jobs for all, and encourage economic chaos. He should rescind that directive which is blocking the road to business and employment, and get back on the main line.

Mr. Speaker, unless Chester Bowles, the Price Administrator, changes his policy and abandons some of his unworkable controls on retail business which is the outlet for manufactured goods in this country, and adopts a more reasonable control over the manufacturers and distributors, his policies will slow down business in the United States to where his gloomy prediction of eight to ten million unemployed in 1946 will become a reality. If this happens, his policies will have made the greatest contribution to such a chaotic condition. Wholesale and retail merchants, in normal times, employ over 8,000,000 people. No other business in the United States reaches that figure.

Many small merchants gave up their help to go to the war and the man and wife, with little extra help in many cases, carried on, working unthinkable hours. Their extra efforts brought the cost of doing business to the lowest possible point. Now, Chester Bowles is enforcing the rule on retail merchants that their prices must not be higher than in 1942. He has ruled that these businesses must be conducted at this low-cost level, which will drive thousands of small businesses out of business and will prevent the mer-

chants from re-employing the servicemen when they return. Unless this ruling is lifted and a reasonable profit is provided, not only for the manufacturer, but for the retail merchant, the wells of supply and distribution will be dried up, scarcity will be maintained, inflation encouraged, and Mr. Bowles will then insist that price control and rationing must be continued because the supply has not met the demand.

Not content with holding the retail merchant down to 1942 price levels, he says to the manufacturer, "You must try to sell goods to the retailer at their 1942 levels, but where your costs have increased by reason of a raise in wages or otherwise, you are permitted to raise your wholesale price of goods, but the retail merchant is not permitted to correspondingly raise his prices." This is what the retail merchants refer to as the "squeeze" which is making business casualties out of them by the thousands. The retailer's costs, too, have gone up where he hires most of his help, but he gets no relief.

Mr. Speaker, never before in the history of this country has such an arrogant, arbitrary ruling been given the force and effect of law. This ruling goes beyond the intent of Congress for establishing price control. It is totalitarian and un-American in principle. Mr. Bowles claims for his authority, the War Powers Act and that he is following the intent of the President's recent directive No. 9599. If he is carrying out the will and direction of the President, the Chief Executive will also have to bear his full share in contributing to the drying up of the wells of production and distribution which will wreck many small business concerns all over the Nation, deny the reemployment of servicemen and others, and bring about the 1946 unemployment rolls predicted by Administrator Bowles.

Mr. Speaker, Chester Bowles says price control must be continued until the supply meets the demand. Any laboring man, farmer, or businessman agrees with this statement. Apparently Mr. Bowles does not believe what he says, because his actions and rules in the control of production and distribution of merchandise is the old New Deal philosophy of scarcity. He insists that in order to hold the line men must produce, process, and manufacture, and must sell goods, in many instances, at less than cost. Anyone with reasonable intelligence knows that in order to get big production and supply of goods, there must be allowed a reasonable profit.

Even though the war is over, there is still the danger of inflation. The production of more goods is the only sure prevention against inflation. Mr. Bowles is blocking the road to the production of more goods. His rules and regulations are encouraging inflation. He should be compelled to change his policies or the Congress should demand his dismissal and that, in his place, an Administrator should be appointed who realizes that greater production is necessary to absorb the millions of workers who are returning from the services, and those who are no longer needed in war plants, and to get a greater production of goods for the

people thereby diminishing the pressure and danger of inflation.

Merchants' shelves are empty all over this country. Men, women, and children are clamoring for clothing of every description. They are being denied and prevented in large measure from getting them because of the unwise and unworkable orders of the OPA applied to the manufacture and distribution of goods.

Mr. Speaker, I have on my desk a copy of a study recently made by a Dr. Backman, of New York University, for some retail consultants whom Mr. Bowles called in to help him. This report shows that an ever-increasing list of goods must be sold at prices that do not enable the merchant to recover his cost and the expense of doing business. OPA has been issuing these orders faster since VJ-day than ever before.

In 1940 there were approximately 1,770,000 retail stores in the United States. Of this number approximately 1,000,000 do less than \$10,000 worth of business a year, and a total of 1,615,000 stores are under the \$50,000 annual volume line. I have had some experience with small business and I can tell you that a man who does less than \$50,000 retail business a year is really small business. Everything that bears on his business makes an impression.

Those retailers who do less than \$50,000 a year do 41.2 percent of the selling in the country. The rest of it is done by 156,000 establishments. Out of a total of 6,200,000 people employed in retail stores, the little fellows in normal times give work to 3,800,000 people.

A small businessman, say in the \$25,000-a-year class, finds his expense rate up 4 or 5 percent if he hires a man at the prevailing rate of wages to help him. Can you imagine how that small fellow is going to get the help he needs, to let his wife go home from the store now that the war is over, when OPA freezes him down against his wartime expense rate?

Mr. Speaker, these merchants, even the little ones, have cut their expense rates during the war. Part of this is due to the fact that they can't get help. Part of it may be accounted for because they cannot buy as much advertising space, make deliveries, or do other desirable things that the people want.

And now OPA tells these little fellows, already tied to the lowest expense rate they ever had, that they have got to stick with it. They cannot go back to prewar services and they cannot hire more men, take back those who went to war, without losing money. It is very strange, but I find that while OPA lets manufacturers go back to a base period when they had normal expenses and profits to start computing prices, they freeze the little merchant to his wartime expense rate which is the lowest expense rate he ever had.

The worst part of it all is that OPA is too busy to work out a way to figure out absorption on an individual store basis. Do they go to a store and say, "How much money did you make last year; how much are you making now and how much squeeze can you take on a sheet, or a refrigerator, a stove, or a house dress?" They do not.

Some economist sits down at a calculating machine and comes up with a figure. He will say, "The average profit of all stores last year was 10 percent, therefore, all merchants can take a 5 percent squeeze without going below the profit line they had some years before the war."

The same thing is true of average profits. In getting an average, they lump in thousands with no profit alongside thousands who had a profit. There will be concerns who had big profits and there will be others with none at all in the mass of figures from which they get the magic absorption formula. It is unfair and inequitable.

The merchants I know are all decent, hardworking people. They have tried hard to make regulations stick and they have made sacrifices. They have been badgered around by investigators trying to find a 1-cent mistake that will cost the merchant \$50 when the OPA gets through with it. They have taken all this quietly as their contribution to the war but now they want to do their job bringing prosperity and full employment back.

Mr. Speaker, these small towns are the economic backbone of thousands and thousands of communities. Anything that hurts them will hurt all the way down the line. If they cannot sell goods and make a living out of doing it, they do not sell goods and they do not place orders and when they do not place orders, factories do not make goods and idle men stand around the plants wondering what is the matter. When I consider these things which OPA is doing, I am not surprised that OPA makes estimates of as high as 10,000,000 unemployed next year. And I also can understand why they think we may have to keep some price controls for a long time. If you dry up production, we will have to keep price controls until we have enough goods to go around. And we never will get enough to go around and bring back competition in price so long as OPA dries up production with this sort of economic thinking.

I am not prepared to say how soon all price controls should go off, but I am sure of one thing. OPA had better obey Congress and stop tampering with established business methods and practices, which we asked them to avoid doing when we wrote the price-control law.

Mr. Speaker, if OPA will start a sincere effort to do an orderly job of pricing goods so as to speed up production, I am sure there will be no excuse for OPA to come here about January 1 and ask us to renew the Price Act again in June. If they do that, it will be because they have been more interested in tinkering with the engine than in trying to make it go.

It is the job of Congress to look into such problems and unless we want to see 10,000,000 unemployed men sitting around, we had better get at the job soon and determine whether we can force the Administrator to change his course. If we cannot, we should demand that the President replace him with one who will encourage production with proper regulations rather than to retard production, which will increase unemployment and encourage inflation.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial by Willard D. Archie, editor, Shenandoah Sentinel, Shenandoah, Iowa.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FENTON (at the request of Mr. MAY), on account of official business for Military Affairs Committee, from September 30 to October 10, inclusive.

To Mrs. NORTON, indefinitely, on account of official business.

To Mr. GATHINGS, for 10 days, on account of official business.

To Mr. WEAVER (at the request of Mr. KERR), for 1 week, on account of death in his family.

To Mr. HERTER (at the request of Mr. MARTIN of Massachusetts), from September 5 to an indefinite date, on account of official business.

ADJOURNMENT

Mr. COFFEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 8 minutes p. m.) the House, under its previous order, adjourned until Monday, October 1, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Committee on Expenditures in the Executive Departments will hold a hearing at 10 o'clock a. m. on Friday, September 28, 1945, on H. R. 2202, in room 362, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Tuesday, October 2, 1945, at 10 a. m., at which time consideration will be given to H. R. 3709 and H. R. 4127; also to receive a report from subcommittee No. 2, on H. R. 2543.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in executive hearing on Thursday, October 4, 1945, at 10 o'clock a. m., to consider the bill (H. R. 3367) to amend Public Law 44, Seventy-eighth Congress, as amended.

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, October 18, 1945, at 10 a. m., on H. R. 2346, the seamen's bill of rights, to provide aid for the readjustment in civilian life of those persons who rendered war service in the United States merchant marine during World War II, and to provide aid for the families of deceased war-service merchant seamen.

COMMITTEE ON PATENTS

The Committee on Patents will hold a public hearing Tuesday, October 2, 1945, at 10:30 a. m. on H. R. 2111 and H. R. 4079, to extend temporarily the time for filing applications for letters patent, and for other purposes. Hearings will be held in the committee room, 416 Old

House Office Building. Anyone desiring to give testimony should notify the clerk of the committee prior to date of hearing.

COMMITTEE ON INTERSTATE AND FOREIGN
COMMERCE

The Interstate and Foreign Commerce Committee, or a subcommittee thereof, will meet at 10 a. m., Tuesday, October 9, to begin hearings on H. R. 2536, the Bulwinkle bill.

Various groups who have representation in Washington will be heard during the first week, such as Members of Congress first, the Interstate Commerce Commission, the National Association of Railroad and Utilities Commissioners, Association of American Railroads, railroad traffic organizations, railroad labor, and truck and bus associations.

The second week will be devoted to various State commissions, agricultural associations, National Industrial Traffic League, and various citizens' traffic associations and traffic boards and chambers of commerce.

It is going to be necessary to limit the time for this hearing as much as possible. It is also desired to avoid any repetition in statements before the committee.

The committee would be pleased to have those who are intending to appear to advise the Clerk promptly the least amount of time they will need in which to present their testimony.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

693. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$30,300 for the District of Columbia (H. Doc. No. 291); to the Committee on Appropriations and ordered to be printed.

694. A letter from the chairman, President's Committee on Fair Employment Practice, transmitting an amendment to its quarterly estimate of personnel requirements covering the quarter ending December 31, 1945; to the Committee on the Civil Service.

695. A letter from the Chairman, National Mediation Board, transmitting quarterly estimate of personnel requirements for the National Mediation Board, including the National Railroad Adjustment Board and the National Railway Labor Panel, for the period ending December 31, 1945; to the Committee on the Civil Service.

696. A letter from the Acting Administrator, Federal Security Agency, transmitting the fourth quarterly report of the United States Commissioner of Education on the Education and Training of Defense Workers, covering the period beginning April 1, 1945, and ending June 30, 1945; to the Committee on Appropriations.

697. A letter from the Comptroller General of the United States, transmitting his report and recommendation concerning the claim of William Wilson Wurster against the United States; to the Committee on Claims.

698. A letter from the Postmaster General, transmitting the Cost Ascertainment Report and Appendix for the fiscal year 1944; to the Committee on the Post Office and Post Roads.

699. A letter from the Acting Secretary of the Navy, transmitting a summary of the reports of claims for damages resulting from the explosions at the naval magazine, Port Chicago, Calif., which occurred on July 17, 1944; to the Committee on Claims.

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. SMITH of Virginia: Committee on Rules. H. Res. 360. Resolution providing for the consideration of H. R. 4129, a bill to provide for reorganizing agencies of the Government, and for other purposes; without amendment (Rept. No. 1028). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. H. Res. 361. Resolution providing for the consideration of H. R. 3517, a bill to authorize the admission into the United States of persons of races indigenous to India, to make them racially eligible for naturalization, and for other purposes; without amendment (Rept. 1029). Referred to the House Calendar.

Mr. BOYKIN: Committee on Patents. H. R. 4080. A bill to amend section 476, Revised Statutes (U. S. C., title 35, sec. 2), providing for officers and employees of the Patent Office, and for other purposes; without amendment (Rept. No. 1030). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRYSON: Committee on the Judiciary. S. 565. An act to extend the privilege of retirement to the judges of the District Court for the District of Alaska, the District Court of the United States for Puerto Rico, the District Court of the Virgin Islands, and the United States District Court for the District of the Canal Zone; with amendment (Rept. No. 1031). Referred to the Committee of the Whole House on the State of the Union.

Mr. BYRNE of New York: Committee on the Judiciary. S. 805. An act to insure further military security of the United States by preventing disclosures of information secured through official sources; without amendment (Rept. No. 1032). Referred to the Committee of the Whole House on the State of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4173) granting a pension to Clara M. Stowe, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. D'EWART:
H. R. 4195. A bill to provide for adjustments in connection with the Crow irrigation project, Crow Indian Reservation, Mont.; to the Committee on Indian Affairs.

H. R. 4196. A bill to provide for removal of restrictions on property of Indians who serve in the armed forces; to the Committee on Indian Affairs.

By Mr. MILLER of Nebraska:
H. R. 4197. A bill to terminate rationing in the case of beef; to the Committee on Banking and Currency.

By Mr. VINSON:
H. R. 4198. A bill to provide additional inducements to citizens of the United States to make the United States Navy a career; to the Committee on Naval Affairs.

H. R. 4199. A bill to extend the existing contributory system of retirement benefits to elective officers of the United States and heads of executive departments; to the Committee on the Civil Service.

By Mr. PATMAN:

H. R. 4200. A bill relating to the tax treatment of chain stores operated at a loss; to the Committee on Ways and Means.

H. R. 4201. A bill relating to certain discriminatory pricing practices affecting commerce; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 4202. A bill to meet the immediate emergency caused by the closing of the wartime child care services; to the Committee on Public Buildings and Grounds.

By Mr. DE LACY:

H. R. 4203. A bill to amend the Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. KEARNEY:

H. R. 4204. A bill to amend the act entitled "An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department," as amended; to the Committee on Military Affairs.

By Mr. ROE of New York:

H. R. 4205. A bill to amend the act entitled "An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department," approved February 24, 1923, as amended; to the Committee on Military Affairs.

By Mr. SCHWABE of Oklahoma:

H. R. 4206. A bill to increase the estate tax specific exemption in the case of estates of members of the armed forces who died during the war; to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 4207. A bill to grant to personnel in the naval forces certain benefits with respect to accumulated leave, and for other purposes; to the Committee on Naval Affairs.

By Mr. PATMAN:

H. Con. Res. 90. Concurrent resolution authorizing the Select Committee to Conduct a Study and Investigation of the National Defense Program in Its Relation to Small Business in the United States, House of Representatives, to have printed for its use additional copies of parts 1 and 2 of the hearings on financial problems of small business held before said committee during the current session; to the Committee on Printing.

By Mr. MILLER of Nebraska:

H. J. Res. 245. Joint resolution to declare September 2, 1945, as the date of the cessation of hostilities in the present war; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BALDWIN of Maryland:
H. R. 4208. A bill for the relief of the Calvert Distilling Co.; to the Committee on Ways and Means.

By Mr. BARTLETT:
H. R. 4209. A bill for the relief of Jacob A. Johnson; to the Committee on Claims.

By Mr. CLEMENTS:
H. R. 4210. A bill for the relief of the estate of Bob Clark; to the Committee on Claims.

H. R. 4211. A bill for the relief of the estate of George D. Croft; to the Committee on Claims.

By Mr. CURLEY:
H. R. 4212. A bill for the relief of Michael A. Driscoll; to the Committee on Claims.

H. R. 4213. A bill for the relief of Emmanuel Coutoulakis; to the Committee on Claims.

H. R. 4214. A bill to confer jurisdiction upon the United States District Court of Massachusetts to hear, determine, and render judgment upon the claim of Benjamin Babine; to the Committee on Claims.

By Mr. GORSKI:
H. R. 4215. A bill for the relief of Jane O'Malley; to the Committee on Claims.

By Mr. HARLESS of Arizona:
H. R. 4216. A bill for the relief of Cristina Gallego; to the Committee on Immigration and Naturalization.

By Mr. LANDIS:
H. R. 4217. A bill granting a pension to Nellie V. Chambers; to the Committee on Pensions.

PETITIONS, ETC.

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

1197. By Mr. CLASON: Petition of Altis Chapter, No. 85, Order of Ahepa, of Springfield, Mass., urging that the Council of Foreign Ministers grant the claims of Greece for due reparations, the annexation of Epirus, the Dodecanese, and Cyprus, and the rectification of the Bulgarian boundary to a line which will provide the maximum natural defense from Bulgaria; to the Committee on Foreign Affairs.

1198. By Mr. LUTHER A. JOHNSON: Memorial of Joe M. Tatum, FSA committeeman, route 1, Barry, Tex., and G. W. Watkins, FSA committeeman, route 2, Corsicana, Tex., protesting against the Tarver amendment; to the Committee on Agriculture.

1199. By Mr. ROWAN: Petition of City Council of City of Chicago, requesting the War Department to arrange for demobilization of the Thirty-third Infantry Division as unit, at or near Chicago; to the Committee on Military Affairs.

1200. By the SPEAKER: Petition of Oklahoma Colored Democratic Association, petitioning consideration of their resolution with reference to legislation to establish a hospital for Negro veterans; to the Committee on World War Veterans' Legislation.

1201. Also, petition of district No. 8, United Gas, Coke, and Chemical Workers of America, CIO, petitioning consideration of their resolution with reference to their support of H. R. 7; to the Committee on the Judiciary.

1202. Also, petition of the American Geophysical Union, petitioning consideration of their resolution with reference to the mapping by the United States Coast and Geodetic Survey and the United States Geological Survey; to the Committee on Appropriations.

1203. Also, petition of the executive committee of the Arkansas Valley Ditch Association, petitioning consideration of their resolution with reference to the so-called authority bills before the Congress; to the Committee on Rivers and Harbors.

SENATE

FRIDAY, SEPTEMBER 28, 1945

(Legislative day of Monday, September 10, 1945)

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:

Eternal God, our need is the altar of our prayer; the panoply of Thy love is the sanctuary of our devotion. Thou hast called us, whose lives pass swiftly as a watch in the night, to labor with Thee in the unfolding purpose of the ages. Since it is of Thy mercy that this another day is added to our lives, sanctify our work; let no unhallowed words pollute the tongues which Thou hast made to praise and bless Thee, no evil action de-

file the bodies which Thou hast taught us are the temples of Thy presence. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, September 27, was dispensed with, and the Journal was approved.

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. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 2948) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, so as to exempt annuity payments under such act from taxation, 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. 81) providing that the war emergency has been relieved to an extent which will justify proceeding with the highway-construction program under the Federal Aid Highway Act of 1944, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

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

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

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

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

Mr. HILL. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Kentucky [Mr. CHANDLER] are detained on public business.

The Senator from Florida [Mr. FEP-
PER] is absent on official business.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], the Senator from South Dakota [Mr. BUSHFIELD], and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Connecticut [Mr. HART] are necessarily absent.

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

VALEDICTORY ADDRESS BY SENATOR BURTON

Mr. BURTON. Mr. President, I am about to end my daily contact with Members of the Senate. I do so to accept membership on the Supreme Court of the United States. I value infinitely the friendships I have formed in the Senate, and I hope those friendships will continue as long as I live. I want Members of the Senate to feel at home in my judicial chambers across the Plaza, and therefore I now invite those who conveniently can do so to attend a brief informal reception in those chambers, and I invite them to bring their families. This reception will be held at 12:30 o'clock next Monday afternoon, October 1, closely following the open session of the Court, beginning at noon, during which I shall have taken my oath of office.

It has been an inspiration for me to serve in the Senate since January 3, 1941, and to share here in helping to win the war and lay the foundations for international and domestic postwar stability.

I have here deepened my conviction that our constitutional government is so well built that no change of any one official seriously disturbs the stability of it. I am equally convinced, however, that the Government serves the people effectively only in proportion as its officials understand the ever-changing needs of all our people, provides constructive policies to meet those needs, and interprets with dependable impartiality the laws which declare those policies.

In my new assignment I shall have the obligation not to make but to interpret the laws, the treaties, and the Constitution of the United States. I shall deem it a privilege, in that capacity, to cooperate with all branches of our Government. Therefore I shall not be far away from here either in fact or in spirit.

I thank the Members of the Senate and, through them, the people of the United States for the increased faith they have given me in the priceless value of a free and representative government under a constitution designed to insure equal justice under law to all the people. I know of no place in America where one can contribute more to justice for all than as a member of the Supreme Court, and I welcome the opportunity.

I shall do my best to be worthy of my new trust, so help me God. [Applause, Senators rising.]

Mr. WHITE. Mr. President, I have heard this valedictory with deep and peculiar regret. It happens that the Senator from Ohio, my colleague [Mr. BREWSTER] and I are all graduates from