

and for other purposes; to the Committee on Banking and Currency.

By Mr. ENGLE of California:

H. R. 5271. A bill to amend an act entitled "An act to allow credit in connection with certain homestead entries for military or naval service rendered during World War II"; to the Committee on the Public Lands.

By Mr. HAGEN:

H. R. 5272. A bill providing for a national referendum on the proposed loan to the Government of the United Kingdom of Great Britain and Northern Ireland; to the Committee on the Judiciary.

By Mr. HUBER (by request):

H. R. 5273. A bill to permit the payment of readjustment allowances after a 3-week waiting period to former members of the armed forces whose unemployment is due to a stoppage of work resulting from a labor dispute; to the Committee on World War Veterans' Legislation.

By Mr. McGEHEE (by request):

H. R. 5274. A bill to amend an act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the Superintendent of Weights, Measures, and Markets of the District of Columbia; and for other purposes", approved March 3, 1921, as amended; to the Committee on the District of Columbia.

By Mr. McMILLAN of South Carolina:

H. R. 5275. A bill to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH:

H. R. 5276. A bill to amend the act entitled "An act to provide for the payment to certain Government employees for accumulated or accrued annual leave due upon their separation from Government service," approved December 21, 1944; to the Committee on the Civil Service.

H. R. 5277. A bill to grant certain additional basic authority to the Civil Service Commission; to the Committee on the Civil Service.

By Mr. GORDON:

H. J. Res. 309. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. GRANT of Indiana:

H. J. Res. 310. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 123 Concurrent resolution re-declaring the policy of the Congress with respect to reports required to be submitted to it which relate to the disposition of certain surplus property; to the Committee on Expenditures in the Executive Departments.

By Mr. CANNON of Missouri:

H. Res. 493. Resolution providing an allocation from the contingent fund of the House to the Committee on Appropriations for expenses of studies and examinations under House Resolution 50; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CANNON of Missouri:

H. R. 5278. A bill to legalize the admission to the United States of Virginia Harris Casardi; to the Committee on Immigration and Naturalization.

By Mr. DAVIS:

H. R. 5279. A bill for the relief of Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn.; to the Committee on Claims.

By Mr. D'EWART:

H. R. 5280. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Lindly Nelson; to the Committee on Indian Affairs.

H. R. 5281. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Robert Nelson; to the Committee on Indian Affairs.

H. R. 5282. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Clarence Huso; to the Committee on Indian Affairs.

H. R. 5283. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Everett H. Hanson; to the Committee on Indian Affairs.

By Mr. EARTHMAN:

H. R. 5284. A bill for the relief of Mrs. Lucy T. Harris; to the Committee on Claims.

H. R. 5285. A bill for the relief of Ben Thomas Haynes, a minor; to the Committee on Claims.

By Mr. LEA:

H. R. 5286. A bill for the relief of Claude R. Hall and Florence V. Hall; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 5287. A bill for the relief of Mrs. Cecile W. McAfee, Sarah McAfee, and Haven H. McAfee; to the Committee on Claims.

By Mr. McGLINCHEY:

H. R. 5288. A bill for the relief of Warren N. Miller; to the Committee on the Merchant Marine and Fisheries.

By Mr. REECE of Tennessee:

H. R. 5289. A bill for the relief of Alfred Arrowood; to the Committee on Military Affairs.

H. R. 5290. A bill for the relief of Solon P. Hain; to the Committee on Military Affairs.

By Mr. RAYFIELD:

H. R. 5291. A bill for the relief of Morris Zucker; to the Committee on Claims.

By Mr. WALTER:

H. R. 5292. A bill for the relief of Second Lt. Ephraim D. Yates; to the Committee on Military Affairs.

PETITIONS, ETC.

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

1503. By Mr. SMITH of Wisconsin: Letter from American Legion Post, No. 21, Kenosha, Wis., in opposition to the Veterans' Administration establishing a contact officer within the various counties or districts; to the Committee on World War Veterans' Legislation.

1504. Also, petition of Junker Ball Post, No. 1865, Veterans of Foreign Wars, Kenosha, Wis., in opposition to the Veterans' Administration establishing a contact officer in Kenosha County; to the Committee on World War Veterans' Legislation.

1505. By the SPEAKER: Petition of the Colorado State Association of County Commissioners, petitioning consideration of their resolution with reference to amendment of the Social Security Act to permit recipients of old-age assistance to reside in public institutions; to the Committee on Ways and Means.

1506. Also, petition of Sgt. Thomas R. Clark and others, petitioning consideration of their resolution with reference to demobilization of men overseas; to the Committee on Military Affairs.

SENATE

WEDNESDAY, JANUARY 30, 1946

(Legislative day of Friday, January 18, 1946)

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

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

Our Father God, who art the Love that never forgets and the Light that never fails, Thou hast taught us that when we lend a hand to Thy earthly children in their striving for life and light we hallow Thy name. Grant us, we beseech Thee, courage, patience, wisdom, and vision for the living of these days on ages telling. Enrich us with the durable satisfactions of life, so that the multiplying years may not find us bankrupt in those things that matter most, the golden currency of faith and hope and love. We ask it in the Redeemer's name. Amen.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4437) to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. BARKLEY. 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:

Alken	Gurney	O'Daniel
Austin	Hart	Pepper
Balley	Hatch	Radcliffe
Bankhead	Hawkes	Reed
Barkley	Hayden	Robertson
Bilbo	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Buck	Huffman	Smith
Bushfield	Johnson, Colo.	Stanfill
Butler	Johnston, S. C.	Stewart
Byrd	Kilgore	Taft
Capehart	La Follette	Taylor
Capper	Langer	Thomas, Okla.
Chavez	Lucas	Thomas, Utah
Cordon	McCarran	Tobey
Donnell	McClellan	Tydings
Downey	McFarland	Walsh
Eastland	McKellar	Wheeler
Ellender	McMahon	Wherry
Ferguson	Magnuson	White
Fulbright	Maybank	Wiley
George	Mead	Willis
Gerry	Millikin	Wilson
Gossett	Murdock	Young
Green	Murray	
Guffey	Myers	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Louisiana [Mr. OVERTON], and

the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Washington [Mr. MITCHELL] is absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

The Senator from Delaware [Mr. TUNNELL] is absent on official business as a member of the Mead committee.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

The Senator from Minnesota [Mr. BALL] is absent because of illness.

The Senator from Illinois [Mr. BROOKS], the Senator from Maine [Mr. BREWSTER], and the Senator from Oklahoma [Mr. MOORE] are necessarily absent.

The Senator from California [Mr. KNOWLAND] is absent on official business as a member of the Mead committee.

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

LOAN TO GREAT BRITAIN—MESSAGE FROM THE PRESIDENT

Mr. BARKLEY. Mr. President, I ask unanimous consent that a message received from the President of the United States a few minutes ago be laid before the Senate.

The PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the message from the President of the United States which the clerk will read.

(For text of message this day received, see proceedings of House of Representatives, on p. 586.)

The PRESIDENT pro tempore. Without objection, the message, with the accompanying agreement, will be referred to the Committee on Banking and Currency and printed.

Mr. BARKLEY. Mr. President, I ask unanimous consent to introduce a joint resolution carrying out and implementing the recommendations made by the President in his message.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. LANGER. I object.

Mr. BARKLEY. Mr. President, will the Senator withdraw his objection? All I seek to do is to introduce a joint resolution and have it referred to the committee. It is important that the matter be considered promptly. We expect to have open hearings on the subject. I hope the Senator will not prevent the introduction of the joint resolution.

Mr. LANGER. I am sorry, but I cannot withdraw my objection.

The PRESIDENT pro tempore. The Senator from North Dakota objects.

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. BARKLEY. Mr. President, may I propound a parliamentary inquiry?

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Under the present legislative status in the Senate, is it possible to introduce this joint resolution without unanimous consent?

The PRESIDENT pro tempore. In the opinion of the Chair, it would not be at this time.

The Senator from South Carolina [Mr. JOHNSTON] has the floor.

INVESTIGATION OF STARVATION CONDITIONS IN EUROPE

Mr. CAPEHART. Mr. President, will the Senator from South Carolina yield to me so that I may ask unanimous consent to read a brief telegram?

Mr. JOHNSTON of South Carolina. I yield provided I do not lose the floor.

Mr. CAPEHART. Mr. President, I ask unanimous consent to read a brief telegram.

The PRESIDENT pro tempore. Without objection, the Senator may proceed.

Mr. CAPEHART. The telegram is addressed to me and reads as follows:

NOTRE DAME, IND.

Senator HOMER CAPEHART,

Senate Office Building,

Washington, D. C.:

The administration and faculty of the University of Notre Dame, assembled in meeting, commend you for your recent action together with 33 of your colleagues in regard to the starvation prices in Europe, and bring to your attention the following resolution which we have sent to the President and to Secretaries Byrnes, Patterson, and Vinson. We urge your continuing support.

The administration and faculty of the University of Notre Dame, assembled in meeting, urge upon you the necessity of positive and immediate action on the following measures:

1. Government mobilization with all speed of food and transport sufficient to raise the minimum diet in all countries, including Italy, Germany, Austria, Hungary, and the Far East, including Japan, to 2,000 calories a day, and in the liberated countries to 2,600 a day.

2. Complete freedom of private relief agencies such as the Red Cross, American Friends Service Committee, Catholic War Relief Committee, and other religious groups to operate in every country, in addition to full support for UNRRA, operations of which should be extended.

3. Immediate opening of the mails to Austria and Germany so that private persons may send food, medicine, and clothing. Future harmonious international relations and preservation of the peace require action on these measures in conformity with the dictates of the Christian science and American tradition of charity.

PRESIDENT O'DONNELL, THE
ADMINISTRATION, AND FACULTY.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

BOARD OF VISITORS TO THE MERCHANT MARINE ACADEMY AND THE COAST GUARD ACADEMY

The PRESIDENT pro tempore. Under authority of law the Chair appoints the Senator from Arkansas [Mr. McCLELL-

LAN] a member of the Board of Visitors to the Coast Guard Academy and the Senator from Maryland [Mr. RADCLIFFE] a member of the Board of Visitors to the Merchant Marine Academy.

PETITION

Mr. WILEY presented a resolution adopted by the Board of Supervisors of Milwaukee County, Wis., requesting the War Department, Reconstruction Finance Corporation, Federal Housing Authority, and the National Housing Expediter to take the necessary steps to develop the so-called Eline plant site needed for housing purposes for veterans, which was referred to the Committee on Banking and Currency.

PROTEST AGAINST PEACETIME COMPULSORY MILITARY TRAINING

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a letter from A. L. Ryan, district superintendent of the Methodist Church of Kansas City, Kans., together with an attached statement adopted by the Council of Bishops of the Methodist Church at Buck Hill Falls Inn, Pennsylvania, on December 5, 1945, protesting against peacetime compulsory military training.

There being no objection, the letter with the accompanying statement, was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

THE METHODIST CHURCH,
KANSAS CITY DISTRICT,
Kansas City, Kans., January 19, 1946.
The Honorable ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR CAPPER: I am enclosing herewith a statement on peacetime compulsory military training, as adopted by our Methodist Board of Bishops at a recent meeting.

I find myself in complete agreement with the stand which is here set forth. I am therefore, writing you to urge you to do everything possible in harmony with the ideals set forth in this statement.

There is certainly a better way for the achievement of the preservation of peace than that which is contemplated by compulsory military training.

Very truly yours,

A. L. RYAN.

THE STATEMENT ON PEACETIME COMPULSORY MILITARY TRAINING ADOPTED BY THE COUNCIL OF BISHOPS OF THE METHODIST CHURCH AT BUCK HILL FALLS INN, PENNSYLVANIA, DECEMBER 5, 1945

With a solemn sense of responsibility to our Nation and to our church, the bishops of the Methodist Church desire formally to express their conviction that the passage of a law requiring universal peacetime military conscription or compulsory training is unwise. We believe that the protection of this Nation and all other nations must be achieved through international agreement and cooperation and not by the unilateral action of any one people. We express our confidence in those principles and processes initiated at San Francisco. We call upon our Government to take the lead in implementing them into a united world structure. It should not rely for its defense upon independent standing armies but upon the broader base of an international security guaranteed by all nations for the benefit of each nation.

We believe that universal military conscription in time of peace is:

(1) A denial of the spirit of the Atlantic Charter.

(2) A betrayal of our historic democratic tradition.

(3) A possible step toward bureaucratic fascism by setting up a powerful military caste in this country.

(4) A threat to the moral life of our youth subjected in a crucial year to an extended period of unwelcome futility and character disintegration.

The proposal is untimely in an age whose patterns of life and national defense are as yet unfixed because (1) new and revolutionary scientific discoveries are making obsolete traditional methods of defense; (2) such an unprecedented step may lead to a false sense of national security; and (3) the present tension in our international relationships will be heightened by any move which leads to suspicion of our national aims and will result in protective rearmament upon the part of other nations. This is the path to war and destruction and not to peace and national safety.

We call upon the Congress of the United States to give to the world a decisive demonstration of faith in the possibility of achieving a world unity resting upon good will and mutual respect rather than upon force and material power. The practice of the principles of the Christian religion still remains our ultimate and most practical security.

We reaffirm with deepening conviction the words adopted by the general conference of 1944: "The time is at hand when the church must rise in its might and demand an international organization which will make another war impossible."

THE COUNCIL OF BISHOPS,
CHARLES C. SELECMAN,
Dallas, Tex.,
Chairman of Council.
WILLIAM C. MARTIN,
Topeka, Kans.,
Acting Secretary of Council.
PAUL B. KERN,
Nashville, Tenn.,
Chairman of Committee
Which Drafted the Statement.

This statement was sent to the President of the United States, the Secretary of the Navy, the Secretary of War, the chairman of the Military Affairs Committee, and the chairman of the Naval Affairs Committee of both the Senate and the House.

TAXATION OF GOVERNMENT PROPERTY— PICK-SLOAN PLAN FOR DEVELOPMENT OF MISSOURI RIVER VALLEY

Mr. BUTLER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the York County (Nebr.) Board of Supervisors at its regular meeting on January 3, 1946, relating to the taxation of Government property and the Pick-Sloan plan for the development of the Missouri River Valley.

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

COPY OF COUNTY BOARD ACTION, YORK COUNTY
BOARD OF SUPERVISORS, REGULAR MEETING
JANUARY 3, 1946

The following parts of the action by the Nebraska Association of County Officials was adopted, by resolution, by the York County, Nebr., Board of Supervisors:

"II. PICK-SLOAN PLAN

"We favor the early start and completion of the Pick-Sloan plan of development of the Missouri River Basin and urge speedy appropriations by the Congress for this purpose. We are inalterably opposed to the creation of a Missouri Valley Authority, as proposed in the Murray bill, S. 555, or as proposed in any other bill.

"VI. NONTAXABLE REAL ESTATE

"Because of the great amount of nontaxable real estate now owned by the United States Government, which may be retained by the Government, Senate file S-1518 provides that such property shall not be exempt from taxation; therefore be it

"Resolved, That the Nebraska State Association of County Commissioners and Supervisors, at this time, communicate their endorsement of the bill to the Senate Committee on Finance and to respective Congressmen and Senators. It is also urged that the respective chairmen of county boards in Nebraska communicate their endorsement similarly and at once.

"Moved by Haggard, seconded by Rogers, that we adopt the parts of the foregoing resolution referring to the taxation of Government property and the Pick-Sloan plan for the development of the Missouri River Valley, and that copies of the referred portions be sent to the Congressmen and Senators from Nebraska. Motion carried."

FISH HATCHERY IN COMANCHE COUNTY, OKLA.—REPORT OF A COMMITTEE

Mr. GOSSETT. Mr. President, from the Committee on Commerce, I ask unanimous consent to report favorably without amendment the bill (S. 396) providing for the transfer of a certain fish hatchery in Comanche County, Okla., to the city of Lawton, Okla., and I submit a report (No. 909) thereon. The bill has the approval of the Secretary of the Interior, as will appear from a letter from him which is made a part of the report.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be placed on the calendar.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,
The following reports of a committee were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Executive A, Seventy-ninth Congress, second session, a protocol to extend for 1 year from October 1, 1945, with certain modifications, the Inter-American Coffee Agreement signed in Washington on November 28, 1940 (Exec. Rept. No. 1);

Executive B, Seventy-ninth Congress, second session, a protocol dated in London August 31, 1945, prolonging the international agreement, regarding the regulation of production and marketing of sugar, which was signed in London May 6, 1937 (Exec. Rept. No. 2);

Vice Adm. Alan G. Kirk, United States Navy, to be Ambassador Extraordinary and Plenipotentiary of the United States to Belgium and to serve concurrently and without additional compensation as Envoy Extraordinary and Minister Plenipotentiary to Luxembourg;

Leon L. Cowles, of Utah, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America;

Robert Lacy Smyth, of California, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America;

Elbert G. Mathews, of California, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America;

Sydney B. Redecker, of New York, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America;

Merritt N. Cootes, of Virginia, now a foreign-service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America;

Edward P. Maffit, of Missouri, now a foreign-service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America;

S. Roger Tyler, Jr., of West Virginia, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America;

William Witman 2d, of Pennsylvania, now a foreign-service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America;

Sundry persons for promotion in the foreign service of the United States.

BILLS INTRODUCED

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

By Mr. ELLENDER:

S. 1775. A bill for the relief of Walter J. Barnes Electric Co. and Maritime Electric Co., Inc., and for other purposes; to the Committee on Claims.

By Mr. THOMAS of Utah:

S. 1776. A bill to authorize the exchange of certain land at the Benicia Arsenal, California; to the Committee on Military Affairs.

(Mr. WILLIS (for himself, Mr. HART, Mr. HAWKES, Mr. HICKENLOOPER, Mr. SMITH, Mr. STANFILL, Mr. WILEY, and Mr. YOUNG) introduced Senate bill 1777, to assist the agencies of scientific and technological education and the development of the Nation and to establish a National Science Foundation, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. HATCH:

S. 1778. A bill to establish and maintain in the General Land Office a record of title to all lands held by the Federal Government; to the Committee on Public Lands and Surveys.

By Mr. PEPPER (for himself, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. TAFT):

S. 1779. A bill to authorize the Federal Security Administrator to assist the States in matters relating to social protection, and for other purposes; to the Committee on Education and Labor.

PROPOSED NATIONAL SCIENCE FOUNDATION

Mr. WILLIS. Mr. President, I should like to introduce a bill and make a few remarks in relation thereto, without taking the Senator from South Carolina from the floor.

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from South Carolina yield for that purpose?

Mr. JOHNSTON of South Carolina. I yield only if I may hold the floor.

Mr. WILLIS. I ask the Senator to yield with the understanding that he will not be taken from the floor.

The PRESIDING OFFICER. The Senator from Indiana asks the Senator from South Carolina to yield, provided the Senator from South Carolina is not taken from the floor.

Mr. JOHNSTON of South Carolina. That is the only condition under which I will yield.

The PRESIDING OFFICER. Is there objection to the Senator from Indiana introducing a bill and making a statement with relation thereto? The Chair hears none.

Mr. WILLIS. Mr. President, on behalf of myself, the Senator from Con-

necticut [Mr. HART], the Senator from New Jersey [Mr. HAWKES], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from New Jersey [Mr. SMITH], the Senator from Kentucky [Mr. STANFILL], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG], I am introducing this bill dealing with the formation of a National Science Foundation.

There is a special reason at this time for the introduction of this bill. For more than a year bills providing for Federal aid to science in some form have been in Senate committees. On October 8, 1945, three subcommittees of the Committee on Military Affairs and the Committee on Commerce joined in holding hearings on proposed legislation to create a National Science Foundation. Chief among the bills so considered are S. 1297 and S. 1285, referred to because of their sponsorship as the Kilgore and Magnuson bills.

In the hearings on these bills, the joint subcommittees called 100 witnesses and printed about 1,000 pages of testimony, but no substantial agreement on a proper bill came from these labors. In the end—toward the close of the last session before the Christmas recess—a new bill, S. 1720, was introduced in an effort to reach an agreement to report a bill.

The reason for these difficulties is plain to anyone who will read the pending bills and the hearings upon them. Fundamental division of opinion exists upon the far-reaching character of these bills as they relate to political controls over science, over the form of administrative structure as between a directing board or a single head, over patent and national defense features of the bills, over the way in which Federal money would be distributed, and over the effect of such a distribution on science itself. I could continue with these reasons, but it is not my purpose at this time to go into the merits of this legislation. I merely wish to point out the situation as we now find it in these committees.

The chief reason for controversy is that the pending bills offer no real difference in approach to this very important problem. Both of the major bills, S. 1297 and S. 1285, together with the entirely new bill, S. 1720, coming from the sponsor of S. 1297, Mr. KILGORE, involve a large Government agency, politically responsible and politically controlled. No alternative to the philosophy of state-controlled science has been before the joint committee.

Scientists who spoke at the hearings had no alternative approach to consider. Except for the one problem of whether there should be a board or a single head in charge of this vast science program, almost no testimony was produced on the vital question of the administrative structure and methods of operation of a National Science Foundation. The chief question before the witnesses was whether the Federal Government should aid science; and of course most of the witnesses approved the proposal for Federal aid. Few of the witnesses considered how this was to be done. Few spoke of the specific provisions of the

bills. I doubt if the scientists who appeared—many of them eminent men—would be for any bill which means Government control, political interference, or restrictions on the freedom of scientific thought and action. The pending bills do involve those questions very materially, but few witnesses turned their opinions in that direction largely because there was no other bill to raise the question of a different approach to Federal aid of science.

We are now in this position: The pending bills have been rewritten and revised many times and no agreement has been reached on any one of them. In these circumstances, an entirely new bill, S. 1720, was introduced a few weeks ago. This new bill makes the same approach to the problem as did the previous bills; and it contains many new and controversial features.

In these circumstances the committees in charge of the hearings must undoubtedly reopen the hearings for further testimony. Certainly the committees could hardly report out a new bill claiming the support of testimony taken on previous and different bills—especially when the new bill raises questions on which controversy exists and on which there is an absence of testimony on the crucial point of administration.

Since a renewal of hearings will and certainly should be undertaken, another means of accomplishing this aid to science should be put before the committee so as to provide an alternative approach to this problem.

That is the purpose of the bill I am now introducing. The whole subject of Federal aid to science is far too important to be settled without exploring all proper methods. The bill I now offer is based on proved American experience which has developed American science from its infancy to the pinnacle of leadership. It safeguards the independence of science at the same time that it provides for Federal financial support of science. It eliminates political control far more than does any of the pending bills. It leaves the scientist free to determine the needs of science, and yet arranges to correlate science with the development of the Nation. It fosters world-wide scientific cooperation.

The bill itself is a simple one. It provides for the formation of an independent corporation by 50 of the most distinguished leaders in the Nation, scientists and laymen. With full powers, properly safeguarded, this corporate body of distinguished men and women would be entrusted with the responsibility of evaluating the changing needs of scientists, reporting to Congress, and allocating the funds Congress appropriates for the purpose.

For 80 years the National Academy of Sciences has functioned quietly and efficiently on the same principle. Since 1917 the National Research Council, associated with the Academy, has done likewise. The war record of these two distinguished scientific bodies is worth any Senator's study in connection with the question of Federal aid to science. Without the Academy and the National

Research Council, the work and achievements of the OSRD, the WPB, and other agencies dependent on science would have been severely handicapped. The Red Cross, which, as we all know, has distinguished itself at home and abroad, in peace and in war, is organized on the same principle as the one embodied in this bill. Such institutions as the Academy and the Red Cross are eloquent proof that the principle of an independent body, free of Government interference and free of political control, is a sound and desirable one.

Mr. President, that is the principle incorporated into the bill for Federal aid to science which I now offer. I ask that it be referred to the Committee on Commerce, which has other science-aid bills before it. There I hope it will receive proper consideration because of the splendid alternative it offers to the present controversies over Federal aid to science.

Mr. President, I send the bill to the desk and ask that it be printed in full at the close of my remarks.

There being no objection, the bill (S. 1777) to assist the agencies of scientific and technological education and the development of the Nation, and to establish a National Science Foundation, introduced by Mr. WILLIS (for himself, Mr. HART, Mr. HAWKES, Mr. HICKENLOOPER, Mr. SMITH, Mr. STANFILL, Mr. WILEY, and Mr. YOUNG), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. Congress hereby recognizes that the energetic development and application of the Nation's scientific and technological resources are essential to progress and prosperity. The purpose of this act accordingly is to aid other agencies in advancing the Nation's scientific and technological education and development, and in particular to supplement moneys now and hereafter forthcoming from private sources, by such appropriations as Congress, acting upon the advice of the National Science Foundation, herein created, may make available.

ESTABLISHMENT OF INDEPENDENT OFFICE

SEC. 2. There is hereby created, as an independent agency of the Federal Government, the National Science Foundation, a corporation, the initial members of which shall be 50 distinguished men and women representative of all sections of the Nation, recognized leaders in the fields of fundamental science, social sciences, medicine, engineering, and education, and lay persons of recognized standing in public affairs, selected solely on the basis of established records of distinguished service without reference to any political, social, or religious factors. The President of the United States shall select and appoint these initial members of the Foundation from among nominations requested by him from the National Academy of Sciences for those fields within the province of the academy and from recognized national organizations in those fields outside the province of the academy.

SEC. 3. The National Science Foundation shall consist of not more than 50 members, and the said corporation hereby constituted shall have power to make its own organization, including its constitution, bylaws, and rules and regulations; to fill all vacancies created by death, resignation, or otherwise;

to provide for the division into classes; to appoint a chief executive officer and a staff and to pay their salaries from moneys that may be available for that purpose; and in general to do all other matters needful or usual in such institution, and to report the same to Congress annually.

SEC. 4. (a) The National Science Foundation shall hold meetings at such times and places in the United States as it may designate, and the Foundation shall examine into and report to Congress annually upon the monetary needs of American institutions devoted to higher education and the pursuit of knowledge in regard to research and training in all departments of science as well as aid by means of scholarships and fellowships in these departments, and disburse such funds as Congress may provide.

(b) In matters relating to the departments of science represented in the National Academy of Sciences (the physical and biological sciences and mathematics), including basic medicine and engineering, the Foundation shall in discharging its functions request advice from the Academy (an agency incorporated by Congress, March 3, 1863, to advise Government in matters of science and art). With regard to matters outside those fields within the province of the Academy, it shall request the advice of recognized national organizations in the appropriate field. The Foundation, however, shall not be obligated to follow advice so requested if it is contrary to its own judgment.

SEC. 5. The Foundation shall foster the maximum publication and dissemination of scientific discoveries and technical information of scientific value and may publish or arrange for publication of such discoveries and information.

SEC. 6. The Foundation is hereby authorized with the approval of and through the Secretary of State to cooperate in any international research activities consistent with the purposes of this act and to conclude agreements with foreign governments or agencies thereof facilitating the acquisition, dissemination and exchange of scientific and technical information. The Foundation shall, from time to time, in cooperation with the State Department and other interested governmental agencies appoint from nominees of scientific and professional associations official representatives to accredited international scientific congresses and meetings and defray the expenses of such representatives.

SEC. 7. The National Science Foundation is authorized and empowered to receive by devise, bequest, donation, or otherwise, either real or personal property, and to hold the same absolutely or in trust, and to invest and manage the same in accordance with the provisions of its constitution, and to apply said property and the income arising therefrom to the objects of its creation and according to the instructions of the donors: *Provided, however,* That Congress may at any time limit the amount of real estate which may be acquired and the length of time the same may be held by said National Science Foundation.

SEC. 8. Neither the Foundation nor any of its members shall receive any compensation whatever from Congress for any of the services which it performs, but the actual expenses incurred in the discharge of its duties, including travel and subsistence of members in discharge of their duties, may be paid from appropriations which may be made for the purpose.

SEC. 9. Congress shall have the right to repeal, alter, or amend this act at any time.

SEC. 10. In order to provide for the organization of the Foundation and the making of an initial report and recommendation to Congress there is hereby appropriated the sum of \$100,000.

Mr. WILLIS. I express to the Senator from South Carolina, my appreciation for his courtesy to me.

HOUSE BILL REFERRED

The bill (H. R. 4437) to provide for the return of public employment offices to State operation, to amend the Act of Congress approved June 6, 1933, and for other purposes, was read twice by its title and referred to the Committee on Education and Labor.

ATOMIC BOMBS IN INTERNATIONAL SOCIETY—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article prepared by him on the subject Atomic Bombs in International Society, published in the October 1945 issue of the American Journal of International Law, which appears in the Appendix.]

AMERICA'S PRODUCTION PROBLEM—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio address on the subject of America's production problem, delivered by him on January 29, 1946, which appears in the Appendix.]

THE AGRICULTURAL SITUATION IN NEBRASKA—ADDRESS BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address delivered by him at Columbus, Neb., January 25, 1946, to the Nebraska State Convention of the NRECA, which appears in the Appendix.]

RECLAMATION—ADDRESS BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address delivered by him in Lincoln, Nebr., January 28, 1946, at the annual meeting of the Nebraska Reclamation Association, which appears in the Appendix.]

OUR INTERNATIONAL POLICIES—ADDRESS BY HON. ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address entitled "Our International Policies," delivered by Hon. Alf M. Landon, of Kansas, before the Kansas Women's Republican Club annual meeting at Topeka, Kans., on January 28, 1946, which appears in the Appendix.]

UNITED STATES EMPLOYMENT SERVICE—DISCUSSION ON THE AMERICAN FORUM OF THE AIR

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a discussion of the subject "Should the USES be turned over to the States immediately?" held on the American Forum of the Air, January 8, 1946, which appears in the Appendix.]

THE PRESIDENT'S NATIONAL HEALTH INSURANCE PLAN—POLL OF WASHINGTON RESIDENTS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a poll of residents of Washington, D. C., in relation to President Truman's national health insurance plan, which appears in the Appendix.]

THE AMERICAN INDIAN AND GOVERNMENT—ARTICLE BY BYRON BROPHY

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an article entitled "The American Indian and Government," by Byron Brophy, which appears in the Appendix.]

PARITY PRICES FOR AGRICULTURAL COMMODITIES

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD a statement on parity prices for agricultural commodities, prepared by C. C. Hanson, secretary of the Association of the Southern Commissioners of Agriculture, which appears in the Appendix.]

NO DEFENSE PLAN—ARTICLE BY JOSEPH AND STEWART ALSOP

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "No Defense Plan," written by Joseph and Stewart Alsop, and published in the Washington Post of January 30, 1946, which appears in the Appendix.]

OPERATION OF PACKING PLANTS BY GAYLE ARMSTRONG—EDITORIAL FROM ROSWELL (N. MEX.) DAILY RECORD

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial dealing with the appointment of Gayle Armstrong to operate for the Government meat-packing plants, published in the Roswell (N. Mex.) Daily Record of January 25, 1946, which appears in the Appendix.]

IMPROVEMENT OF THE UNITED STATES ARMY—EDITORIAL FROM YANK

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial regarding suggestions for the improvement of the United States Army, from Yank for December 21, 1945, which appears in the Appendix.]

THE CASTE SYSTEM IN THE ARMY—EDITORIAL FROM THE SATURDAY EVENING POST

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial entitled "Barrack Room View of the Brass," from the Saturday Evening Post of January 5, 1946, which appears in the Appendix.]

JOURNAL OF THURSDAY, JANUARY 17, 1946

The Senate resumed the consideration of Mr. HOEY's motion to amend the Journal of the proceedings of the Senate of Thursday, January 17, 1946.

Mr. JOHNSTON of South Carolina. Mr. President, inasmuch as we have been debating Senate bill 101, which oftentimes has been spoken of as the Fair Employment Practice Act, let me say, as I have said on previous occasions, that the name is a misnomer insofar as the bill is concerned. It should be called a bill to take away the human rights of all the people of the United States. I say that for the reason that the bill would be far-reaching in its effects, and would actually take away from every employer the right to hire, fire, and increase salaries of employees. The bill may be intended to care for some discriminations, but at the same time it would take away all those rights.

I have been amused in the Senate to listen to the debates on this bill and to see arise on this floor and speak time and time again Senators who have sponsored the bill but who acknowledge defects in almost every paragraph of it. Anyone who has listened to the discussions knows that to be true. Some Senators have actually stood on the floor of the Senate and suggested that the bill be re-committed—not sent back to the com-

mittee from whence it came, namely, the Committee on Education and Labor, but sent to the Judiciary Committee. I can imagine why some Senators wish to have the bill go to the Judiciary Committee. They would like to have some of the defects of the bill ironed out, since there are so many defects in it. Such Senators want the lawyers of the Senate—the legal committee, so to speak, of the Senate—to see whether they can cure the defects which have been called to their attention time and time again. The public wonders why so many Senators are trying to explain this proposed legislation, not only to the Senate, but to the people of the United States. We are explaining it because we fear that the people of this Nation have been misinformed greatly in regard to what the bill would do if it were enacted into law.

Let us look for a few moments at the bill as it is now drawn. It undertakes overnight, by the enactment of a law, to say to the people of our country, "No; you shall not have any feeling about any beliefs, any religions, or any nationalities. No. Overnight you must do away with every bit of that." If Senators will only discuss that matter with a psychologist they will find that such a result would be impossible to accomplish, because the environment in which one is reared goes with him throughout his life, even to the grave. That is true in every section of the United States. Certain peculiarities may exist in one section of a State. In my State persons living in different sections often differ with each other in regard to various matters, because of their early environment and the doctrines which were inculcated in them while they were young. It is impossible to get away from that situation by passing a bill designed to interfere with the views entertained by citizens of the Nation, and if such a bill were enacted into law I am fearful that it would not be possible to enforce it.

Mr. President, in my hand I hold a statement which was prepared and sent to me from Anderson, S. C. The statement was prepared on behalf of the Anderson Daily Mail and the Anderson Independent Tribune.

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

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from South Carolina yield to the Senator from Georgia?

Mr. JOHNSTON of South Carolina. I yield.

Mr. RUSSELL. Are the papers to which the Senator referred published by a former distinguished Member of this body, Mr. Wilton E. Hall?

Mr. JOHNSTON of South Carolina. He is the editor and coowner of both newspapers. He has also recently completed a term as the head of the newspapermen's association in South Carolina.

Mr. RUSSELL. The position which he occupied was that of president of the South Carolina Press Association.

Mr. JOHNSTON of South Carolina. Yes. An investigation was made in Anderson, S. C. Representatives of the newspapers to which I have referred were

sent to interview all businessmen in the locality. I now read from the statement which was prepared as a result of such interviews:

The Fair Employment Practice Commission legislation, if enacted into law, would be a farce, as far as small-business men in Anderson, questioned by a Daily Mail reporter yesterday, are concerned. Included in the survey were Negro workers and white employers alike, who admitted that they did not know what the proponents of the FEPC were seeking.

They believe Anderson represents an average southern town, and those businessmen questioned yesterday represent average small-business men throughout the South. They were of the opinion that the FEPC seemed to have a "hidden" meaning in "fair employment," and that it was a bad bill and could never be enforced if it were passed by Congress.

"I believe it would be a bad law, and could never be enforced," one employer said. His opinion was that such a law would only cause confusion and do nothing toward solving interracial relations in the South, "if that is a purpose of the bill," he said.

One Negro included in the survey was a veteran of 21 months in the South Pacific. He told the reporter that he had discussed racial relations with white soldiers in the Philippines many times. There was some argument about racial segregation, he said, but he pointed out that neither the Negro soldiers nor the white soldiers could determine just what was meant by discrimination, when applied to white and Negro races.

The Negro pointed out that neither he nor many of his race had been able to determine just what the proponents of FEPC were seeking. "If they want to improve racial relations between the white people and the colored people, then the FEPC will do nothing but cause confusion. The question of personal feeling is too big," he said.

Those Negroes questioned yesterday admitted that they had not heard of any clear definition of fair employment practices, and told the reporter that they did not see how any such law would improve racial relations in the South. None would charge that they had been discriminated against, and again asked "What does the Congress mean when they say 'discrimination'?"

Most of the employers pointed out that they had built their businesses up over a period of years, and held to the belief that they had the right to hire anyone whom they saw fit and would conduct their businesses accordingly. They said that any such legislation as the FEPC had too many loopholes to be successfully enforced upon the people.

Anderson has no large labor unions, and the closed shop is virtually unknown. Those included in the survey yesterday were convinced that the closed shop was discrimination, and they said that until such a measure was included in any law to enforce any form of compulsory employment, the fair-employment enactment of Congress could not even hold any hope of enforcement.

The survey showed that the average southerner believes that proponents of FEPC are trying to reach too many intangible things that exist in the problem of racial relations in the South. They believe that those favoring fair employment practices are attempting to use the power of numbers to pass the measure, instead of digging into the facts involved where the law would affect the majority of the people. They believe that the FEPC is aimed directly at the South, and that it would be no fair enforcement in any part of the Nation.

Negroes and white persons alike pointed to the racial troubles of northern cities, and refused to believe that legislation designed to curb these troubles would serve the same

purpose in the South. They again pointed to the intangible problems facing the two races in the South, and said that the most prominent problem confronting the average southerner is a friction between personalities which no law on earth can prevent.

In answering questions put forth by the reporter, those included in the survey brought up the matter of States' rights, and held to a strong belief that the FEPC is trespassing these rights. They could not understand how representatives of other parts of the Nation could successfully campaign for the welfare and well-being of the South.

It was conceded by all questioned that if any other State adopted a fair-employment practice commission of its own, it possibly would solve some of the labor problems of that State, but never, they said, would such a law serve any purpose other than to confuse and bring about more problems than already exist for the people of South Carolina.

Mr. President, I have read a statement which was prepared in Anderson County, S. C. Anderson County is the county of my birth. I believe I know the feelings of the people of that county. I know that their feelings are not unlike the feelings of persons living in other counties of the State.

I now come to Spartanburg County. That county has a large industrial center.

Mr. President, taking up where I left off, let me say that I live in what is known as the industrial section of South Carolina, that is the Piedmont section. For the information of the Senate I may say that during November and December 1945, 26 percent of all the cotton spindles running in the entire United States were in South Carolina. That shows that my State is rapidly becoming an industrial State. But I should like to call the attention of the Senate to a condition that cannot be changed. For some unknown reason it will be found that the industries in my State are located in the Piedmont. It will be found that in my State the colored people are not so numerous in the Piedmont section. In some counties in the lower part of South Carolina, not the section from which I come, there are three or four colored persons to one white person. The reverse will be found in the Piedmont section, from which I come. There it will be found that there are three or four white people to every colored person.

Why do I go into that? I mention it to show that the colored people of my State are principally located in the part of the State which is engaged in the business of agriculture. In the Piedmont section, the industrial section, a majority of the white population live. The people in the southern part of my State have been trained to raise cotton, corn, wheat, oats, potatoes, cabbage, tobacco, and products of that kind. When the Congress wants to do something, then, to benefit the colored race, let it help agriculture. When the Congress subsidizes any commodity grown on the farm and holds prices up, guaranteeing that producers will receive a certain high price for the commodity, then it helps the colored race of my State. The representatives of my State in both the House and the Senate have at all times advocated help for agriculture.

As I read a few moments ago from reports in the Anderson Daily Mail, it is not believed that this bill can be enforced in my State, and practically it will not be enforced. It does not cover the farms where the colored people in my State are principally found; but if this bill is passed it will affect them. In what way? Not in the way suggested in the first paragraph of the bill but in the reverse of the suggestion in the first paragraph, because, Mr. President, when the races are stirred up in any State—and this bill would stir them up—the trouble would not be confined to those whom the bill covers but would spread to the 85 percent of the colored race in my State whom this bill does not cover. If prejudice were stirred up against the races, the white against the colored and the colored against the white, then what would happen to that 85 or 90 percent in the farming area of my State? So, it should be apparent that those who are proposing to pass this bill are playing with dynamite so far as my State is concerned and so far as many other Southern States are concerned.

When a man living in the country reads the newspaper stories about the fair employment practice bill and then reads the bill, under which an accused person may be tried by a commission perhaps in Puerto Rico, perhaps in Chicago, or perhaps in Harlem, N. Y., or some other place, it is easy to imagine what that man will begin to think even though he may not be covered by the bill.

We had such legislation as this on another issue that could have been settled without having a bloody war; but we have begun again to fan the fire between the South and the other sections. Surely, Mr. President, we must all be aware that the South, the colored people along with the white people, have been penalized enough in the past.

Mr. President, some time ago the Congress passed a bill giving to what are known as the land-grant railroads the right to charge the Government standard rates although the railroads had agreed and contracted when they were built through the West and the Northwest to give the Government a substantial reduction of the normal rates. Under the rates provided under the Land-Grant Act the Government saved \$20,000,000 a month, month after month, because of the reduced rates for which the railroads carried Government freight. I wonder how much they have taken from the South by the discriminatory freight rates during the many years such rates have been in effect. If it is desired to do something for all the people of the South, white and colored, then let us equalize the freight rates. After the War Between the States and on down through the years there grew up rules and regulations prescribing freight rates from one section of the United States to another. My State at first could not build any cotton mills. It was necessary first to obtain an adjustment of freight rates. Then when the South got an adjustment of rates, what happened? Anyone who will go through the New England States will see what happened. Cotton mills were

moved from New England to the place where they belong. Why haul a large bale of cotton all the way up to Massachusetts in order to have it made into cloth? The railroads gave a cheap rate on the raw cotton carried to the North, but for hauling from South Carolina to the North cloth made from cotton about 40 percent—not 40 cents, but 40 percent—more was charged than for hauling the cloth over the same railroad from the North to South Carolina. Yet it is said there is no discrimination.

Then when the Interstate Commerce Commission a few weeks ago decided that they had to readjust those freight rates, they changed them more or less according to Mason and Dixon's line—I call it and I have always called it the Smith and Wesson line, above which is the area known as official territory—and said there was charged too high a rate below that line, and the rates must have been too low above it, for they said they would switch them a little, and take 10 percent off the Southern rates and put 10 percent more on the rates in official territory, showing that they believed the rates in the South were 20 percent too high. That was done by the Interstate Commerce Commission—not by South Carolinians, not by southerners, but by a Commission representing all the people of the United States.

The pending bill is certainly a far-reaching measure. It does not meet with the approval of anyone who looks to the future of our great country. I do not believe that anyone can study the bill and vote for it in toto. Every one of the authors of the bill to whom I have talked says, "We will change it so as to provide for trial by jury." I dare say they would. They would have to do so later, even if they did not put it in the bill. "We will cut down the penalty. We think that is too severe." The penalty provided is \$5,000 and a year in jail. Furthermore, if an employer were found guilty of not hiring someone today and probably hiring him day after tomorrow, there could be taken away from him the right to contract or to do business. He would be put on the blacklist. That is what is said, that his name would be made known all over the United States. That is in the bill. I did not put it there, the authors of the bill did that.

Mr. President, I am proud I come from the South. Always the South will be found coming to the fore when any attempt is made to lynch, so to speak, the Constitution of the United States. That is what this bill does; it lynches the Constitution. Talk about antilynching laws! There should be one against lynching the Constitution. That is what is being attempted in this particular bill.

Mr. President, let me show how a trial would be conducted under the bill. As a lawyer I have participated in trials, and I know exactly how the proposed Commission will undertake to try a man. They will meet, for instance, this morning, and say, "Mr. B, you are alleged to have discriminated against Mr. C because you hired Mr. D instead of Mr. C. We want to hear what you have to say about it." So they start taking testimony. When one goes into court he puts his

witnesses on the stand and they testify, "This happened in such and such a place." The trial before the Commission may be in Chicago, although the act may have happened in South Carolina. We know whose witnesses will be in the first place. A little businessman would not have money enough to run all over the United States, yet he could be taken to Chicago.

When testimony is taken in a court, rules of evidence govern the procedure. But what do we find in this bill? Under it a man may say, "I have an affidavit from Mr. So-and-So that I brought along. Mr. Brown could not come, and I brought this affidavit, and I ask that the hearing agent let this be admitted in evidence." Any lawyer within the hearing of my voice knows exactly what would take place in a court trial, but in this hearing, the hearing agent will say, "Yes, we will receive that for what it is worth."

The affidavit is read, and, oh, it is strong. The respondent has no chance to cross-examine the witnesses, he has no chance to look any witness in the face to see how he looks, to see whether or not he is lying or is telling the truth. He will not even have a chance to look at him to see whether he looks like the brother of the man who made the allegation in the first place.

In the affidavit, everything is alleged. An entire case is made out. The witness says, "Yes, I was present that day when So-and-So appeared before the employer and asked for the job, and I could tell, from the way the employer acted and the way he looked at the other persons in the office, that he was turning the applicant down because he was either of some other nationality or some other race."

Mr. President, the affidavit is put in evidence. After it is placed in the evidence the Supreme Court of the United States could not reverse a decision based on it, because it is something the Commission can hang its hat on. There may be just a little bit of truth in the affidavit, or there may be no truth in it; it may be a lie; but it constitutes something in the evidence that points probably at discrimination in the case.

Mr. President, that is what we are facing. That illustrates why every man has the right to have his witnesses in court. That is why every man has the right also to be tried by a jury before he is convicted and sent to jail. That is why the people of England hundreds of years ago rose against their King and said, "We must have some rights," and one of the rights they demanded and received was the one that is here being taken away from the people—the right of trial by jury.

Another thing, Mr. President. Let us say a good old break-down for the colored people is going on in my State. Let us say they have a colored orchestra there which is doing a fine piece of playing, and they decide to hook it on to the radio and let people elsewhere enjoy it. If there are more than six people employed, a white person could come forward and say, "I want to be a member of that orchestra." That is how far reaching the bill is.

A church may employ more than six people in its headquarters, let us say, in Nashville, Tenn. I will take my own de-

nomination, for instance, the Baptist denomination, which employs more than six in its office in Nashville. They do business all over the Southern States, not in one State only. Their business is interstate commerce. Under the bill it can be said to the Baptist Seminary in Nashville, Tenn., "You have to employ colored people in the office here, too. You have to employ some to teach here in the school." That is how far reaching this bill is. Knowing the sentiments of both white and colored, can anyone believe that is for the best interest of the people? Can anyone think the people want that?

In South Carolina the colored people have organized some mighty good baseball teams. I do not think they would like to have white boys on their teams, from what I have heard from them. They want to play their own game; they want to be left alone.

I notice, when I go to New York, that the colored people have congregated in Harlem. That is due to an inborn instinct. It will be found that the members of races congregate together; they want to be together. They do not want other races to interfere with them. That is nothing but human nature. It has always been true in the past. By this bill there is an attempt to change something that God made. We did not make it. God made my face white and made some other face yellow and some other face black. I did not do it. Congress cannot change that state of affairs.

A person who goes into the backwoods in South Carolina will find that some colored people there paint only the fronts of their houses white. On inquiring why that is done the reply is made that it is to keep out the "hants." They are afraid the "hants" will come into the house at night and kill them, so the front of the house is painted white to keep them out. That is one of the peculiarities of some colored people. That peculiarity cannot be changed overnight.

As I said a few moments ago, it will also be found that the colored people have seen fit to keep mostly to the southern area of my State. The whites have gone to the upper part of the State. The upper part of my State is closer to the mountains and the climate is a little colder. After the colored people in the South were set free, for some reason they stayed in the South. They did not go up North and get for themselves "a mule and 40 acres." They stayed down South because the weather there suited them better, the climate suited them better, the conditions of life there suited them better. They wanted to stay with their own crowd. That is human instinct, and it cannot be changed by legislation.

Mr. President, there are so many things which enter into the question which is now before the Senate that we had better go slow, we had better watch what we are doing, lest we take action that might result in great chaos in the United States. It might result in stirring up discontent rather than helping the Negro. I want to help the Negro. I warned the newspapers in my State to try to keep quiet respecting the racial question, because the more it is talked about, the more it is agitated, the worse

the situation becomes. Like a fire, it feeds on itself.

Mr. President, could we enact a law which would succeed in making one love a Jew or hate a Jew? Could we enact a law which would succeed in making one love a colored man or hate a colored man? No. I am speaking for the South, and I say that it will be found that in the South the colored man has advanced during the last 20 or 25 years as rapidly, if not more rapidly, than any other race has advanced in all the history of the world. Learn the facts and see if that is not so.

Mr. President, this bill in effect says to a man, "You are discriminated against." Such a bill stirs up race antagonism. Senators will notice that the bill is not sponsored by those who are particularly interested in the people of the South. I am interested in the people of my South, both white and black. I know that if the income of the people of my State is increased it will result in raising the standard of living in my State. But if something is done which will make the members of either the white race or the colored race think that the members of one race are doing an injustice to the other, it will be found that friction will immediately develop. If two sticks are rubbed against each other long enough fire will result. Sufficient friction can result from the passage of the pending proposed legislation to cause serious trouble.

Mr. President, I am here today to tell the world that the South did not start this movement. I have heard Senators say on this floor, "You who are from the South know more about how to handle the colored race than I do," and then they turn around and say, "But we will tell you how to run things down in your part of the country."

Mr. President, I am not going to tell a Senator from a State whose main industry is mining how to carry on the mining industry. While I am Senator from South Carolina I shall not do such a thing. I do not know anything about mining, and I am not going to tell Senators from mining States how to run their business. I am not going to tell a Senator from a great cosmopolitan center such as New York, Chicago, or Detroit how to handle the affairs of a great city. But I can tell the Senate how we handle our affairs in South Carolina; and that without having any trouble. In South Carolina we follow the instinct which is inborn in the colored race as well as the white race, and let the two races segregate themselves. They do it themselves. In most places we do not have to segregate the races. In towns where there is no segregation it will be found that the colored people live on a certain street. No one makes them stay there, but it will be found that they go there automatically. Leave that up to them.

Mr. President, I venture to say that if six colored people were to go to New York, without anyone interfering with them or telling them where to go when they reached New York, if they were simply turned loose, in less than 10 days after they got to New York, even if they had to walk all over the town, they would be found in Harlem, with the other col-

ored people there. I think everyone realizes that to be true. Then why are we trying to build up a dam, so to speak, to push back the water against something that we know is fundamentally wrong? If we do that we will have more outbreaks such as there were in Detroit. I warn Senators that if we pass this bill trouble will result when members of the two races get together.

We might as well call a spade a spade. In my State, when some white boys go into a colored settlement we occasionally hear that one of the white boys has been cut up. If he had stayed in the white settlement he probably would not have been cut up. The opposite is also true. Let white boys go to what is called a Negro "hot spot," and trouble is likely to result.

Mr. President, I am trying to bring to the attention of the people of the United States what I believe to be for the best interest of all the people, not simply for 13,000,000 people, but for 140,000,000 people. What I now urge is for the benefit, as I believe, of all the people of the country. I am not speaking simply for the interest of 13,000,000 people, or for a group of 5,000,000 or 6,000,000 people.

Mr. President, referring to the Jewish people, I will say that I do not know of any Jews who voted against me in South Carolina. Their vote shows how I feel toward them and how they feel toward me. When I was going to college I worked in a store conducted by a Jew. However, there are some people—and I hate to say this—who do not like Jews. And some Jews probably like the people of their own race a little better than they like the people of other races. That is human nature, and the bill cannot change human nature and legislation never will. I fear the enactment of this bill, however, will do harm to our great country.

I have before me an article from the *Manufacturers' Record* of January 1946, written by George H. Fisher, chairman, labor committee, American Society of Industrial Engineers. I read one or two paragraphs:

Race is the only basis upon which nature herself segregates the peoples of the earth.

The yellow people have stayed together. The white people have congregated, and the colored people have congregated in the past.

For the sake of compatibility society segregates according to age in our schools, according to sex in rest rooms, according to religion in churches, according to occupation in union halls, according to political beliefs in parties, according to height, weight, experience, skill, and so forth, in industry. No one has seen fit to object to such subdividing for the sake of convenience or for other practical reason. Yet, taking their cue from the leftist race agitators, our intellectuals in the labor movement somehow find it immoral to segregate, as nature herself has done since the dawn of history, on the basis of race.

This is not my statement. This is the statement of the writer of the article.

In thousands of test cases it has been found that 95 percent of all Negro haters can be cured through the natural-assimilation method if the element of force is absent. In the large northern cities racial problems are being solved in this fashion on a practical scale. Not only in industry but

in the fields of housing, religion, politics, and so forth, whites and Negroes are associating together in perfect harmony when common sense and imagination are applied instead of crack-pot social dogmatisms, which seek to compel by legislation that which is best accomplished by free-will action.

Racial intolerance is an emotional malady, and it cannot be curbed through legislation any more than drunkenness was curbed by the Volstead Act. When world peace is restored and we can consistently preach against hatred of all races and peoples then we will again make headway with our brothers-under-the-skin thesis. But at a time when all the world and its races are entangled in a hopeless criss-cross of deliberately-spawned hatreds we are foolish indeed to saddle ourselves with legislation that can only insure the continuation of the same kind of hatreds.

During the past several years there have been promulgated in this country certain theories of government—and this is one of them—and philosophies of life directly contrary to those under which this Government was founded and on which this Nation was builded. When this country started there were two schools of thought. One of them wanted a strong national government, to control everything. I am glad to say that those of that school of thought were not in the majority. Our great leader, Thomas Jefferson believed in the masses. He believed in freedom of thought, freedom of speech, and the other great freedoms about which we talk. We have heard a great deal in late years about the "four freedoms." They are nothing new.

If Jefferson's philosophy had not been followed, and we had tried in the United States to make all the people and all the States act alike all the time, even the War Between the States would not have been lost. There would have been enough to have fought against that theory, and to have won.

So far as the South is concerned, I am one of those who believe that the South would have been far better off if the War Between the States had been won by the Southern Confederacy, because ever since the War Between the States something has been popping up from time to time as a result of efforts to try to penalize the South. Anyone who reads history knows that what I am saying is true. We have been discriminated against to the extent of billions of dollars in freight rates alone. For a long while the South was kept from having industries; but, thank the Lord, we are getting them now. Water cannot be prevented from running downhill. Industries belong in the South, and they cannot be kept from going there.

The West had better wake up, too. It is in the same situation so far as freight rates are concerned. It is asleep, and does not know that anything has happened. I am reminded of the story which I heard about a colored boy in the First World War. The colored boy and a German were engaged in a fight. Both of them had been disarmed and were going at it with only their fists. Suddenly the colored boy happened to think about the straight razor which he carried in his pocket. He reached into his pocket and got it, and made one swipe at the throat of the German. The Ger-

man jumped back and said, "You didn't touch me." The colored boy said, "Just wait until you turn your head, and you will see." [Laughter.]

The same thing is true of the West. As soon as the West wakes up and wants some industries, particularly in the Northwest, it will find that its head is completely cut off so far as freight rates are concerned, and it cannot do a thing until there is an adjustment of freight rates.

It was inevitable that sooner or later this question would come to a head, and that there would be a fight to the finish between the two divergent views about which I was speaking a few moments ago. This has happened in the introduction of Senate bill 101, the so-called fair employment practice bill. The sponsors of the bill brought it before Congress when they knew, and everyone else who had a grain of sense knew, that they would have a fight on their hands. They have not seen anything yet. The fight has just begun, so far as I am concerned.

The bill proposes to make permanent the FEPC, a bureaucratic control originally set up by Executive order as an emergency war measure. It is proposed, through a permanent act, to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry. When I read all those words and realize all that they cover, I am forced to laugh. I know that such a law would be a farce, just as the newspapers back home said it would be.

Mr. President, what is the veiled intent and ultimate purpose of this measure? We people of the South take the position that certain provisions of the bill relate to proposals in connection with the conduct of our Government in which we do not believe and upon which we think we should not agree to compromises. Is there any cause to do so? Would the bill bring about any good result? I think we should consider that point.

I hope no Senator joined in introducing the bill because he hoped that thereby he would obtain a few more votes in the next election. I hope no Senators have done so. I certainly did not stir it up. I do not run for office again until 1950; I shall be here until 1951, I hope, God sparing me. I am not speaking in an effort to gain any votes in any election; but I believe that if the attempt to pass the bill continues, probably at some future date someone will lose some votes, one way or another. It seems to me that those who continue to stir up strife and discontent will be likely to lose some votes. I would hate to see anyone lose votes on account of this bill, but such might become the case. As I stated when I spoke on this bill the other day—and I spoke then for approximately four hours and half—Mr. Dewey, in New York, probably did not gain many votes or much influence because of his support of the bill which was adopted in his State. From the looks of things, it seems to me that conclusion is justified. He had the legislature of his State pass a luke-warm kind of bill which is virtually nothing as compared with the bill which now is before the Senate of the United States.

The New York bill does not provide for putting men in jail or fining them \$5,000. Under the law in New York the procedures will be more or less subrosa. Of course, in our college days we found that sometimes some of the things done in the fraternities were more or less subrosa or under cover; and similarly we find that in the State of New York, under the provisions of the New York FEPC law, everything is being kept rather quiet. But, Mr. President, they have a tiger in the cage, and they do not dare to turn him loose. That is what the situation in New York amounts to.

All lawyers know that many persons find it very easy to believe that they have been willfully discriminated against or willfully injured. When I was engaged in the practice of law I represented thousands of laboring people in my State, and I know something about the matter of discrimination. Many times people are discriminated against, but many other times they simply imagine they are being discriminated against. All too often such injuries exist only in the minds of the persons who complain. So we see how easy it would be under the provisions of the pending bill for a Chinaman or a colored man or a Jap or someone else to claim that his failure to obtain a certain job was because discrimination was practiced against him. Mr. President, the pending bill would stir up, not one, but thousands and thousands of lawsuits throughout the United States. It would cause much bad feeling between the races, instead of developing good feeling. That is what I believe the bill would do. I challenge anyone to ask any person who has studied the peculiarities of the various races to summarize his findings. Any person who has made such studies will admit that every race, it matters not what race it may be, has certain peculiarities, and that often the members of a race which has been more or less subdued and which finally has emerged will feel they are still being penalized, even though such is not the case. Of course, sometimes they are justified in such beliefs.

Mr. President, we might just as well try to pass a law declaring that all God-fearing men shall go to heaven. It would be just about as sensible to try to pass such a law as to try to pass the bill which now is before the Senate, and it would be just about as sensible to believe that by passing such a bill the desired results would be obtained. That is the way I feel about the pending bill, Mr. President, and I believe that all other Members of the Senate will feel the same way if they will look into the facts and will consider the peculiarities of the various races.

So, Mr. President, this bill is, in fact, exceedingly dangerous to the whole Nation, though it be aimed, as I see it, directly at the South. This infamous measure is but the culmination of a series of discriminatory acts against the South which extend as far back as the reconstruction days immediately following the War Between the States. I have previously mentioned that point.

In considering this iniquitous bill, Mr. President, let me say there can be no

question about its main intent or purpose. It would control the relationships between the races. I ask all Senators to read the bill and see if they do not find that that would be the case. The bill seeks to set up certain restrictions and regulations which the people of the South would never accept, unless at the point of a bayonet or because they were required to do so by sheer force. That is a strong statement, Mr. President, but it is justified by the very nature of the pending bill. Public opinion against its provisions is so strong that even force could not quell the assertion of the people's rights under the Constitution.

Mr. President, the South has no race problem. In the South we do not have any race riots. Although many persons have cried out about antilynching laws, we do not hear of any lynchings in my State. Just trust us to handle the situation down there, and we will take care of it. We have had no lynchings in more than 20 years. That cannot be said for Harlem or for other parts of New York, I believe. In that locality they may not call it lynching; they may merely say that some of the gangsters have been teaming up and shooting people down.

Long ago the people of the South settled the race question in the only sensible way in which it could be settled, namely, by segregation. Segregation is not discrimination but, instead, it operates for the benefit of both the black and white races. It will be found that in the South the members of the two races live in segregated communities. There is an old saying that "birds of a feather flock together." Races do the same. There was no law which made them segregate, but they automatically adopted that system because they wanted to associate together. That is the way in which the situation has been handled in the South, and it has been handled very satisfactorily.

Mr. President, the South will not accept any measure which has the undoubted intent of destroying segregation, and at the same time permit social equality between the races. We believe that the colored people should have their colleges, their elementary schools, and their churches. If they desire communities, they may have them also. Let them remain in them. Let the rest of us leave them alone.

The people of the South believe that they are the best friends of the colored race. Why should we not be their best friends, Mr. President? We know that we have them with us. They will remain with us, and if they are not allowed to help build up our State they will pull it down. That being true, why should certain persons in other States come to South Carolina and tell us how to conduct our affairs? While I was Governor of the State, on certain occasions, I told some persons who tried to interfere with our race problem to get out. If they come around pestering us too much again, I may repeat what I then said. Sometimes such persons will back away when the governor comes forward and tells them where to step and where not to step. We do not want to be obliged to follow such a course. But that is what we are confronted with when there is

forced upon us legislation of the kind which is now before the Senate.

Mr. President, a great deal has been said about the laboring man. Let me say that I have been favorably inclined toward labor, and have made many speeches on the stump in behalf of labor. But I assert now that labor is being done a disservice by forcing upon us in the State of South Carolina, and in other States of the South, a bill of the type which is now under consideration. I do not have to tell a sensible man whether legislation of this type would be beneficial to the laboring man. God knows I want him to be organized. I think that it is necessary for him to organize in order that he may secure his rights. I am stating facts, and nothing else. When a representative of the FEPC comes to my State and asks, "Did you do this or did you do that," I am fearful of what the results will be. I am speaking in behalf of the interests of the laboring people of not only my State but of the entire Nation. I believe that every good South Carolinian would do the same. I know the feelings of the people who are required to work. I toiled in the cotton mills for 10 long years. I wove in the cotton mill. I worked as a section man in the cotton mill. I was employed in many cotton mills, and played baseball as a member of the teams of those mills against the teams of practically every other mill that was in existence in South Carolina at the time. I repeat that I know the feelings of the people who work in those mills. I am now telling the laboring man what will result from any movement having as its object the passage of a bill such as the one now pending before the Senate. I ask labor to turn the situation over in its mind and see if the pending bill would result in any benefit to labor in my State.

I am talking straight from the shoulder and trying to give the laboring man some facts which I believe could be used in behalf of all the people of my great State. We do not wish to see enacted legislation which will stir up strife, and do a great deal of injustice not only to the colored man but to all the laboring people of my State, as well as those of other Southern States.

Mr. President, I believe that it is only those outside the southern region of the United States who have not settled the race problem, and do not seem to know how to settle it, who are interested only in promulgating the enactment of measures which affect race relations. The people of the South believe that the handling of the race problem is a matter for local self-government. The people who desire to have enacted such a bill as the FEPC bill have the privilege of supporting it, but the people of any State not desiring such a bill should not have it forced upon them. The people of my State believe in local self-government. In my State we have more than 1,500 school districts which are operated by the trustees of the respective districts.

So far as possible, the State refers administrative matters affecting the school districts to the counties and in turn, the counties refer them to the school districts. Do Senators know why that is true? It is true because the people in

South Carolina believe in local self-government.

Mr. President, the circuit court judges of my State, 14 in number, are elected from their judicial circuits. The reason for that is that there is a desire to give the people more local self-government. It will be found throughout the South, more so than in some other sections of the United States, I imagine, that the people like to run their own affairs. They do not want an outsider coming there and telling them what to do. If someone from outside the State should come down there and try even to tell the people for whom to vote, they would resent it. I have gone to other States and made political speeches, but no one has ever come to South Carolina and spoken and told the people for whom to vote. The reason is that my State believes in State rights, and in being left alone. They say, "You run your affairs, and we will run run ours."

The South sees no reason why a bill which has almost the unanimous opposition of its people should have crammed down its throat this FEPC measure.

Mr. LUCAS rose.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Illinois?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. LUCAS. I have no question, but have I not, under the rules, the right to stand, or do I have to sit down?

The PRESIDING OFFICER. The Chair rules that the Senator from Illinois has a right either to stand or remain seated. [Laughter.]

Mr. JOHNSTON of South Carolina. I thank the Senator from Illinois for standing up. That is all right, so far as I am concerned.

Mr. LUCAS. I thought I could hear the Senator from South Carolina better if I were standing than if I were sitting.

Mr. JOHNSTON of South Carolina. I thank the Lord for my voice. I have never heard any complaint about people not being able to hear me when I speak. [Laughter.]

Mr. LUCAS. I hope the Senator does not take any offense.

Mr. JOHNSTON of South Carolina. Not at all. As I understand, 20 States of this Union have had in their legislatures proposals similar to the bill which is now before the Senate. They must not have thought well of the idea. A good many of them did not even let the measure get out of committee. Only two of them passed such a measure. I hope Senators will read the laws which were passed. If I ever saw a makeshift law, the FEPC laws of New York and New Jersey are makeshifts. They promise people everything and give them nothing. That is what they do. "We want your vote, so we will pass a bill for you. We do not want to stir it up yet awhile until the ones who had it passed get back in office and things get settled down so that we will know at whose door to lay it." It occurs to me that that is the way the matter is being handled at this time.

The legislatures of 18 States considering such legislation have rejected it.

I am sorry the Senator from New Mexico, one of the authors of the bill, is not present. The Legislature of New Mexico considered an FEPC bill, but, as I recall, it did not even get out of committee. That is the information I received from the Senator on the floor of the Senate a few days ago.

As I stated, New York and New Jersey have seen fit to put some kind of an FEPC measure on their statute books. Has much been accomplished in New York? If either Senator from New York is present, I should like to know what the law has accomplished, how much good it has done. I should like to know what this cure-all has accomplished in that State. They may say, "We have not had time yet to know just what is going to happen." Well, if they have not had time, let us wait just a little while and let us see what is going to happen there. Let us see what the reaction will be.

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

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. TAYLOR. The Senator asked what the reaction has been in New York. A few days ago I was talking to a man from New York State who runs a coal yard. I do not know how large or how small or how black the coal is he sells, but he said that the FEPC bill passed by the New York Legislature was working very well. I did not go into the details, but that is what he said, and he was a businessman there.

Mr. JOHNSTON of South Carolina. The Senator talked with him?

Mr. TAYLOR. I talked with him personally.

Mr. JOHNSTON of South Carolina. I, too, have received some messages from New York. Only this morning I received a letter from New York, which reads about as follows:

For God's sake don't let that FEPC bill pass. It does not amount to a thing.

That is about the way the writer of the letter, who lives in New York, expressed himself.

It certainly has not done any good in this State.

That was the word I received in a letter from New York this morning.

We heard the Senator from New Jersey [Mr. SMITH] speak on the bill. I yielded the floor to him a few days ago, and he said that, of course, they had not had time as yet to feel out the situation in New Jersey, but they were hoping to be able to analyze it in the near future. That was his statement on this floor, or something along that line. He also opposed bitterly some of the features of the pending bill. He concluded by stating that a workable bill should be submitted to the Senate.

The people of the South believe that the title of the bill is a misnomer. Everyone who has read the title of the bill, "Fair employment"—

Mr. BARKLEY. Is the Senator in the title business? [Laughter.]

Mr. JOHNSTON of South Carolina. Yes; I am in the title business. When a title is wrong, I always advise my clients that there is a defect in the title, and it

is my business now to show the defect in the title of the bill as best I can. There are so many defects in the title that I cannot accept it, and I shall tell my clients about it, and let others vote according to their convictions.

I would say that the title should have been "Unfair Employment Practice Act." That really would have been a little better, to my way of thinking—"Unfair Employment Practice Act." In South Carolina the people believe that such a bill would be unfair to the employer, because it would take away from him the right to select his own employees.

Probably some of the Senators listening to me have employed persons. A great many things enter into the employment of a man. A few days ago I was talking to a man who said he never employed a fellow who parted his hair in the middle. I do not know why he took that attitude, but that was his peculiarity, and it would not be possible to knock that idea out of his head. We could not make him think differently by passing a law. When one came to him for a job, whatever might be his nationality, he would be turned down if he parted his hair in the middle.

Mr. President, a great many establishments have what they call an employment division. If one walks into such an establishment to get a job, they say, "Have a seat," and all the time the applicant is sitting there they are observing him, looking at him, giving him the "once over." He may not know it, but they are studying him from the top of his head to the soles of his feet. They might look at his hands and see how they looked. I have known people to be turned down because their hands looked too delicate to do the work. Sometimes I have known people to be turned down because their hands looked too rough. So much enters into the employment of an individual that we cannot say that an employer is discriminating when he turns a man down. If a man happened to be of a minority race, and somebody else got a job for which he was applying, we could never tell him that he lost the job because he parted his hair in the middle, or because he had rough hands, or because his hands looked too tender. He would think he was not employed because he belonged to some particular race. That is what we are facing, and we might just as well understand it.

I see sitting before me the Senator from North Dakota [Mr. LANGER]. He knows that in North Dakota that is what happens. If a man in North Dakota employs someone, does he not look him all over before he employs him? Does he not study him? Certainly he does. He is really going to try to get someone who can do the job for him. That is what he wants, whatever the job happens to be. He is probably not going to turn an applicant down because of his color or his creed.

If one belonging to a minority race did not succeed in getting a job he might turn the matter over in his mind, and when he met someone on the street he might say to him, "I have been discriminated against." He might continue walking down the street telling those he met how he had been discriminated

against. Finally he might meet someone who agreed with him and said, "Yes, I believe you were discriminated against", and they would begin to stir up trouble. Later he might meet another man who agreed with him, but who was more aggressive, and so the trouble and the agitation would grow.

It has happened that a man in walking down the street has met someone who said, "John, you look very bad today." Farther down the street he met another man who said, "John, you look very bad today." When he met a third man who told him the same thing he really began to feel that he was sick and went home. He may not have been sick in fact, any more than the man who failed to secure employment was in fact discriminated against, when the employer chose to employ one whom he thought was better fitted to fill the position he wanted to have filled.

This proposed legislation is unfair to the majority of the employees because it would force the employer, against his will, to place all his employees on an equal social basis, something which both the employer and the employees do not want, something over which they have no control.

Mr. President, do majorities have no rights in this country? Let us say an establishment employs 49 individuals who object to one who applies for a job because of the fact that he is a so-called conscientious objector, who did not want to fight for Uncle Sam. There are organizations and sects in this country here and there whose members say they will not fight for their country. If the 49 persons employed in the establishment did not want such a person to work with them should not their wishes be respected? Yet this bill would make it necessary to employ such a person against the will of the majority.

Mr. President, I think majorities do have rights. The Gallup poll shows that the majority of people of the United States do not want this bill. I can go a step further and say that each individual State has a right to say, by a majority vote of the State, what its people want in regard to matters of this kind. If it is intended to run roughshod over the majority, then I think it is time for me and for other Senators to do anything within our power to preserve the rights of the majority. One may call our action a filibuster, or a "buster" of one kind or another, but I think we are entitled to cry out against this legislation and call it to the attention of the majority of the people of the Nation. I especially do so now for the majority of the people of my State. My people have spoken, and they have made it known that they do not want such legislation as this.

The fourteenth amendment to the Constitution contains a provision which may be availed of in argument on the subject, but it does not have reference to such a thing as employment, or anything of that kind, for the Constitution gives citizens the right to contract with each other without being interfered with in such a matter as is attempted by the establishment of a Fair Employment Practice Commission.

Mr. President, if this bill were to become law could any of us contract freely with an individual to work for us? No. We would be obliged to hire the individual whom the members of the proposed Commission told us we could hire. We would run the risk of hiring someone whom it might afterward be contended we should not have hired, because it would be alleged we had discriminated against another, and 6 months or a year later a decision might be made against us and we would be compelled to pay back pay which it was alleged was due the one who was not hired.

Then the question is asked why some Senators are against the bill. Read the bill. I wish every newspaper would print the bill on its front page. If newspapers want to do something good for the United States, let them print the bill on their front pages. Then they will find out what will happen to it. The people as a whole have not had an opportunity to read and to study the far-reaching effect of a bill of this kind, a bill which reaches down into many little establishments which employ six or more individuals, and tells the employer what he may do and what he may not do.

Mr. President, I cannot see how the proponents of this bill can advocate such legislation. But what amuses me more than anything else is that, as we refer the bill section by section, one Senator says, respecting one section, "Oh, yes; we want to change that section. We do not want it to be in that form. We will cut out a word here and a word there. We will cut out the word 'creed' and insert the word 'religion.'" "Oh yes," it may be said, "creed" covers too much.

Another Senator says, "Oh yes, I will offer an amendment. I will offer an amendment to the bill which will provide that a person who is not a naturalized citizen may not object if he is not employed. I do not think he ought to have rights over the majority. I do not think he ought to have the right to come in under the bill. So I will offer an amendment to cover that point."

Another Senator says, "Oh yes, I think the man accused ought to be tried in his own State. I am willing to amend the bill to cover that point."

Another Senator says, "Oh yes, I think too many of the colored race are employed by the FEPC now. Fifty-seven percent of those employed by the present committee are Negroes, although the Negroes compose only 9 percent of the population. The bill provides for the creation of a Commission to take over the duties of the present committee, but the matter of employment in the Commission in the future should be cared for."

Another Senator says, "Yes, I think the penalty provided is too severe." The extreme penalty provided in it is what killed the Volstead Act. It called for imprisonment for 5 years, and when a few influential individuals had hanging over their heads jail sentences of 5 years, the Volstead Act was killed. I am not talking against prohibition, because I favored it, but I say that if the terms of the Volstead Act had been reasonable, the Volstead Act as well as the Prohibition Act would probably now still be

in effect. If the terms had not been so harsh and far-reaching, the prohibition amendment would probably not have been repealed.

This bill, Mr. President, takes in so much territory that the Commission could really run the whole United States.

Some Senators employ more than six individuals. Such Senators would be covered by the terms of the bill. Some Representatives may not have as many as six employees on their staffs and they would not be affected by the bill. But those employing more than six would be affected by it. When a stenographer leaves and it is necessary to employ another the one doing the employing must be very careful lest he be accused of discrimination by employing the wrong person. If the bill becomes law and it is found that many employees have been, as may be charged, discriminated against, it may result in a supplemental appropriation being made to take care of those who were not employed.

Mr. President, should this bill be passed it would set back immeasurably the colored race's chance for self-improvement and advancement of its position in the life of the Nation. The colored people are progressing. They are going forward. When my little girls know that I am trying to compel them to do something they do not want to do, if I am not watching them all the time they may do what I tell them not to do. Psychology teaches us it is not well to tell people not to do this and not to do that. A certain reaction occurs in an individual when he is told he must not do this and he must not do that.

The only conclusion that can be reached, therefore, is that the proponents of the bill are mainly interested in securing bureaucratic control over the business and industrial life of the Nation by throwing the control of employment into the hands of a central government bureau rather than leaving it to the decisions of the individual employer; and that they are interested in doing it in such a way that it must be forced upon the people of the South. The South will resist such an attempt, Mr. President, and many other people will resist this proposed legislation when attempts are made to enforce it. The Senator from North Dakota will find that business in his State will resist it. They will not like it when a Government agent goes there and tells them that they are discriminating. The proponents of the bill are interested in accomplishing their object in such a way as to force the bill upon the people of the South, who, in accordance with their beliefs and principles, would never accept such restrictions and regulations. The FEPC is bad enough in itself, and in the various regulations and restrictions which it provides, but in the light of its intentions and purposes, and in view of the administration it would receive at the hands of a Government bureau, it is immeasurably worse.

It is bad enough to go into a courtroom with a paid solicitor against one, but one is in a terrible situation when the judge, the solicitor, and the jury are "fixed." The FEPC goes forth and searches for the information. Then a representative of the FEPC sits in judgment and listens

to the evidence. He has probably already gone over the evidence and has already given his opinion that the evidence is sufficient to convict, before there is ever a hearing in the case. Anyone within the sound of my voice who has had anything to do with the sort of trials which are held before boards and commissions knows that to be true. That is what we are coming to in the United States.

We are asked to enact such a law at this time, when the country is in turmoil, when we are being called upon in the United States Senate to pass legislation to care for suffering humanity, not only in the United States, but the world over. Think of the millions who will probably die this month because they lack the necessary food and clothes to sustain life. Under those circumstances we take up our time in the Senate on a question which, in my opinion, can only result in a great deal of bad feeling throughout the Nation. So it does not seem, after all, that we are what we claim to be, the greatest deliberative body in the world. I did not bring up this question. If it had been left to me, the bill would never have been introduced, much less reported from the committee.

Visits to many sections of the country and correspondence throughout the whole region convincingly demonstrate that the people of the South are determined to do everything in their power to prevent the passage of the bill. I think that is well illustrated by the action of practically all Senators from the South who speak for their States on this question.

Many things have impeded or tended to impede the progress of that great part of the country known as the South. I cannot help but mention time and again—and I shall continue to mention—the discrimination practiced against the South in the matter of freight rates. Now we are about to be confronted with the possibility of having a ceiling price placed upon the most substantial produce of the South, raw cotton. If a ceiling is to be placed on cotton in order to protect the purchaser, a ceiling should be placed on everything that enters into the finished product, and upon retail prices in the stores, in order to protect the people who buy cotton dresses.

Last night I was talking with my good wife. I asked her, "What did you pay for that little cotton dress that Sally has on?" She said, "\$5.95." There was not a pound of cotton in it. I doubt whether there was half a pound of cotton in it. I asked her, "What did you pay for a similar dress a few short years ago?" She said, "About \$1.39 or \$1.59, at the same kind of store where I bought this one—a store which adds odd cents to the price." If a ceiling is to be placed on the price of cotton, it should be placed on everything which enters into the finished product.

I am throwing out a warning to the OPA. I will have to know something about the ceiling price on cotton before I will even vote to continue the OPA. That is the most vital thing to my people in South Carolina. At one time I vote meant something on the question

whether or not the OPA should be continued. I believe that my vote will probably be worth something; and other Senators who are interested in cotton will probably also have some voice in the matter. I have told the OPA the same thing I am now telling the Senate.

The OPA said, "We will put a ceiling price on cotton grown in the South, and dresses which formerly sold for \$1.39 may be sold for \$5.95." Everyone listening to me knows that to be true, and that the ratio of the prices is as I have indicated.

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

Mr. JOHNSTON of South Carolina. I yield if I am not taken from the floor.

Mr. McFARLAND. I hope this question will not take the Senator from the floor.

The Senator is speaking about the OPA, and the ceiling price on cotton. Does the Senator believe that the OPA ought to continue a ceiling price for a commodity when more of the commodity is produced than is consumed?

Mr. JOHNSTON of South Carolina. Let them put a ceiling price on wheat, or oats. More is produced than is consumed.

Mr. McFARLAND. I do not believe the Senator understands my question. Does the Senator believe that eventually OPA should be eliminated entirely?

Mr. JOHNSTON of South Carolina. Absolutely.

Mr. McFARLAND. How does the Senator think its elimination ought to be brought about?

Mr. JOHNSTON of South Carolina. We must gradually get away from OPA and price fixing. We must have an independent people in the United States. We must stop telling them what to do and what not to do. I am becoming tired of all boards, bureaus, and commissions. This one is about to put me down. That is my feeling. The more they try to put on me, the more I will try to kick out from under the others.

Mr. McFARLAND. Does not the Senator believe that the law of supply and demand should govern prices?

Mr. JOHNSTON of South Carolina. The law of supply and demand will handle price fixing. If there is too much of a certain commodity produced, the price will be held down.

Mr. McFARLAND. What the Senator from Arizona wished to ask the Senator from South Carolina was this: With respect to commodities as to which the supply is greater than the demand, should not price ceilings be taken off immediately?

Mr. JOHNSTON of South Carolina. I think so.

Mr. McFARLAND. Is not that true with respect to cotton?

Mr. JOHNSTON of South Carolina. It is true with respect to cotton. We have more cotton than we know what to do with. Every year we carry over into the next year almost an entire year's crop. Now the OPA wishes to put a ceiling on it. I do not see why it is necessary, in the first place. The Senator is absolutely correct.

Could anything be more insulting or discouraging to the great number of our citizens who earn their living by raising cotton than a ceiling price upon their largest money crop at this time, when we are confronted with strikes in our vast steel industry? We have also been facing the meat-packing industry strike, the automobile industry strike, the textile industry strike, and the electrical industry strike. Workers in those industries, with Government support and Presidential sanction, are demanding substantial increases in their weekly pay. Yet the cotton farmer of the South, including South Carolina, who forms the backbone of the industry of the South, faces the likelihood of disaster by having the OPA place a ceiling price upon his largest money crop.

Further to show the unfairness of the OPA ceiling on the price of cotton, let me say that no ceiling is placed upon the prices of things which the farmer must purchase in order to produce cotton. The OPA places a ceiling on some of the first processing. In most instances a ceiling is placed on the manufacturer, and then the goods are turned loose. After the ceiling price is placed on the cotton it goes into the market and is made into a dress. The OPA says, "We cannot tell exactly the character or quality of this dress. If it were an Arrow shirt we would know what price to put on it." If the product were named Dixie or Columbia or some other name, a better price could be obtained for it than for some of the standard goods. That is the way those things work. If children's dresses are made under a different name, the price goes up, and the public at large pays the increased price.

Mr. President, I believe that Senators are beginning to see that no good can come from the passage of the pending bill. Watch my prediction. What started as a minority will prove to be a majority, because I predict that the bill will never be passed.

Mr. President, I understand that other Senators wish to speak on the bill and bring out some facts concerning filibusters. We have talked about filibusters. I do not wish to keep other Senators from speaking on the bill, especially if they wish to speak against it.

I ask any of the proponents of the bill to take the bill up section by section. Before they are through they will have to acknowledge that it is a bad bill. That being so, the only thing to do is to kill it. Down home we believe that snakes are bad, so we kill them. I believe that this bill is a bad thing, so I think we ought to kill it. It can be compared to a snake, in this respect: if one starts at the front of it, it looks pretty good. When one looks at the front of a snake, and looks into his eyes, the eyes of the snake do not look bad. The same is true of the bill. At the front is a picture of what the proponents say it will do. But by the time one gets into the first section the snake sticks out his tongue. Then, when one gets into the second section of the bill, it becomes a snake. When we go further and read later sections of the bill, we see it begin to wind itself around everything with which it comes in con-

tact. It curls itself around everything. So I think this bill is a snake. Down home we kill snakes, and if it was down home we would kill it. Therefore, I am in favor of killing this snake.

Mr. President, I believe the Senator from Mississippi said he wished to make some remarks.

Mr. BILBO. I desire to speak, but I do not wish to interfere with the splendid address the Senator from South Carolina is making.

Mr. JOHNSTON of South Carolina. I understand that the Senator from Mississippi wishes to speak. If he does, I shall yield the floor to him at this time.

Mr. BILBO. The Senator from South Carolina has been doing good work. As long as he is doing so well, I am glad to have him continue.

Mr. JOHNSTON of South Carolina. Mr. President, at this time I am glad to yield to my colleague from Mississippi.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1405) to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes.

JOURNAL OF THURSDAY, JANUARY 17, 1946

The Senate resumed the consideration of Mr. HOEY's motion to amend the Journal of the proceedings of the Senate of Thursday, January 17, 1946.

Mr. BILBO. Mr. President, in the first place I wish to read two paragraphs from the Republican Party's platform, adopted at its Chicago convention in 1944:

We pledge an immediate congressional inquiry to ascertain the extent to which mistreatment, segregation, and discrimination against Negroes who are in our armed forces are impairing morale and efficiency, and the adoption of corrective legislation.

We pledge the establishment by Federal legislation of a permanent Fair Employment Practice Commission.

Mr. President, I take it that there are some Republicans who feel inclined to support this unconstitutional, Communist-inspired monstrosity known as the FEPC because the Republican Party in its platform declared itself in favor of it at the insistence of groups who gathered in Chicago when the party platforms were being written. But I should like to observe that, contrary to the prevalent belief, when the Democratic Party met in 1944 and wrote the platform upon which it was to go before the people and request to be retained in power, it said not a word about the FEPC. In the Democratic Party platform there is not a line which commits our party to support this unfair and disastrous piece of legislation. The Republican Party, at the insistence of the groups which were crying aloud for this un-American crackpot scheme, provided for it in their platform and offered it to the people of the country. But the Republican Party was hopelessly

defeated. So it strikes me that that should be sufficient to convince my Republican friends that they are under no obligation to continue to attempt to secure the passage of such legislation, because the people have, in effect, condemned it, or at least it was evidently a contributing cause to the defeat of the Republican Party's nominee in the last Presidential election. So no Republican should feel under obligation to carry out a pledge which was in a platform which he offered to the people of the country, but which resulted in the ignominious defeat of the Republican Party. If I were a Republican, I would feel that I was free to ignore such proposed legislation.

Mr. President, in my opposition to the bill I can be a regular Democrat and I can stand by the Democratic Party's platform and I can fight this bill to a finish. Of course, it is true that the President of the United States who at that time was a candidate for reelection was in favor of it, and he so announced. In fact, he is the one who initiated the FEPC and brought it to life in the United States.

I think it would be well for us to consider the genesis of the FEPC. Let us consider how it came about. The United States of America has been doing business as a government for 150 years. Our people have been hiring and firing employees for 150 years. Through all the years our Nation has continued to grow and expand, until it has become wealthy, powerful, and influential, more so than all the other nations of the earth. Today no one will question that the United States is at the top. We are the strongest, most powerful, wealthiest, and most prosperous nation on earth, and we did it all without an FEPC. In all the years of our history there was no demand for an FEPC. No United States Senator or Representative or citizen ever made such a proposal.

So, Mr. President, something must have happened, some influence must have been injected into the body politic, some idea must have been planted on American soil to bring about the very suggestion of an FEPC.

As a Senator, I was very close to the late President Roosevelt during his lifetime. I have talked to him by the hour. I knew something of his political philosophy, his feelings, his sentiments, his convictions, his ideas, his dreams, his plans, his schemes. In fact, he never seemed to hesitate to speak frankly to me. Some time ago I remarked that I knew him a year before he projected his proposition to enlarge the Supreme Court. He went into detail and told me why it was necessary that something of that kind be done. During all my contacts with him no mention was made of anything resembling the FEPC.

So, Mr. President, how did it come about, and why? As I have said before on this floor, I dug up the genesis of the FEPC and found it in a book entitled "What the Negro Wants." Dr. Logan, of Howard University, selected 14 outstanding Negro leaders to write chapters in the book. Their names are Mary McLeod Bethune, Sterling A. Brown, W. E. Burg-

hardt DuBois, Gordon B. Hancock, Leslie Pickney Hill, Langston Hughes, Rayford W. Logan, Frederick D. Patterson, A. Philip Randolph, George S. Schuyler, Willard S. Townsend, Charles H. Wesley, Doxey A. Wilkerson, and Roy Wilkins. Those 14 Negroes are what we call the intelligentsia of the Negro race in the United States. Dr. Logan had a bright idea. He called in these Negroes and said to them, "I want you to write a chapter for a book which will be entitled 'What the Negro Wants.'" Each one of these 14 leaders of the Negro race proceeded in his own way to write a chapter. Included in the book is a chapter which was written by Dr. Logan. On page 16 of the book he tells us how the FEPC became a living monstrosity in American life. Listen to this:

In recent years some Negroes have adapted an old American technique for the solution of the problem, namely, the mark on Washington. Since I sat with Mr. A. Philip Randolph and Mr. Eugene Davidson in the all-day conference with Mayor LaGuardia and Mr. Aubrey Williams that culminated in the President's Executive Order No. 8802 of June 25, 1941, I can bespeak the power of a threatened march.

I do not see how anyone of this intelligentsia of the Negro race, or anyone associated with them, can talk about the southern bloc of Senators being a group of terrorists who are resorting to intimidation and force, when we read the following:

I can bespeak the power of a threatened march. There are, however, definite limitations on its power. Restrictions on travel have nullified it for the duration of the war and will probably curtail it in the crucial period when the European Peace Conference is held. Housing conditions in Washington and in many other boom cities during these same periods further restrict the number who would march. Even under the best conditions, the march can be used only occasionally unless such a small number participated as to make the march appear to be a bluff.

They believe in numbers.

I continue reading:

Constant vigilance would have to be exercised against agents, provocateurs, or outside hoodlums determined to create disorder or a riot. I definitely favor the march on Washington or on other cities only as a rare, dramatic, powerful weapon that should be used only when all other methods have failed.

In the early days of the war preparations, when Mr. Roosevelt was notified through A. Philip Randolph, Eugene Davidson, and Walter White, of the NAACP, that 100,000 Negroes had been organized to march on the city of Washington and demand that Congress pass FEPC legislation, the President knew that it would mean trouble. He knew it would mean a great deal of disturbance in the Nation's Capital while we were preparing for fighting the war. Logan said:

All day we wrestled with the President and finally he persuaded him—

No; they did not persuade him, they intimidated him; and he signed Executive Order 8802, which created the first FEPC, and of which the editor of the Louisville Courier, of Louisville, Ky., was made chairman. He tried to operate it.

It got too hot for him. He resigned, and then the President was persuaded to issue another Executive order making the FEPC a little stronger than it was under the original order. Under the second order the present FEPC continued to operate, and is operating at the present time.

I have shown the beginning of the FEPC in the United States. The appropriation for a continuation of the FEPC came up for consideration after the end of the war last year. Some of us felt that it had served its purpose if it ever had had any purpose to serve. The only claim asserted in its behalf was that it had been established as a war measure for the sake of unity. No; not for the sake of unity, but it was said that the FEPC had been established in order to utilize all the manpower of the Nation in connection with the war effort. That was its purpose. It was also claimed that discriminations were being practiced against certain nationalities and certain races in this country, and that we were not receiving their full cooperation. Therefore, through the long, strong arm of the President, and under the war powers which had been given to the President, he issued Executive Order 8802, which violates the Constitution of the United States and violates the decisions of all the courts, as I shall later show by reading the authorities.

But, Mr. President, the FEPC was a fine thing for a favored few. When, last year, we were asked to make additional appropriations for the FEPC, it had in its employ approximately 115 persons. Strange to say, 65 of those employees were Negroes.

Mr. President, I wish to say that I have no prejudice against the Negro. I was born and reared in a State in which there were more Negroes than in any other State in the Union. I was born and reared in a State in which Negroes were in the majority. Mississippi is not like the State of Idaho, I may say to the Senator from Idaho [Mr. TAYLOR], where there are less than 600 Negroes in the entire State. The Senator does not know anything about the Negro problem except what he has read.

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

Mr. BILBO. I yield.

Mr. TAYLOR. The Senator from Mississippi at least knows that any interest which I have in this bill is not inspired by a desire to gain the votes of 600 persons.

Mr. BILBO. The Senator's statement is true. His interest is not in gaining votes, at least not for himself. I do not know about the Democratic Party.

Mr. President, a remarkable fact may be considered in connection with the Negro vote. There are approximately only 13,000,000 Negroes in the United States. I must confess that the Negro vote controls the election of the President of the United States. The Negro vote is so distributed among 12 of the Northern and Eastern States that there are sufficient Negro votes in those States to control the balance of power between white Democrats and white Republicans,

and whichever way the Negro vote goes in those States, so go the votes in the electoral college. There are some persons who are wise enough to know that if they wanted to be President they must not do anything which would offend the Negro vote in this country. Otherwise, they could never be President of the United States.

Things have happened in this country which never happened before. It is said that we must not offend the Negro. I do not blame the Negro. He is smart enough to know that he holds the balance of power in connection with the election of the President of the United States. He is audacious enough to use that power, to take advantage of the fact, and make demands which are unthinkable in the minds of men who pretend to know something about our constitutional form and scheme of government. That is where all the crackpot ideas come from. That is the group behind this proposed legislation, that is where there is the greatest interest in it.

It does not affect the South. In the South two-thirds of the Negroes of the United States live. It does not affect us, as is shown by the fact that Mr. Roosevelt was elected in 1944, and would have been elected if he had not received one single vote south of Mason and Dixon's line. The wise politicians behind the bill know that, and that is why some people are willing to violate the rights and impose upon the rights, the constitutional rights, the inherent rights, of American citizens, by cramming all sorts of legislation down the throats of the 12 Southern States, which did not have anything to do with the election of the last President of the United States. That is why we are a minority.

I wish the Senator from Idaho, who sits before me, would take that home to himself. If the United States Senate were fixing to pass a law which would affect the welfare and peace and harmony and unity and the economic conditions of his State, would he not stand here and fight until hell froze over before he would see his people imposed upon? That is why we are standing here.

Mr. TAYLOR. Will the Senator yield?

Mr. BILBO. I yield.

Mr. TAYLOR. I wish to make just a brief statement, inasmuch as the Senator has asked me a question.

I would fight to protect my State, but I do not believe I would do it by preventing my fellow Senators from ever voting on the question, if I could. I should be glad to let them vote, and to abide by the majority decision. I certainly would use whatever eloquence was at my command and whatever facts I could muster and marshal, to try to show them the error of the proposed legislation. Frankly, I am not too familiar with the FEPC bill. I might be against it. I will admit frankly I am favorably inclined toward it, but my interest is that I want to see our democratic processes prevail, and those who are sent here to represent the people given the opportunity of voting upon this measure.

Mr. BILBO. Whether they vote right or not?

Mr. TAYLOR. Whether they vote right or not. What they are here for is

to vote, and doubtless we all make mistakes at times.

Mr. BILBO. With the Senator's understanding of his obligation, under his oath as a United States Senator, if I were a citizen of his State and he were not willing to exhaust every means, every effort, every technique, and resort to every honorable means to protect his people when their rights and happiness and prosperity and peace and unity and welfare were at stake, I would not vote for him next time.

Mr. TAYLOR. Will the Senator yield?

Mr. BILBO. I yield.

Mr. TAYLOR. I would exhaust every resource I felt was honorable, but I would not feel that it was honorable to disrupt the democratic process and prevent the other Senators from voting on the question.

Mr. BILBO. Then I will follow with the statement that the Senator has a very strange conception about what is honorable. I think that I can show him that filibustering, which has been in practice in this Nation for 150 years—

Mr. TAYLOR. Is an old and honorable profession?—

Mr. BILBO. Is an old and honorable institution. In fact, I propose to devote the greater part of my speech this afternoon to the history of filibustering, and the benefits and glory, the protection and the safety, which have been placed in the hands of United States Senators, who represent sovereign States as ambassadors.

Mr. TAYLOR. If the Senator can do a good enough job, I might join his filibuster.

Mr. BILBO. It will depend altogether upon the mental processes of my subject, to whom I am addressing my remarks. If the Senator declares to me he is open to conviction, I shall undertake the job.

I am not going to take up the time of the Senate. [Laughter.] What is the laughter about, Mr. President? Sixty days is not very long. I shall not take up time this afternoon in discussing too much of the legal effect of the proposed bill, but it might be interesting—and I am sorry the Senator from New Mexico [Mr. CHAVEZ] is not present—to reflect that when the bill was introduced and was sent to the Committee on Education and Labor, not a single witness appeared before that committee in opposition to the bill. The member of the committee who was leading the fight against the bill in the committee was forced to be absent from the city, and the bill was reported to the Senate without his knowledge or his consent, or any opportunity to present his ideas. That is why the committee has brought forth such a monstrosity, and if Senators will read the legal analysis of the provisions of the bill, as adduced on the floor of the Senate by the good lawyers on this side of the Chamber, I am sure they will not vote for it. In fact, the strongest supporters of the FEPC on the other side do not hesitate to declare openly they will not vote for the bill unless it is modified and changed. Yet it was brought into the Senate in the arms of my good friend, whom I love so much, the Senator from New Mexico, and offered as a piece of legislation to be approved by

this body. I really think we have convinced him that it needs an operation.

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

Mr. BILBO. I yield.

Mr. TAYLOR. Was not the bill presented as a piece of legislation, not necessarily to be passed by this body, but to be considered by this body, and if necessary amended, and if a majority so felt, to be rejected?

Mr. BILBO. No. The Senator has the wrong idea about committees. When a bill is introduced and sent to a committee, the function and duty of the committee is to have a hearing, and to weigh every word in the bill, even the punctuation of the bill, to analyze the bill and analyze its ramifications and implications, and report it to the Senate as a perfected document. Then, if any Senator on the floor of the Senate perchance should find some idea in the bill or some phraseology in the bill which should be changed, it is his duty to object.

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

Mr. BILBO. I yield to the Senator from New Mexico.

Mr. CHAVEZ. If the Senator wants to know whether or not I have changed my mind, or how I feel about it, if he will only give us an opportunity, a majority of this body will vote for the bill as it is now being considered.

Mr. BILBO. As now written?

Mr. CHAVEZ. Right now. Will the Senator give us a chance to try that?

Mr. BILBO. Not if the Senator is in that condition of mind. It will not do to trust him.

For the sake of emphasis, I wish to repeat in my speech the 12 points enumerated by the Senator from North Carolina [Mr. HOEY], who has made a good job of analyzing the bill. His ideas are put in such shape that if one desires to ascertain what is the matter with the bill all he has to do is hurriedly to read these 12 points, and he will find the guts of the proposition.

First. It denies to any person who employs as many as six people the right to select his own employees.

That is enough to make one vote against the bill.

Second. It prevents him from discharging an employee if he is not satisfactory.

Who would want to have a man working for him who was not satisfactory? Some of those who are for the bill should take this home to themselves and see if they would like to be conducting a business and be required to employ someone who was entirely unsatisfactory.

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

Mr. BILBO. I yield.

Mr. TAYLOR. What is the use taking the bill home and studying it if we are not to be permitted to vote upon it?

Mr. BILBO. It would be a fine education for a man like the Senator from Idaho.

Third. It sets up a commission of five in Washington to have charge of the employers of the Nation, individuals and corporations.

Think of a commission having control even over the President of the United

States—this commission which my friend from New Mexico wants to create.

Fourth. It provides this Commission with an army of investigators to send over the Nation to work up charges against employers upon any complaints.

In other words, the bill provides that this Commission can appoint any number of employees or agents. It can appoint a thousand if it desires. I was reading in one of the Negro newspapers, the Afro-American, that a Negro, referring to what he wanted, said, "I pray to the Lord that we can get \$10,000,000 appropriated for the support of the FEPC." There is no limit to the job.

Fifth. It gives these investigators the right to enter a person's place of business and examine his books and papers without process from any court, in an effort to get evidence upon which to bring charges against him.

Are we to let a little peckerwood come around, without any showing of any affidavit or any proof of a writ, and go into one's private office and his private books, and examine those books? It will lead to a riot if that is undertaken.

Sixth. It forces a man to give evidence against himself depriving him of his constitutional rights.

That is true.

Seventh. It provides for an examiner to hear evidence and send the record off to Washington where a decision can be rendered against him in absentia.

No chance to be heard is to be given; no chance to answer, no chance to plead. They are going to convict on the cold record gotten up by some little peckerwood representing the FEPC, he being judge, jury, and witness most of the time.

Eighth. It denies him any right of appeal from findings of fact against him.

Ninth. It denies him a trial of his case by a jury or before a judge of any court.

I am sure my good friend the Senator from Idaho is not in favor of any law passed by Congress, or by his State legislature, which would deny a citizen of this great, free Republic the right of trial by jury, where the penalty can be \$5,000 fine or a year in jail. Of course the Senator is not in favor of such a law. He would not swallow anything like that.

Tenth. The Commission can order the employer to hire anybody that it names and make him pay back wages for refusing to hire them in the first place, and it can assess fines and penalties against the employer and have him placed in jail if he refuses to obey the orders.

Eleventh. It can have the employer brought into the United States circuit court, hundreds of miles from his home or place of business, to have its orders put into effect, and when he gets there, under this bill, the court cannot overrule the Commission's findings if there is any evidence to support them, however flimsy the court may find the evidence to be.

Twelfth. It provides a fine of \$5,000 and 1 year in prison for any person who hinders or interferes with the Commission or any of its agencies in any of its works.

In other words, the Commission could appoint a thousand employees who would not have to take any civil-service examination, who would not have to submit to any kind of examination. The Commission could make up a list of a

thousand persons, who could be Negroes, whites, brown, or yellow, or any other color. The Commission can send agents all over the country, and if anyone makes a complaint anywhere, whether it be right or righteous, provided the one who makes the complaint belongs to one of the minority groups, the employer will be charged with an offense. There is no protection whatever in this bill for the white people. I mean the white gentile people of the South. Even the report written by the chairman of the Senate committee does not mention that at all. This bill is only for the benefit of the minority groups.

Senators have heard of the case in New York of a manufacturer whose orders for the products of his factory were cut. He had a hundred women working for him, and was obliged to let some of them go. He could not carry them all. He employed so many Negro women, so many Jewish women, and so many white gentile women. What did he do? He fired the white gentile women and kept the Negro women and the Jewish women. Why? When he was questioned as to why he did it he said, "I did it because I did not want to be dragged into the FEPC court. I did not want to be subjected to a charge by the FEPC. I did not want to go to jail." So the gentile whites lost their jobs.

If this bill shall ever reach the point where it would be subject to amendment, I shall propose one amendment. If there is to be an FEPC, if the attempt is made to pass a law to legislate religion and Christianity and sentiments and fair dealings into individuals, I shall propose an amendment which will provide that in any business where six or more individuals are employed the pro rata number of employees shall be on a fair and just and equitable basis, and that the proportion of a minority employed shall be representative of the number of such minority compared with the entire population of the United States. In other words, if there are 13,800,000 Negroes in this country that would mean that of every nine persons employed there would be one Negro. If there were 18 persons employed there could not be more than two Negroes employed in such place of business. That would be fair. That would be just to the white people of this country. That would be equitable. No Negro could complain about that. If there were 900 persons employed in an establishment the proportion of Negroes to whites would be as 100 to 800. That is 100 Negroes to 800 whites. Would not that be fair? Would not that be just?

Since mention has been made of another minority, let us consider the Jewish race—Jewish Americans. The Jews object to me speaking of the Jewish nationality. They say I am wrong in doing so. If I am, I withdraw it, and simply say the Jewish people. To 28 Americans who belong to some other race or nationality there would be employed one Jew. So an establishment that employs more than six individuals would not employ more than 1 Jew to 28 others employed by it. How do Senators think my friends, the Jews of New York, where

there are so many wholesale houses and department stores, would like to have such a law passed, under which they would not be permitted more than one Jewish employee to 28 others employed in a place of business? That would be fair, that would be just, that would be righteous, if we are to attempt to legislate righteous dealings and rules into the economic life of the country. So I shall insist upon that amendment if the question ever comes to that point.

Mr. TAYLOR. Does the Senator think it ever will?

Mr. BILBO. Frankly I do not. But I was thinking that in about 45 or 50 days we will be willing to send the bill back to the committee in order to perfect it. Senators would make no mistake if they were to send the bill back to the committee, because I know the personnel of the committee. Senators could have it reported back to the Senate any day they wanted it reported. A bill which contains so many mistakes as this bill contains cannot very well be amended on the floor. So send it back to the committee and let us have a further hearing. Let us hear the other side before the committee this time. Let us hear both sides. Then perfect the bill and it can be brought back to the Senate any day Senators want to bring it back, because I know the personnel of the committee, as I stated, and I know the committee will send it back anytime Senators want it sent back.

We might understand the bill better if we would look at some of its legal aspects. I do not believe the bill is constitutional. I do not believe the bill will stand up in any fair court in the world, and I will tell the Senate why. I have been looking up some decisions of the courts on this proposition. I wish to call the attention of the Senate to one of them. There is a noted case which will be found in all the lawbooks, known as the Atchison, Topeka & Santa Fe Railway Co. against Brown. I read from that case:

The Kansas statute of 1897, chapter 144, requiring an employer of labor, upon the request of a discharged employee, to furnish in writing the true cause or reason for discharge, is repugnant to section II of the bill of rights of the State guaranteeing freedom of speech, and is invalid. The duty imposed upon employers by such statute is not a police regulation, and is an interference with the personal liberty guaranteed to every citizen by both the State and Federal Constitutions.

What does that mean? I will read the opinion of the court in that case. Here was a man by the name of Brown who was dismissed by the Atchison, Topeka & Santa Fe Railway. He went to the railroad superintendent and demanded that the railroad give him a letter or statement saying why he was discharged. The superintendent refused to do so. The man went into court, and this is what the Supreme Court of Kansas said. This opinion has been approved by practically all the courts of the country.

It may be said that if the law is valid—

Speaking of the Kansas law—

the company need have no concern as to the effect of its compliance with the letter of the

law. This leads us to the principal contention of the company—that the law is unconstitutional: that it is repugnant to section II of the bill of rights of the State of Kansas, which provides:

"All persons may freely speak, write, or publish their sentiments on all subjects, being responsible for the abuse of such right."

It is also contended that the law is repugnant to the fourteenth amendment to the Constitution of the United States, which provides:

Listen to this, Senators:

"No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law."

It has been conceded in argument that in the absence of a contract of employment for a definite term the master may discharge the servant for any reason or for no reason, and that the servant may quit his employment for any reason or for no reason. Such action on the part of the employer or the employee, where no obligation is violated, is an essential element of liberty in action. Can one, then, be compelled to give a reason or cause for an action for which he may have no specific reason or cause, except, perhaps, a mere whim or prejudice?

Get this, Senators:

Again, is not the freedom to remain silent—neither to write nor publish anything on a certain subject—involved as an element in the guaranty that "all persons may freely speak, write, or publish their sentiments on all subjects, being responsible for the abuse of such right?" It would seem that the liberty to remain silent is correlative with the freedom to speak. If one must speak, he cannot be said freely to speak.

Listen to this, Senators:

When the relation of employer and employees has ceased by discharge or by quitting the employment, if the employee has been efficient and trustworthy the employer may be under a moral obligation to benefit the employee by giving him a statement to that effect. On the other hand, if the employee has been inefficient or untrustworthy, it may be the employer's moral duty to furnish a prospective employer, upon request or perhaps without request, a statement of these facts. But the former employer is under no legal obligation so to do, either to his employee or to the prospective employer. The public has no interest in the matter, and in neither case can such a duty be imposed as a police regulation, and the attempt by statute to impose the furnishing of such a statement is an interference with personal liberty.

The mere matter of time requisite to comply with the requirement of the statute is perhaps a matter of trifling consideration, yet if the State may compel the sacrifice of a few minutes of the time of one person for another, may it not compel the sacrifice of a few days of time? Where and upon what principle shall the limit be placed? Again, if the employer can be compelled to state the true cause of discharge, it implies that he should state the facts as he understands them, and the facts may be in dispute and may be regarded by the employee as libelous. Litigation may result therefrom which might be a great burden to the employer, although successfully defended. We think the State can impose no such possible burden. As in many other relations in life, the employer may be silent and be safe, or, at his option, he may be courteous and fulfill his moral obligations. It is a personal privilege.

The sum and substance of that holding, which has been approved by many

other courts, is that one working for a corporation, an individual, a firm, or partnership can quit his job any time he wishes. That is his right. He can break off the contractual relation of employer and employee, and the employer has no recourse whatsoever. On the other hand, the courts have held that the employer may discharge an employee at any time, for any reason or any cause, and the employee has no recourse against him. The employer does not have to tell the employee why he is being discharged. The employee violates the constitutional rights of the employer when he asks him to give him a statement as to why he was discharged. If that be true, when we start with a fool piece of legislation such as the FEPC bill, we cannot travel at all.

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

Mr. BILBO. I yield for a question.

Mr. STEWART. Does the Senator construe the bill to apply to his own office force, as a Senator from Mississippi?

Mr. BILBO. Certainly.

Mr. STEWART. Does it apply to all parties and people?

Mr. BILBO. It applies to people in all walks of life.

Mr. STEWART. It applies to anyone employing more than six persons?

Mr. BILBO. Yes.

Mr. STEWART. Does it apply to a farmer?

Mr. BILBO. It does if he employs more than six persons.

The Constitution of the United States, which is the fundamental law upon which this great Nation has been built, and upon which we have thrived and become the greatest Nation on earth, protects a man's rights and liberties as a free American in a free country. When I hire someone, there is established a contractual relationship. The employee may break it off at any time he wishes, and no harm is done. I can break it off, and no harm is done. The employee may not say anything further, and I may not say anything further. That is the end of it. Yet under the FEPC both the employer and the employee are robbed of their constitutional rights, guaranteed by the fourteenth amendment to the Constitution.

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

Mr. BILBO. I yield.

Mr. STEWART. Who determines the question of who is an employer, and who is an employee, in this sort of case? Suppose that question should arise.

Mr. BILBO. One of these little peckerwoods.

Mr. STEWART. One of the members of the Commission?

Mr. BILBO. No; one of the little peckerwoods going about the country. Most of them will be colored boys.

Mr. STEWART. Is there any right of appeal from such a decision to any tribunal?

Mr. BILBO. It is said that the case may be taken to court; but what would be taken to court? Nothing but the record which some little peckerwood has written. He has been the judge, jury, witness, examiner, and everything else.

He has the case fixed just as he wants it. The court cannot reach any other decision than that which he has written.

Mr. STEWART. The case in court, then, would be tried on the record which the little peckerwood would present?

Mr. BILBO. Yes; a kangaroo court.

Mr. President, I have referred to a decision by the Supreme Court of the State of Kansas, laying down the doctrine which I have described. In Massachusetts there is a peculiar rule under which the legislature, before enacting a law, has the right to appeal to the supreme court for an opinion. So the legislature asked the Supreme Court of Massachusetts for an opinion on a proposal of this kind. The Supreme Court of Massachusetts said:

In the absence of a contract, conspiracy, or other unlawful act, the right of the individual employee to leave the service of a railroad without cause, or for any cause, is absolute. The railroad has the correlative right under like circumstances to discharge an employee for any cause or without cause. It is an unreasonable interference with this liberty of contract to require a statement by the employer of the motive for his action in desiring to discharge an employee, as this statute in substance does, and to require him also as a prerequisite to the exercise of his right, to enable the employee to make a statement in the presence of someone else—a thing which may be beyond the power of the employer. His freedom of contract would be impaired to an unwarrantable degree by the enactment of the proposed statute. The power of the legislature to require a hearing in connection with the discharge of one employed under the civil-service law rests on the authority of the commonwealth to direct the conduct of its government and that of its political subdivisions.

So the legislature had no right to enact such a law, and the court proceeded so to state.

I have before me another case, the case of St. Louis Southwestern Railway Co. of Texas versus Thomas A. Griffin. In that case the Texas Supreme Court said:

The citizen has the liberty of contract as a natural right which is beyond the power of the Government to take from him.

Is not that a wonderful right? One may go anywhere in this great free country of ours and make a contract with a corporation, partnership, or firm, get a job, and go to work to support his family—unless, of course, he were to seek a job in a closed shop. He could not get in.

The liberty to make contracts includes the corresponding right to refuse to accept a contract. An employee entering the service of a railway company for an indefinite time has the right to quit the service at any time without cause or notice to his employer. The latter has the corresponding right to discharge him at any time without cause or notice. The rights of the parties are mutual.

It works both ways.

Liberty of speech:

The liberty of speech secured by article I, section 8, of the Constitution, includes the corresponding right to be silent.

Mr. President, this is a free country. A citizen of this country can have freedom of speech so long as he does not invade the rights of his fellows or do them harm or injustice. But a citizen of the United States also has the right to be

silent. In this case I propose to exercise my liberty of speech.

I read further:

A statute which compels a corporation, under penalty of a heavy forfeiture, to engage in correspondence with its employees as to the reasons for their discharge, is in violation of its constitutional liberty to decline to write on that subject. *Atchison, T. & S. F. Ry. Co. v. Brown* (80 Kan. 312), and *Wallace v. Georgia C. & N. Ry. Co.* (94 Ga., 732), followed.

Mr. President, I have just read from the Texas reports of cases adjudicated in the supreme court.

Nowhere have I been able to find where this doctrine of freedom has been disturbed, abrogated, or done away with. If Senators will read carefully—and I wish they would take the time to do so—the speeches of the Senator from North Carolina [Mr. BAILEY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Georgia [Mr. RUSSELL], the Senator from North Carolina [Mr. HOEY], the Senator from Alabama [Mr. HILL], the senior Senator from Georgia [Mr. GEORGE], and some of the other Members of the Senate, they will find that the Senators I have just named have been fair with the Senate and with the public. They have not tried to resort to any chicanery or any sophistry, to mislead the public; but they have dealt with this bill as a lawyer or as a judge would deal with it. They have tried to show the Senate and the American people that this bill is a monstrosity and that it violates every conception of constitutional rights and all the rules which have been established under our system of government. Just think of the idea of giving the little commission which would be created by this bill the power to go to the White House and tell the President, "You have to do so and so and so and so and so and so." Yet the bill contains such a provision. Apparently, my good friend the Senator from New Mexico [Mr. CHAVEZ] wishes to have someone take hold of President Truman and handle him rather roughly. I can scarcely conceive that the Senator would wish to authorize anyone to do that, but evidently that is what the Senator favors.

Mr. President, before I take up the question of the history of filibusters, I wish to pay my respects to some of the people on the outside and some of the organizations on the outside which are sponsoring this bill. By doing so, I believe I can show that the bill is an unholy thing and that its ultimate purpose is unrighteous and not good for the country.

First let me say, Mr. President, that the Senate press gallery has been flooded with telegrams and press releases. I wish to read one of them to the Senate. The release I shall now read embodies a petition which was addressed to the Senate of the United States by the Southern Conference for Human Welfare. In the petition they state the following:

Majority rule is fundamental to democracy and the constitutional process.

They are talking about the will of the majority of the people, as expressed in

elections out in the field, not in a body such as this; because under the rules of the Senate and under the guaranties of the Constitution, the rights of the Members of this body are such as to enable them to be in a position to protect the people of the individual States—the governmental entities which we represent, and which have sovereign power—from the infliction of abuses by any majority which may be gathered together on the floor of the Senate as a result of hysteria which may sweep over the country. Mr. President, in 10 or 15 years or even less time, people who look back at the record for the year 1946 will find that a lot of Communists—I mean that, and I repeat it—a lot of Communists and a lot of ignorant persons were misled and brought to Washington in great delegations of 100, 200, 400, 500, 800, and they held mass meetings and picketed all over the Capital City. Some of them held meetings in the Asbury Methodist Church. Mr. President, do you know that church is the political headquarters? If you happen to read the story a few years from now, it will make your blood run cold to think just how far such groups went and how near the Senate was to going astray and awry—so much so that it almost departed from following the long-established concepts of constitutional government in the United States, which has been doing business for 150 years.

Mr. President, today many of our people are under a spell; they are being influenced by hysteria, and are being misled by the groups which come to Washington to intimidate and bulldoze and bluff Senators and attempt to make them vote this way or that way on such legislation.

I read further from the petition:

A filibuster obstructs majority rule and gives supreme power to a small minority.

Mr. President, that is not true. If this cause is righteous, if this bill is right, time will prove it and the right cause will finally and eventually be vindicated and will come forward in all its beauty and glory. But in 5 or 10 years you will be ashamed that such a thing was even proposed to the United States Senate, for it is a horrible proposal.

I read further from the petition:

It is a disgraceful and intolerable situation when the highest legislative body of the land is placed at the mercy of the vocal chords of one man.

Mr. TAYLOR. Mr. President, let me ask the Senator whom they were talking about then.

Mr. BILBO. I do not know. It must have been the Senator from Idaho, for he has been rather loud when he has taken the floor. [Laughter.]

It is a disgraceful and intolerable situation—

Mr. President, I am reading this petition at this time because in a moment I propose to show that this idea of extended discussion or, if you please to call it such, filibustering is an institution which has been in existence in the Senate of the United States for 150 years, and time has proved that the cause of every successful filibuster was right and that

those who led the filibuster were right. Those who led the filibusters in the past were not any peewees or small fry, for the filibusters were led by men like Senator Borah of Idaho, the elder Senator La Follette of Wisconsin, Senator Fletcher of Florida, Senator McKellar, and other great men. The filibusters which have occurred in the past have been led by such great men.

Mr. TAYLOR. In my estimation, time has proved that Senator Borah was wrong when he opposed the League of Nations.

Mr. BILBO. Well, there is a difference of opinion among people, largely because of differences in their mental processes. [Laughter.]

So, Mr. President, here is this petition which calls this situation disgraceful and intolerable. Mr. President, there is nothing disgraceful about it.

A small group of women at Lake Junaluska, N. C., who had formed some kind of society, adopted a resolution saying that BILBO was un-Christian because of his views. Because I spoke 2 or 3 days last summer against this monstrosity, I have been denounced, smeared, misrepresented, lied about, criticized, and abused from one end of the country to the other, and various and sundry small organizations which have held mass meetings have adopted resolutions asking that I be impeached by the Senate of the United States. They did not have sense enough to know that a Senator cannot be impeached. They did not know what they were asking to have done. They were so damnably ignorant that they did not know what they were requesting. They did not even know what it was all about. A Senator cannot be impeached. He can be expelled, but he cannot be impeached. But they did not know that, and they did not know what they were asking for.

As a matter of fact, Mr. President, since the 14th of October, my home in Washington has been picketed by some of the members of this outfit from New York, Detroit, and Washington. There is a very strong Communist Party in the District of Columbia and it is clamoring for the right to vote. That is the reason why they are not going to get it—because of the kind of folks they have here in Washington. There are enough of them here to cause trouble. It is all a Member of the Congress can do to stay here now; but if this city is turned over to this bunch who are in Washington, I'll be damned if a Member of the Congress will be able to stay in Washington. [Laughter.]

I read further from the petition telegram:

The time to permit filibusters in America has past.

Mr. President, have you any idea who is talking? I shall read that part of the petition again:

The time to permit filibusters in America is past. Give one-tenth of the body the power to muzzle nine-tenths, and democracy as a functioning institution in the Senate has been destroyed.

Mr. President, can you imagine who said that? Can you imagine where that came from?

Mr. TAYLOR. No; I do not know who said it, but if Joe Stalin said it, I would still agree with him.

Mr. BILBO. Well, it is worse than that. CLAUDE PEPPER of Florida said it. [Laughter.]

I read further:

We southern citizens, proud of the part played by southerners in establishing these United States of America—

Mr. President, none of the gang that is behind this movement had anything to do with establishing the United States, and neither did any one of their type. It took better men than they to establish this Government and to lay its foundations.

I read further—

and in drafting its Constitution, declare that Senators engaging in filibuster flout not only the will of the Senate, but the best traditions of the South.

Mr. President, a bigger lie than that has never been published in all the world.

I read further:

We respectfully urge the Senate of the United States, after giving adequate opportunity for full discussion, to halt any filibuster by invoking cloture, to maintain majority rule, and preserve democracy.

They are opposed to any filibuster; they do not make any exceptions at all. Even when the Senator from Kentucky [Mr. BARKLEY] was making a little speech here the other day, trying to invoke cloture on us, he edged around. While he said that filibustering was indefensible, he edged around a little and left a gap by which he could get out, a little later on, if something really bad came up—something on which he really wished to defeat cloture.

This petition was sent to the newspaper gallery, and it has a list of names of people from Georgia, Florida, Arkansas, Louisiana, Mississippi, Kentucky, South Carolina, Texas, Oklahoma, Virginia, and Alabama. I have been checking the list. I do not know much about the citizens of other States, but I know something about the people in my State and I know something about the Mississippi people who signed the petition.

Mr. President, in the petition the first signature of a person from Mississippi, you will be surprised to know, is that of the Reverend Joseph Smith, of the Centenary Methodist Church, McComb, Miss. Do you know who he is?

Mr. TAYLOR. No; I would not know.

Mr. BILBO. Well, we cannot expect anything better from him, because he is a brother of Lillian Smith, the woman who wrote "Strange Fruit." That is enough said. [Laughter.] I do not have to say any more about him, other than to say that he is a brother of Lillian.

The petition is also signed by Rev. C. C. Clark, of Natchez, Miss., another good Methodist gone wrong. [Laughter.]

It also is signed by the Reverend Stewart Smith. He is a son of Joseph Smith; in other words, he is a nephew of Lillian Smith. That is enough for him.

It also is signed by John Long, president of the Southern Christian Institute, Edwards, Miss. That is one of the Negro schools established by northern capital. They generally have a white man as

president, and he is entirely supported by northern contributions. He lives unto himself, and no one down there has anything to do with him, even socially. He is ostracized.

Another signature is that of Arenia C. Mallory, of Saints Industrial School, Lexington, Miss. That is another one of them.

The next signature is that of Rev. G. A. Riley, of Jackson, Miss. He is a Baptist.

Mr. TAYLOR. The name sounds like that of an Irishman, to me.

Mr. BILBO. No; he is out of a job. [Laughter.]

Another signature is that of Mrs. R. P. Neblett, counselor, Negro school, Holly Springs, North Mississippi Conference on Women's Work, Shelby, Miss. I am sorry I do not know anything about the lady.

Another signature is that of T. D. Davis, of Jackson, Miss. I have nothing to say about this boy. He is more to be pitied than to be blamed.

Another name is that of Mrs. W. H. Ratliff. She claims to be a member of the Southeastern Jurisdictional Council, Methodist Church, Sherard, Miss. H. G. Williamson, Frank Argelander, and Walter L. Russell, are members of the faculty of the Wood Junior College, Mathiston, Miss. That institution is another one of the schools which were founded and supported exclusively by northern contributions.

Mr. President, after approximately 4 months of scouring Mississippi, the only persons who could be induced to sign the petition were those whose names I have read.

I have been keeping abreast of this matter. Several months ago James A. Dombrowski mailed a letter to everyone whom he thought he could induce to sign the fool petition which he was trying to have signed for the purpose of sending it here at this crucial moment. I will read the letter which he sent at the time he asked the people to sign the petition. The letter said:

The threat of filibuster is once more being sounded by certain southern Senators in their efforts to obstruct majority rule on the poll-tax question. Regardless of the merit of that issue, we believe you will agree with us that the tactic of filibuster is indefensible in a democracy.

That statement is funny. I thought we had had a democratic form of government in this country for the past 150 years. I thought we had a democracy. However, it would seem that there are some people in this country who have just found out that filibustering is not, as they think, a part of the democratic process.

I continue reading from the letter:

The enclosed statement condemning the filibuster will be useful in combating this threat, and in encouraging other Senators in their efforts to prevent gag rule in the Senate. A determined majority of Senators can stop a filibuster; it is our responsibility to insist that the majority exercise its power.

The poll-tax question may come up any day in the Senate; Senators BILBO and EASTLAND are ready to lead the assault on the democratic process.

The writer of the letter got one statement correct.

Are you ready to send us your name immediately to add to the statement, and circulate the enclosed petition among your

friends and in your organization? We will be very happy to send you additional petitions.

Sincerely yours,
JAMES A. DOMBROWSKI,
Executive Secretary of the Southern
Conference for Human Welfare,
Nashville, Tenn.

The headquarters of this organization is in the Presbyterian Building in Nashville.

Mr. President, the letter which I have read indicates the way in which that organization obtained signatures to the telegrams which flooded the offices of Senators a few nights ago.

As soon as I received a copy of the telegram I proceeded to write Brother Dombrowski. I have a copy of the letter before me, and I shall read it into the RECORD:

UNITED STATES SENATE,
November 5, 1945.

JAMES A. DOMBROWSKI,
Executive Secretary, Southern Conference for Human Welfare, 506-507 Presbyterian Building, Nashville 3, Tenn.

DEAR DOMBROWSKI:

[Laughter.]

I have just received through a friend of mine in Jackson, Miss., two sheets that your un-American, Negro social equality, communist, mongrel outfit is sending out throughout the country in your mad desire to build up a factual case against the right and prerogative of a United States Senator or Senators to filibuster any objectionable legislation that is proposed in this great body.

Of course, your immediate aim is to secure the passage of the undemocratic, un-American anti-poll-tax bill, which is now pending on the calendar of the United States Senate by defeating the right and power of Senators who object by filibuster. In other words, you are trying to bulldoze and intimidate Members of the Senate who are conscientiously opposed to this un-American piece of legislation.

Filibustering in the Senate has been a right and prerogative since the adoption of the Constitution of the United States, and it has been resorted to by Senators of great renown in the past to defeat vicious legislation, and it can be truthfully said that there has never been a successful filibuster throughout the 150 years of the life of the Republic but what time has shown that it was wise and best for the people and the Nation.

That statement is true.

Mr. TAYLOR. I do not believe that the same statement can be made about the League of Nations filibuster.

Mr. BILBO. Mr. President, the Senator is wrong.

My letter continues:

Beginning last December I personally stopped the passage of the so-called land-grant railroad bill by a threatened filibuster.

I had threatened a 30-day filibuster. It will be recalled that last year, when an attempt was made to pass the land-grant railroad bill, I threatened to filibuster.

I continue reading from the letter:

By continuing this fight this session I was able to secure an amendment to this piece of legislation fixing the date of its effectiveness on October 1, 1946, and through this period of 22 months that I kept this bill from becoming a law I was able to place in the Treasury of the United States for the benefit of the taxpayers of this Republic about one-half billion dollars, and then you tell me that filibustering is not a wise thing and a righteous thing and besides since I have been in the Senate I have personally assisted

in filibustering to death on different occasions the so-called antilynching bill as well as the anti-poll-tax bill.

I threatened to filibuster for 30 days in order to prevent the passage of the land-grant railroad bill. I filibustered for 2 days and saved the taxpayers of the Nation approximately \$500,000,000. In the face of that fact can any Senator tell me that filibustering is not good stuff? [Laughter.]

I continue reading from my letter to Brother Dombrowski:

I wish there was some filibuster that I could inaugurate that would immediately and finally and forever dissolve and destroy the so-called Southern Conference for Human Welfare, a mongrel organization that is only a communistic front—

That is pretty serious—

that has no other purpose on earth except to bring about social equality between the white and the black races, which would lead to miscegenation, mongrelization, and intermarriage of the races and thereby destroy the white race and the black race and our Caucasian civilization which the white man of this country has made possible for the glory, happiness, success and prosperity of the American people as a whole.

You may be able for a little time to fool a few decent white people with your insidious scheme that is behind the Southern Conference for Human Welfare but not for long. If I were called upon to name the No. 1 enemy of the South today it would be the Southern Conference for Human Welfare.

This same Dombrowski took the letter which I have read in full, extracted the best parts of the letter, and published the remaining portions in his publication entitled "The Southern Patriot." It reads as follows:

This is the **BILBO** who praised German and Italian fascism before the war.

He was a liar.

This is the **BILBO** who preaches hatred against minority groups in America.

In that statement he was another liar. I had not done such a thing, and never have.

This is the **BILBO** who missed impeachment by one vote in the Mississippi State Senate on charges of taking a bribe.

In that statement he was a liar again. I was tried before the State senate because I had exposed a crooked deal in the Mississippi caucus of 1910 which lasted 57 days and nights. I exposed that crooked deal and the majority—there is your majority again, Mr. President—the majority of the State senate belonged to the crowd which had been exposed, and they wanted to expel me. They lacked one vote of being able to do so. It would not have made any difference even though they had been able to expel me. I would have been back within 30 days. A little thing like that would not disturb me because I was in the right. Dombrowski continues as follows:

This is the **BILBO** who filibusters against a bill to let the people vote in his own State.

Of course, in that statement, he was referring to the poll tax.

Now, Mr. President, let us see what is this Southern Conference for Human Welfare. The Southern Conference for Human Welfare has its headquarters in room 506-507 Presbyterian Building,

Nashville, Tenn. Its official medium is The Southern Patriot, published at the same address: Its other local headquarters' addresses are: 525 Guilford Bank Building, Greensboro, N. C.—Miss Mary Price; 921 Massey Building, Birmingham, Ala.—Mrs. Pauline Dobbs; Apopka, Fla.—Mr. Virgil Connor; and 525 Chamber of Commerce Building, Atlanta, Ga.—Miss Margaret Fisher.

That is the organization. The latest official letterhead, of June of this year, of the S. C. H. W.—Southern Conference for Human Welfare—shows the following as officers—listen to the list:

Honorary presidents:

Judge Louise Charlton, Birmingham, Ala.

Frank P. Graham, president of the University of North Carolina. I shall get to him directly.

President Clark Foreman, the black sheep of the Clark-Howell family. They are ashamed of him.

Alva W. Taylor, secretary-treasurer.

Executive secretary, James A. Dombrowski.

Vice presidents:

Paul R. Christopher.

Roscoe Dunjee. He is the Negro editor of the Black Dispatch, of Oklahoma City.

Virginia Foster Durr, sister of Judge Hugo Black.

George Googe.

Paul B. Kern.

William Mitch.

Hollis V. Reed.

Executive board:

W. W. Alexander. He is the leader of the Negro social equality campaign of the South, and has been for years. He believes in social equality of the Negro, he believes in miscegenation, he believes in intermarriage. He is preaching it.

Mary McLeod Bethune. She is that good old Negro girl from Florida whom Aubrey Williams brought to Washington and wrecked politically, when Mrs. Roosevelt took charge of her.

Charlotte Hawkins Brown.

Louis Burnham.

Rufus E. Clement.

William E. Cole.

Tarleton Collier.

John P. Davis.

Helen Fuller.

F. Clyde Helms.

Joseph B. Hunter.

Charles S. Johnson.

Roy R. Lawrence.

Lucy R. Mason.

Mortimer May.

A. T. Mollegen.

George S. Mitchell.

M. C. Plunk.

Arthur F. Raper.

Ira De A. Reid.

Lillian E. Smith, the author of "Strange Fruit."

Harry S. Strozier.

John B. Thompson.

Jimmie Woodward.

A letterhead dated February 28, 1945, compared with the June letterhead shows that four individuals, for unannounced reasons, dropped from the executive board, these being Gerald Harris, James J. Morrison, F. D. Patterson, and Edward Yoemans, Jr. Added to the June letterhead as executive board mem-

bers are the names of George S. Mitchell and Harry S. Strozier.

This organization has been so skillfully organized and managed that some nice, decent, right-thinking, patriotic American men and women have been dragged into the net, and what I am fixing to do is to go to the bottom of it and show what it is.

Among the members of the National Citizens Political Action Committee, of which Elmer Benson, ex-Governor of Minnesota, is now the chairman, succeeding Sidney Hillman, the following have been affiliated with the Southern Conference for Human Welfare: Will W. Alexander, Mary McLeod Bethune, James Dombrowski, Roscoe Dunjee, Mrs. Clifford Durr, Clark Foreman, William H. Hastie, Jennings Perry, Lucy Randolph Mason, Ira De A. Reid, Paul Robeson, Lillian Smith, and Aubrey Williams.

Hastie is the one who has been appointed Governor of the Virgin Islands, whose nomination the Senate is to be called upon to confirm.

Mr. TAYLOR. That sounds like a pretty good list to me.

Mr. BILBO. I suspect it does sound that way to the Senator.

Behind a facade of loosely organized southern liberals the Communist Party has initiated and manipulated the Southern Conference for Human Welfare in accordance with its special partisan purposes. This Communist front is what I am talking about. That is what it is, that is all it is.

In reporting to its constituents, the Southern Conference for Human Welfare has been extraordinarily vague as to the exact origin of the organization.

It was born in the hearts and minds of a large group of devoted southerners known as the Southern Policy Committee, declared a conference report.

Nobody south of Mason and Dixon's line dreamed up the Southern Conference for Human Welfare. It is not a southern idea or southern product at all.

No names were given. This nondescript group met several times early in 1938 in Birmingham, Ala. Several other persons were asked to attend a meeting on July 21, and the idea of a southern conference was presented to them. The report did not say who presented the idea or who was present. The persons present voted themselves in as sponsors and members of the arrangements committee and, subsequently, a permanent organization meeting was called at Birmingham on September 6, 1938—report of the proceedings of the Southern Conference for Human Welfare, November 22, 23, 1938, pages 3 and 4. Its claim to represent any significant proportion of southern opinion was therefore entirely self-assumed.

While the conference has succeeded in confusing certain elements by its pretensions, representative southerners harbor no illusions as to its real character. The Democratic Women's Club of Alabama, an organization of long standing in the South, publicly demanded the disclosure of the names of the initiators of the conference, of those who provided the necessary finances, and of those who appointed the delegates. The Democratic Women's Club charged

that the conference was of questionable origin and purpose—Birmingham News, November 25, 1938.

Question marks have been all over this outfit ever since it started, because it had a peculiar beginning. I shall get to that.

In their own inner circles, the Communists have not been nearly so reticent in claiming responsibility for the Southern Conference for Human Welfare. These folks who have been on the front in Nashville and Atlanta, of course, deny that they are of Communist origin; that the Communists organized them and are leading them, directing them; but in the inner circles of the Communist Party the Communists brag about it. I repeat, in their own inner circles, the Communists have not been nearly so reticent in claiming responsibility for the Southern Conference for Human Welfare. In his article in the Communist of January 1939—official monthly organ of the Communist Party—Robert Fowler Hall, secretary of the Communist Party of Alabama, and speaker at the April 1940 session of the Southern Conference for Human Welfare, revealed some of the moves behind the scenes. Referring to an earlier speech of Earl Browder, general secretary at that time of the Communist Party, Hall wrote:

Comrade Browder's remark thus anticipated the Southern Conference for Human Welfare, held in Birmingham, November 20-23. Let us estimate the Southern Conference in the light of Comrade Browder's remarks at the tenth convention of the Communist Party. In this sense, we can say that the Southern Conference was a brilliant confirmation of the line of the democratic front advanced by Comrade Browder at the tenth convention. Our comrades naturally watched the conference preparations closely, and helped wherever possible. Southern State organizations of the Communist Party were represented at the conference by five southern Communist delegates. In strengthening this movement, our party has before it a great task. On this basis, our party can and must proceed to recruit from the progressive ranks many hundreds of members (pp. 57, 60, 61, and 65).

That is the way the Conference for Human Welfare—a Communist outfit—has the audacity to send telegrams to Democratic Senators from the South and tell them what to do at the same time denouncing other Senators from the South.

When I fought the FEPC last summer I was denounced from one end of the country to the other, and this organized smear of the Communist newspapers started all over the country. That is one reason why I have been quiet for the last 2 weeks. We have been discussing the FEPC bill for 2 weeks, and this is the first time I have said anything about it. I wanted the Negro and the Communist newspapers and other folks in the country to know that there are 22 other Senators from the South who believe as I do about this proposal and who have the same desire. I have taken the cussing, and that is all right; I can take it. But I want them to know that I am not by myself. Now they have to get up 22 picketing brigades, and picket 22 other Senators because of their opposition and their sentiments and their convictions about FEPC and kindred subjects.

The Communists were using the conference as a specific application of the so-called popular front policy in the South. This line had been adopted by the Communist International at its Seventh Congress in Moscow in 1935, and was being applied by the Communist parties throughout the world prior to the signing of the Stalin-Hitler pact. The liberals drawn into the conference were merely the most convenient guinea pigs. It is surprising how some people get over into the Communist movement.

While the Communist Party, as such, boasted of few delegates, it must be remembered that the bulk of the Communists came from front organizations under their control. This was ultimately proven by test votes on various controversial issues.

Communist Party writers made every effort to emphasize the significance of the Conference for Human Welfare. Robert F. Hall called it the representative of the new forces in the South working for the development of a powerful movement of the southern masses for peace, democratic rights, and security (Communist, August 1940, pp. 690-702). Thus the conference supplemented the activity of the American League for Peace and Democracy, the chief Communist front during this period.

Mr. President, it must be understood that during this period there were many organizations in the United States which were nothing in the world but Communist fronts. Here is the greatest one in the South.

James W. Ford, Communist candidate for Vice President, speaking of the Southern Conference for Human Welfare and the Southern Negro Youth Conference, declared with considerable pride that:

The Communists, through their pioneering work in the South, may justly claim to have laid the foundation for these great social movements (Communist, September 1938, p. 828).

In a radio address delivered on November 27, 1938, over Station WOL, Earl Browder, Communist Party general secretary, expressed the opinion that the Southern Conference for Human Welfare was one of the signs of the awakening of the American people. In a public hearing before the Special Committee on Un-American Activities he identified it as one of his party's "transmission belts."

This is the head of the Communist Party describing and stating what the conference is and what its purposes are. One might know it is a Communist outfit. It is a mongrel outfit. About one-third of its officers and leaders are Negroes who do not hesitate to say where they stand. A. Philip Randolph and all his group do not mind telling where they stand on this question.

Just the other day, Mr. President, a meeting was held in the caucus room of the House Office Building of those who came here to persuade the Congress to vote for the FEPC. I read from an article dated Washington, January 18:

Reconstruction days in the South drew high praise Thursday night at a Negro rally held here in support of the Chavez bill set-

ting up a permanent Fair Employment Practice Commission.

The praise came from Benjamin J. Davis—

Senators know who he is—

Negro Communist member of the New York City Council, and from Representative DE LACY, Democrat, of Washington.

Mr. TAYLOR. He is a good man.

Mr. BILBO. Yes; just like Davis, a wild radical.

Davis led the march on Washington Thursday of New York supporters of FEPC. The delegation of some 500, most of whom were in the gallery when Senator CHAVEZ made his surprise move Thursday calling up his FEPC bill, represented some 50 Communist front organizations.

See how they operate.

Both Davis and Representative DE LACY told the rally that when Negroes sat in the southern legislatures during reconstruction days better legislation had been passed than at any other time in American history.

The idea of a Communist Negro from New York and a Representative from the far West, DE LACY, insulting every white man and woman south of the Mason and Dixon line with the statement that the Negroes and carpetbaggers of reconstruction days, in charge of the South after the Civil War, passed better laws and made a better job of it than the white people have since or before.

Mr. TAYLOR. May I ask what newspaper that article appeared in?

Mr. BILBO. It appeared in the Memphis Commercial Appeal. The reporter was there. Do not worry about the facts.

Davis was especially violent in his criticism of President Truman, Senators EASTLAND and BILBO, and Representative RANKIN. He countered this with fulsome praise of the Soviet Union and three Members of Congress, Representatives DE LACY, MARCANTONIO, and ADAM POWELL, Harlem Negro preacher.

He has gone haywire now. He has gone Republican.

"President Truman is nothing but the tail of the Roosevelt dog," Davis told the crowd that filled the Asbury Methodist Church. "All we get out of Truman is talk, double talk and triple talk, but no action." He accused President Truman of stabbing FEPC in the back by pretending to favor it but failing to coerce the Capital Transit Co., of Washington, to hire Negro streetcar conductors.

That is the gang the proponents of the bill are running with.

Evidence before the Special Committee on Un-American Activities indicates that the central committee of the Communist Party was intimately concerned with the affairs of the conference from its very inception. William Weiner, treasurer of the Communist Party, testified that a subsidy of \$2,000 had been paid to the Communist Party of Alabama in 1938, when the Southern Conference for Human Welfare was founded; that this Southern Conference had been discussed with Robert F. Hall when he was in New York; and that it had also been discussed by the central committee of the Communist Party at the time the \$2,000 subsidy was authorized. Browder publicly admitted that the Communist Party had "suffered great hardships to maintain the growing southern movement."

He is going to have more trouble with that.

Not only do the Communists claim the conference as their own product, but they even disclose how they pulled the strings. Hall, apparently the chief moving spirit, pointed out that the main work of the conference was carried on through the sections or panels and that resolutions adopted in the panels were usually adopted by the conference as a whole (Communist, January 1939, p. 58).

Here is how this plan actually operated: A resolution on education was presented by Paul Crouch for the Communist Party of Alabama and unanimously adopted (Daily Worker, November 22, 1938, p. 6). Crouch was a member of the editorial staff of the Southern Worker, official organ of the Communist Party in the South. Associated with him on this board were Robert F. Hall and Ted Wellman. Crouch was convicted for treasonable activities within the armed forces of the United States in Hawaii on June 8, 1925. He subsequently made a pilgrimage to Moscow where he paraded in a Red army uniform (Daily Worker, May 1, 1928, p. 5).

All this is backed up by the record, Mr. President.

Joseph Gelders was active in the conference's committee on plans for a permanent organization. Representing the Southern Conference for Human Welfare, Gelders was also the secretary of the strategy committee in the campaign for the Geyer anti-poll-tax bill. He was formerly secretary of the National Committee for Defense of Political Prisoners, which was cited as subversive by Attorney General Biddle. Gelders personally accompanied Earl Browder on a visit to the Scottsboro boys (Daily Worker, September 15, 1936, p. 3). He raised his voice in protest against the arrest of Communists in Chattanooga (Daily Worker, April 6, 1938, p. 3). He was also leader of a lobby for the American Peace Mobilization which conducted a picket line about the White House and denounced President Roosevelt as a "warmonger" (Sunday Worker, September 8, 1940, p. 3).

John P. Davis, identified as a leading member of the Communist Party by testimony before the Special Committee on Un-American Activities and former secretary of the National Negro Congress, cited as a subversive organization by the then Attorney General, was a leading speaker in the panel on constitutional rights of the first conference in 1938 and the 500 delegates applauded his report. He was also vice president of the conference (Daily Worker, November 22, 1938, p. 6; April 17, 1940, p. 4).

Edward E. Strong has been described by James W. Ford, Communist vice presidential candidate, as "a coming leader of the Negro people." Strong is the secretary of the National Negro Congress. He has been a contributor to the Communist youth magazine, the Champion, and signer of a statement in March 1941, defending the Communist Party. Strong was a prominent speaker in the panel on youth problems in the 1938 session of the Southern Conference on Human Welfare,

together with Howard Lee, attorney for Oscar Wheeler, Communist candidate for Governor of West Virginia. Strong was elected a member of the executive committee of the Council of Young Southerners, described on its letterhead as having "its origin at the Youth Commission of the Southern Conference for Human Welfare." Edward E. Strong was one of the sponsors of the American Peace Mobilization.

It might be mentioned here that the Communist Daily Worker for September 3, 1940, page 4, has Herbert Long and Howard Lee as the leaders for the Southern Conference for Human Welfare, in the American Peace Mobilization. Lee, former executive secretary of the SCHW, signed the "call" for the April 5-6, 1941, American People's Meeting. This APM meeting was opposed to war because Stalin and Hitler at that time were allies. Lee served as a panel member at a preliminary session—April 19-20, 1940, Washington, D. C.—which finally, in June, evolved as the National Federation for Constitutional Liberties. Lee was a sponsor of the Committee To Defend America by Keeping Out of War, which organization was the immediate predecessor of the Communist-contrived American Peace Mobilization. The Reverend John B. Thompson, then—1940—the chairman of the SCHW, became chairman of the Committee To Defend America by Keeping Out of War.

Herman C. Nixon was elected executive secretary of the Southern Conference for Human Welfare in 1938. He had been forced out of Tulane University for his radical views. He had been cochairman of the Citizens Committee To Investigate Vigilantism in Gadsden, Ala., an offshoot of the International Labor Defense, and a member of the National Committee for People's Rights and of the provisional committee of the National Conference on Constitutional Liberties. The International Labor Defense, as well as the last two committees named, have been cited as subversive by the Attorney General. Nixon's book, Forty Acres and Steel Mules, was highly praised by Robert F. Hall, Communist Party secretary for Alabama, in the New South of February 1939, page 10.

The Communists are showing their hand everywhere today. Their activities are a real threat to the safety of this country.

Mr. President, I have received a telegram from the Communist outfit here in Washington. They are ruthless. They believe in doing things by force. They resort to force. They propose to destroy and take charge by force. Listen to this:

We, 400 Washingtonians assembled at a Lenin memorial meeting called by the Communist Party, repudiate the shameful position you have taken in aiding the filibuster of Senate bill 101.

I received this telegram before I had opened my mouth. I suppose they knew what was coming.

Any man who denies the right of employment regardless of race, creed, color, or national origin brings contempt upon our Nation.

Why did they not also say sex and age? If anyone ought to be protected in employment, it is the poor widow with children to support, or the girl who is working for a widowed mother. They ought to be given a chance to work.

You have proven yourself incapable of representing us as chairman of the Senate District Committee. We demand your immediate resignation.

ELIZABETH SEARLE,
Chairman, Communist Party.
WASHINGTON, D. C.

If the telegram were not so downright silly I would have something to say about it.

At the April 1942 sessions of the Southern Conference for Human Welfare, James Dombrowski was elected executive secretary. We are now getting to the meat of the coconut. He was the signer of a statement defending the Communist Party in March 1941 and a speaker for the National Conference for Constitutional Liberties in 1940. The latter organization was cited as subversive by the then Attorney General. At the June 1940 Washington, D. C., Conference on Constitutional Liberties, the National Federation for Constitutional Liberties was launched, which, in turn, is controlled by the CIO-PAC, and also follows the Communist Party line. At this same meeting, Elizabeth Gurley Flynn, a member of the national committee of the Communist Party, also spoke. The Birmingham, Ala., honorary president of the SCHW, namely, the Honorable Louise O. Charlton signed a petition to the House in June 1943, not to continue the life of the so-called Dies committee. She showed her status when she signed that petition. James A. Dombrowski also signed, as did likewise Prof. Alva W. Taylor, secretary-treasurer of the SCHW.

They wanted no Dies Committee on Un-American Activities. They did not want any investigation, because they knew that when the light was turned on, their little scheme would blow up. I propose to turn it on and keep it on.

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

Mr. BILBO. I yield.

Mr. TAYLOR. I think the Dies committee was a miserable inquisition. I have no use for it either, and I would sign any document to do away with it at any time. If it had investigated impartially, and had investigated Fascists as well, it might have had some merit.

Mr. BILBO. While the Senator is on his feet, let me ask him what he thinks of the present House Committee on Un-American Activities?

Mr. TAYLOR. I have not paid very much attention to it. It has not been in the headlines enough for me to form an opinion of it.

Mr. BILBO. But the Senator was opposed to the Dies committee.

Mr. TAYLOR. I was opposed to its tactics.

Mr. BILBO. I will not call the Senator a Communist because he makes that statement, but I will say that all the Communists were against it.

Mr. TAYLOR. The Senator can call me a Communist if he wishes. It would

not be the first time I have been called one.

Mr. BILBO. I shall not do so because I have a very high regard for my colleagues. In fact, I love them all. I may not agree with them at all times.

Mr. TAYLOR. Let me return the compliment. I can in all truth say that on many occasions when I have been asked about "this man BILBO" I have truthfully replied, "He is a very likable cuss." [Laughter.]

Mr. BILBO. I can say the same for my colleague from Idaho. After he has sat here for about 5 years perhaps he will begin to take form as a Senator.

Communist-front organizations and unions under the Communist aegis followed the lead of the Communist Party in building the Southern Conference for Human Welfare. Among these groups were the following: University of Virginia Chapter of the American Student Union—Student Almanac, page 44; International Labor Defense—Yearbook, 1939-41, page 25—official "legal-aid society" of the Communist Party, of which Congressman VITO MARCANTONIO is chairman; New South—October 1938, page 15; Workers Alliance—Daily Worker, November 21, 1938, page 1; Labor Research Association—pamphlet, Southern Labor in Wartime, page 22; and the American Federation of Teachers, which was at that time under Communist control—American Teacher, December 1938, page 7.

All the Communist fronts of every kind and description that the Communists have been able to organize in this country, and especially in the South, are a part of the Conference for Human Welfare about which I am now speaking. They all head up in this organization. As I stated a while ago, they have fooled some pretty decent people. They have misled many. The average man does not have the opportunity to investigate the origin, purposes, and objectives of such an organization.

At a meeting of the same Conference for Human Welfare in New York Mrs. Roosevelt was awarded the Jefferson award. The conference came to Washington and gave the same award to this McLeod woman from Florida, who is a Negro woman. Not long ago the conference held a big dinner in Washington and induced some very respectable people to attend. It gave one of these awards to Hugo Black, one of the Justices of the Supreme Court.

Mr. TAYLOR. I was there.

Mr. BILBO. The Senator had a right to be there. I myself sent a man there, but they kicked him out. I sent a man there to make a record of the speeches which were made, because I knew that someone would let the cat out of the bag. I knew all the time what was behind this organization. I knew it was a Communist front. Finally, I obtained copies of the speeches, and, lo and behold, what I expected happened. I learned that some Negroes were present. I think approximately 75 Negroes were present, some of them sitting at the head tables. The Negro Houston made a speech and spilled the beans. He let the world know why Hugo Black was there and was being given the Jefferson award. Judge Black

delivered the opinion in the Texas primary case. This Negro did not have any better sense than to spill the beans at the party. I knew that someone would leak, if I could only obtain copies of the speeches. The Senator caught the point when he was there, did he not?

Mr. TAYLOR. Yes; I was there.

Mr. BILBO. I wanted to know whether or not the Senator had caught the point.

The most conclusive proof of the Communist domination of the Southern Conference for Human Welfare is to be found in the organization's strict and unvarying adherence to the line of the Communist Party in the field of foreign policy. It is also a clear indication of the fact that the real purpose of the organization was not human welfare in the South, but rather to serve as a convenient instrument for support of the current Communist Party line.

That is why they are sending so many telegrams to Washington with regard to the FEFC.

In 1938, when the Communist Party was advocating "collective security of the democracies against the Fascist aggressors," a letter of greeting from President Roosevelt brought 2,000 Southern Conference delegates to their feet cheering—Daily Worker, November 22, 1938, page 1. The Southern Conference voted to endorse "An American peace policy, such as proposed by President Roosevelt and Secretary of State Hull, to promote the national security of our country, to curb aggression and assist the democratic peoples of the world to preserve peace, liberty, and freedom."

The change of the Communist line resulting from the signing of the Stalin-Hitler pact was reflected in the Southern Conference for Human Welfare, at its meeting in April 1940. Robert F. Hall, secretary of the Communist Party of Alabama, acting as the Communist whip, presented an eight-point program which demanded "an uncompromising peace policy." A few liberals in the conference supported the policy of the Roosevelt administration against Hall's program. At one stage there was a threat of fisticuffs. But the liberals were no match for the Communists, who castigated them with the high crime of being anti-Soviet. The thousand delegates denounced war and pro-allied propaganda, as threatening America with war. They declared themselves unalterably opposed to loans to the Allies and other belligerents, and denounced war appropriations at the expense of the welfare of the American people at home.

The rift between the Communists and the few liberals was quickly healed as soon as Hitler invaded the Soviet Fatherland and the Communists suddenly relinquished their unalterable opposition to the war. Wholehearted agreement marked the sessions of the conference held on April 19, 20, and 21, 1942, devoted to "the South's part in winning the war for democracy." The convention demanded that all join in a great offensive now, to work, to produce, to sacrifice, to win—Daily Worker, April 23, 1942, page 3.

After Hitler invaded Russia they changed their whole front overnight. They were then ready to go to bat.

The stand of the Southern Conference for Human Welfare on various other issues in which the Communist Party was primarily concerned has served to confirm the conclusion that the organization is merely a pliable instrument in the hands of Communist wirepullers.

The youth section of the SCHW affiliated itself with the Communist-begotten Coordinating Committee to Lift the Embargo—Spain. The CCLE consisted of several score "transmission belt" groups and movements. The youth section is known as the Council of Young Southerners. Malcolm Cotton Dobbs is its executive secretary and James F. Anderson is its administrative secretary. Its offices are located in 201 Presbyterian Building, Nashville, Tenn. One of its sponsors is Mary McLeod Bethune, the colored social worker, friend of Mrs. Eleanor Roosevelt.

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

Mr. BILBO. Does the Senator propose to inject something at this point?

Mr. CHAVEZ. Oh, no; only a question.

Mr. BILBO. I should like to have this statement continuous in the Record.

Mr. CHAVEZ. Does the good Senator from Mississippi consider Bishop G. Bromley Oxnam, of the Federal Council of Churches of Christ in America, a Communist?

Mr. BILBO. He is not only communistically inclined, but he is a social-equality Negro lover of the deepest dye.

Mr. CHAVEZ. Nevertheless, he is the bishop—

Mr. BILBO. I do not care what he is the bishop of. The Senator asked me about Oxnam's views. I will bring the Senator the proof tomorrow if he wishes it.

Mr. CHAVEZ. If the Senator has any proof, I am willing to be convinced.

Mr. BILBO. Certainly.

Mr. CHAVEZ. Would the good Senator from Mississippi, who dislikes Communists as much as I do—communism, I should say; I do not dislike Communists, but I hate communism. I could not dislike any person.

Mr. BILBO. The Senator loves Communists but hates communism; is that it?

Mr. CHAVEZ. I just try to follow Christ. I could not dislike anyone.

At any rate, would the good Senator from Mississippi consider Monsignor Ryan, of the Catholic Church, to be a Communist because of his views in regard to this bill?

Mr. BILBO. When God has put his hand on a man, I take mine off. Monsignor Ryan is dead.

Mr. CHAVEZ. Yes; God, in his wisdom, works in a peculiar fashion.

I do not know whether the Senator knows Bishop Shelly; but would the good Senator from Mississippi, who is so broadminded, say that Bishop Shelly, of the Catholic Church of Cleveland, or Archbishop Byrne, of the oldest Catholic diocese in the country, at Santa Fe, N. Mex., or Bishop Lucey, of the Catholic Church at San Antonio, are Communists? Would the Senator consider such persons to be Communists?

Mr. BILBO. Mr. President, if I did not think the Senator was high-minded and honorable, and did not possess any low traits of chicanery, I would think that his question indicated that he was trying to make a statement which the press could use in an attempt to show that Bilbo was against the Catholics. I am not against the Catholics. Some Catholic priests in Mississippi are making the same fight that I am making.

Mr. CHAVEZ. I assure the Senator that that was not the purpose.

Mr. BILBO. Well, the Senator from New Mexico is a Catholic and he should know about the priests of the Catholic Church. So when the Senator from New Mexico gets the floor in his own right he can tell the Senate all about the Catholics and what they believe and what they stand for. I will take care of the Baptists and Methodists. [Laughter.]

Mr. CHAVEZ. Very well. Mr. President, I wish to find out whether the Senator from Mississippi thinks that only Communists are in favor of this bill.

Mr. BILBO. I did not say that. I just got through telling the Senator from Idaho that all the Communists are for the bill but that everyone who is for the bill is not a Communist. Does the Senator from New Mexico understand that?

Mr. CHAVEZ. I certainly do.

Mr. BILBO. Very well. I wish to see the color of the hair of some Communist who is not in favor of this bill. Trot one out, if you please. The idea of the bill was conceived and planted in the head of A. Philip Randolph and Walter White, who are in close touch with the Communist set-up, and they are the ones who threatened President Roosevelt with a march of 100,000 Negroes on Washington; and in order to stave it off and keep from having such a riot in Washington at the beginning of the preparations for the war, President Roosevelt issued Executive Order 8802. That is where the baby was born, and now the Senator from New Mexico is trying to keep it alive.

Mr. CHAVEZ. Mr. President, does the Senator think that is what makes the present President favor this proposed legislation?

Mr. BILBO. I am sorry the Senator from New Mexico was not here when I discussed that point.

Mr. CHAVEZ. I am sorry.

Mr. BILBO. If Senators do not understand the situation, let them read the newspapers and what they say about the FEPC.

Mr. CHAVEZ. I am glad the Senator from Mississippi reads some newspapers.

Mr. BILBO. Yes; but not all of them come from New Mexico.

Mr. CHAVEZ. They do not.

Mr. BILBO. I say that every Negro newspaper of the country makes front-page news and devotes its editorials and articles to matters in the interest of the FEPC. The report of the committee indicates that it is largely acting in the interest of this particular minority and that it is for it.

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

Mr. BILBO. I yield.

Mr. CHAVEZ. The Senator from Mississippi does not consider the Washington Post a Negro newspaper, does he?

Mr. BILBO. No, sir; it is Jewish. [Laughter.]

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

Mr. BILBO. I will yield to the Senator from Florida, to permit him to introduce a bill, if it is not a bill for the FEPC, and if by yielding to him I will not lose the floor.

Mr. PEPPER. I ask unanimous consent that the Senator may yield to me under those conditions. Out of order, I ask unanimous consent to introduce a bill for appropriate reference.

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

(The bill S. 1779 introduced by Mr. PEPPER (for himself, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. TAFT) appears under the heading "Bills introduced" earlier in today's RECORD.)

Mr. MYERS. Mr. President, will the Senator yield to me, to permit me to introduce some matter to be printed in the RECORD?

Mr. BILBO. I yield for that purpose, if by doing so I do not lose the floor.

Mr. MYERS. I ask unanimous consent to have printed in the RECORD a letter including a resolution which has been addressed to me.

Mr. BILBO. None of that material is from the Philadelphia Record; is it?

Mr. MYERS. No. The Senator did not wish me to request unanimous consent to submit articles from the Philadelphia Record; did he?

Mr. BILBO. No; because I wish to have the pleasure of doing that myself; and I shall attend to that later.

The PRESIDENT pro tempore. Without objection, the resolution presented by the Senator from Pennsylvania will be received and appropriately referred.

(The resolution presented by Mr. MYERS appears under the appropriate heading later in today's RECORD.)

Mr. BILBO. Mr. President, the Southern Conference for Human Welfare received financial assistance from the Red-aiding Robert Marshall Foundation. When Robert Marshall, Chief Forester of the United States of America, passed on to his reward, his will left bequests for aiding Communist-front groups. He was a radical millionaire, and his brother George had been chairman of the National Federation for Constitutional Liberties. On January 7, 1941, the foundation sent the Southern Conference for Human Welfare a check for \$500, and on May 4, 1942, a check for \$1,000.

Mr. President, I wish everyone to understand that this Communist outfit not only is behind the FEPC but also is behind the anti-poll-tax proposal. I have in my files a photostatic copy of a check which this Communist outfit received directly from across the sea. The check was a donation to the National Committee for Repeal of the Poll Tax.

The other day I received from Los Angeles, Calif., a letter stating that the National Committee for Repeal of the Poll Tax had flooded Los Angeles with appeals for money to help it prosecute

the campaign for the repeal of the poll tax. That shows that these organizations are rackets. That is all they are. If anyone who has sense enough to understand will sit down for 5 minutes and study this matter, I can convince him that the poll tax has nothing on earth to do with the question of having Negroes in the South vote or not vote. It has nothing on earth to do with that question. Under the constitution of my State, persons who reach the age of 60 years do not have to pay a poll tax. After they reach the age of 60 they are no longer subject to paying the poll tax. The best estimate I can obtain is that there are between 75,000 and 100,000 Negroes in Mississippi who are over 60 years of age, and who do not have to pay a poll tax—but they do not vote.

Mr. CHAVEZ. What keeps them from voting?

Mr. BILBO. I am glad the Senator from New Mexico asked that question. They are not qualified to vote; that is all. The poll tax has nothing to do with their failure to vote.

But this racket about repeal of the poll tax is nothing but a racket, and some people are making good money out of it. A number of unsuspecting "easy" people over the country who have plenty of money think they are rendering a service by contributing to that program.

William L. Patterson, Communist candidate for mayor of New York—1940—in an article in the April 26, 1940, Daily Worker, linked the Communist National Negro Congress, the Southern Negro Youth Congress, and the Southern Conference for Human Welfare together. He knew about the combination. He knew how they were linked up. The Communist-front Social Work Today magazine, in its June 1940 and May 1942 issues, praised the work of the Southern Conference for Human Welfare.

Mr. President, the report from which I have been reading further states:

An examination of the files of the Southern Patriot, the official organ of the Southern Conference for Human Welfare, discloses a very definite following of the Communist Party line and Communist Party ideology, plus support for the carrying out of the legislative program of the CIO.

The Southern Patriot is published at Nashville.

James A. Dombrowski has been its editor from the very beginning. The first issue appeared in January 1943, and the editorial board has consisted of Dr. Will A. Alexander—

I shall refer to him shortly—
Dr. Clark H. Foreman—

I shall refer to him, too—

Helen Fuller, and Dr. Ira De A. Reid. The Southern Patriot has been issued without intermission from volume 1, No. 1, January 1943, to volume 3, No. 10, October 1945, up to the time of the issuance of this report.

Mr. President, I wish to yield the floor to my distinguished leader, the Senator from Kentucky [Mr. BARKLEY], with the understanding that if a recess is taken I shall be able to resume my remarks when the Senate meets at 12 o'clock tomorrow.

Mr. CHAVEZ. Of course, Mr. President, I do not wish to have it understood that the Senate will take a recess after the Senator from Kentucky has concluded his remarks.

Mr. BARKLEY. No; at the moment I was not contemplating the making of a motion to take a recess.

Mr. BILBO. I thought perhaps the Senator from Kentucky would speak up until the time of the taking of a recess.

Mr. BARKLEY. I wish to request the Senator to yield to me so as to enable me to make remarks which are particularly appropriate today.

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. BILBO. Yes; I yield for that purpose, with the understanding that I do not yield the floor.

Mr. BARKLEY. I have no purpose to take the Senator off the floor, although I would not be averse to taking him off the floor if I could keep him off. However, I realize I cannot do so, and I have no purpose to take him off the floor.

Mr. BILBO. The Senator is quite correct.

TRIBUTES TO FRANKLIN D. ROOSEVELT AND HARRY L. HOPKINS

Mr. BARKLEY. Mr. President, I have asked the Senator from Mississippi to yield to me in order that I may occupy the floor of the Senate for only a few minutes.

I invite attention to the fact that today is the anniversary of the birth of the late Franklin D. Roosevelt. If he had lived until today he would have been 64 years of age. He died on the 12th of April 1945.

I do not intend to enter into any panegyric or eulogy on the late President Roosevelt as a man or as the late Chief Executive of this Nation. On the occasion of his death I expressed a few sentiments in regard to him and his great work. I now wish merely to invite the attention of the Senate and of the country—if my voice reaches beyond these walls—to the fact that today marks the anniversary of his birth. I think we might well pause and contemplate for a moment the place which he occupies in our minds, and will occupy in the history of this country and of the world.

Mr. President, we are too close to Franklin Delano Roosevelt to be impartial judges of the place which he will occupy ultimately in history. As I stated on a former occasion, all great men are endowed with great virtues and great faults. Franklin Roosevelt was no exception to that rule. But just as it might be said of Washington, Lincoln, Jefferson, Theodore Roosevelt, and Woodrow Wilson, his great virtues so outnumbered his faults that in the verdict of history it is my opinion that his virtues and his positive contribution, not only to the welfare of this country but to the welfare of mankind, will be depicted in a manner which will be eminently satisfactory to all his admirers, and not disagreeable to those who disagreed with him, or those who did not admire him while he was alive and while he was the head of this great Nation.

As I have already said, Mr. President, I merely wish to invite attention to this

day, and to reiterate my conviction that the verdict of history will accord Franklin Delano Roosevelt a place as high as that which has been accorded to any man who has influenced the destiny of the United States or the destiny of the world. As between his influence on the affairs of the United States of America and the people of the United States, and his influence upon world affairs, I am not sure that the proportion will not be greater with respect to his influence on world events than upon events which transpired within the United States of America. I am sure that most, if not all, of us here will live to see the day when he will be accorded such place in the history of this country and of the world.

Mr. President, while I am on my feet I may also invite attention to the unfortunate occurrence on yesterday of the death of one of Mr. Roosevelt's most intimate friends in office and out of office. It is altogether fitting to link those two men in what little I have to say. I refer, of course, to Mr. Harry L. Hopkins. I do not recall that prior to the inauguration as President of the United States of Mr. Roosevelt on the 4th of March 1933, I had ever heard of Harry Hopkins. I am not sure that at that time any other Member of the Senate knew him or had known of him. He became intimately associated, officially and personally, with the late President Roosevelt. I would say that he became perhaps Mr. Roosevelt's most intimate friend and adviser. We all know that every President of the United States, no matter what his political affiliations may be, must have and always does have some unselfish friend, some unselfish adviser, upon whom he leans for guidance and counsel in the intimate hours when the world is not looking on. That statement is also true of men holding lesser offices than that of President of the United States.

Those of us who are old enough recall, and those who cannot recall have read, that Theodore Roosevelt had one or more such intimate friends. He had a kitchen cabinet which was not composed of the higher echelons of political preferment, but consisted of certain persons upon whom he relied steadfastly, and with whom he counseled intimately. The same was true of Woodrow Wilson, William McKinley, and Abraham Lincoln. So, Mr. President, it is not strange that a man who is occupying the great office of President of the United States should have one or several persons upon whom he may rely for unselfish counsel and advice. It would be strange if that were not true.

In Mr. Harry Hopkins, regardless of what anyone may have thought of his theories in connection with social and political matters, and regardless of what anyone may have thought of his ability as an administrator, the President of the United States had an intimate friend and counselor with whom he could sit down in the quiet hours of the evening or the night and discuss matters both from the standpoint of policy, and from the standpoint of the welfare of the country.

I believe it is true, Mr. President, that in all Mr. Hopkins' public relations not only with Mr. Roosevelt, but with others

who were associated with him in executive and legislative departments of the Government, he never used his influence, or his advice, or his power for his own selfish interests or his own selfish advancement.

I feel that he is entitled to have that brief comment made upon his contribution to the administration of Mr. Roosevelt with which he was associated from its beginning. Now that he has passed from among us at the age of 55, which is but the prime of life, we are entitled to look upon his activities and his conduct while he was associated with the Government of the United States. I take it for granted that during his mature life he sought, according to his own lights and his own beliefs, to advance the welfare of humanity and make a contribution to its advancement without regard to any personal ambitions, or any personal selfish wishes which he might accomplish by reason of them.

Personally, I was on intimate terms with Mr. Hopkins during those years. Sometimes I agreed with him and sometimes I did not. That was the privilege of all of us. I always found him sincere, forthright, and honest in the expression of his views. On no occasion did I ever find that he sought by any duplicity to deceive either me or others with whom he had dealings.

I personally mourn as a friend the loss of Harry Hopkins. I mourn him as a public servant and as an American. I wish to express my sympathy to all his family and friends in his untimely death.

Mr. WHITE. Mr. President, if I may do so I should like to say a brief word.

I hesitate to trust to extemporaneous words, but I should feel remiss if I remained silent to what has been called to our attention by the Senator from Kentucky.

Mr. Roosevelt lived through tremendous days in the life of our Nation. He took part in events which shook this world to its very foundations. What history will say of him, I do not know. But he had an indomitable spirit which bound to him millions of Americans with an affection which is rarely felt toward public men. I feel that Mr. Roosevelt will be accorded a high place among those who have served this country during its entire life. I join with the Senator from Kentucky in expressing regret that this great spirit was called from us by the untimely hand of death.

Mr. President, I knew Mr. Hopkins only casually. I suppose that I never talked with him more than half a dozen times in all my life. But I have a definite recollection of my contacts with him at a time of great political stress in my campaign of 1936 when the hosts of democracy came very near committing a mistake in the State of Maine. I remember talking at that time with Mr. Hopkins about some of our State-of-Maine problems. I cannot forget the graciousness with which he received me, and the frankness with which he talked. I had a high opinion of his ability.

I join in expressions of deep regret to Mr. Hopkins' family for the loss which has come to them, and for the loss which has come to the public service through his death.

Mr. BARKLEY. Mr. President, I thank the Senator from Mississippi for yielding.

Mr. BILBO. It was a pleasure to yield.

Mr. CHAVEZ. Mr. President, I wonder if the Senator from Mississippi will, without losing the floor, yield to me for a brief observation?

Mr. BILBO. I yield.

Mr. CHAVEZ. I wish to join with the Senator from Kentucky and the Senator from Maine in paying tribute to the great services rendered the country by the late President Roosevelt. The Senator from Kentucky has spoken of his virtues and his faults. Of course, we all know he had both faults and virtues, but to my mind the greatest and most outstanding virtue he had was that of loving humanity. Certainly he brought it to the point of impressing it upon the American people when he recommended legislation such as the bill we are now discussing.

I thank the Senator from Mississippi for yielding.

OBSERVANCE OF BIRTHDAY OF FRANKLIN D. ROOSEVELT—RESOLUTION OF JEWISH YOUTH SENIORS

Mr. MYERS. Mr. President, I ask unanimous consent to present for printing in the body of the RECORD a letter from Morris A. Barowsky, national president, American Jewish Youth Seniors, Philadelphia, Pa., embodying a resolution adopted by that organization at its convention at the St. Charles Hotel in Atlantic City, N. J., on December 9, 1945. The resolution requests Congress to adopt a resolution designating the 30th day of January, which is the birthday of Franklin D. Roosevelt, to be observed each year on the same plane as the birth dates of George Washington and Abraham Lincoln.

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

PHILADELPHIA HEADQUARTERS,
AMERICAN JEWISH YOUTH SENIORS,
Philadelphia, Pa., December 26, 1945.

HON. FRANCIS MYERS,
Philadelphia, Pa.

DEAR SIR: On December 9, 1945, at the St. Charles Hotel in Atlantic City, N. J., we, the American Jewish Youth Seniors, held our seventh annual convention.

Part of our procedure is to draw up a set of resolutions which are carried out to the fullest extent by our units in an effort to uphold democracy and combat bigotry and all activities contrary to the American way of living. Among the resolutions unanimously passed by our delegates was:

"Whereas between the years 1932 to 1945 the Executive seat of the United States of America was occupied by a man who was a great believer in democracy and the freedom from tyranny of all races, creeds, and colors; and

Whereas he being a true benefactor of mankind, caused to be given to the world ideals which shall exist forever in the hearts of man. Franklin D. Roosevelt gave his life to our country in carrying out the ideals of a true democracy: Now, therefore, be it

Resolved That the Congress of the United States shall pass a resolution designating the 30th day of January of each year be observed on the same plane as are the birth of George Washington and Abraham Lincoln."

The above resolution was brought to the attention of the American public by the Philadelphia Evening Bulletin, Philadelphia

Enquirer, Atlantic City Press, and other prominent New Jersey and New York papers. We have also brought the above to the attention of the New York Post and PM.

We are bringing this to your attention in the hopes that you will do your utmost in helping a grateful American Nation commemorate the birth of a great American, Franklin Delano Roosevelt.

Thank you for your cooperation in this matter.

Respectfully yours,

MORRIS A. BAROWSKY,
National President.

JOURNAL OF THURSDAY, JANUARY 17, 1946

The Senate resumed the consideration of Mr. HOEY's motion to amend the Journal of the proceedings of the Senate of Thursday, January 17, 1946.

Mr. CHAVEZ. Mr. President, if it is in accordance with the wishes of the Senator from Maine [Mr. WHITE], the minority leader, I think we have gone far enough today, and perhaps the Senator from Mississippi may get some new ideas if we recess until tomorrow. In keeping with that, I move that the Senate take a recess until 12 o'clock tomorrow.

Mr. MEAD. Mr. President, will the Senator withhold the motion for a moment?

Mr. CHAVEZ. I do.

Mr. MEAD. I am very anxious to get the floor in my own time, without getting it in a roundabout way, and without making certain agreements and arrangements with some other Member of the Senate. I wish to talk about the bill which is pending before the Senate, and I should like to have the floor in my own time. I tried to obtain recognition on one occasion, but a Senator who rose after I rose was given recognition over me.

The PRESIDENT pro tempore. If that happened, it happened without the knowledge of the present occupant of the chair.

Mr. MEAD. The present occupant of the chair was not in the chair at the time.

The PRESIDENT pro tempore. I thank the Senator.

Mr. MEAD. I am going to agree to the Senate recessing at this time, but I am not going to agree to an early recess tomorrow. I am going to see to it, if I can, that the Senate remains in session for quite some time, until those of us who have been criticized for our support of the bill and who would like to speak about the bill, may have an opportunity to present the other side.

The PRESIDENT pro tempore. If the Senator will rise to his feet within the sight of the Chair and address the Chair, he will be recognized if he rises first.

Mr. MEAD. I appreciate that. That gives me great encouragement. But I am somewhat doubtful about my opportunity of competing with my colleagues who are opposing this issue, because of the fact that it seems to me that when the present occupant of the chair leaves the chair, someone takes the chair who is not very friendly to my side of this controversy.

Mr. RUSSELL. Mr. President, I wish to say just a word, because I am becoming a bit tired of the innuendos and the implications and the charges which are

being made by some of those who are advocating the pending measure. I have observed that one or two of them sit around the Senate pretty regularly, but a great many merely come in at intervals to enter a protest because the Senate does not stop the transaction of all its business to await their pleasure and let them speak just when they wish to speak.

Since I have been a Member of this body, for 13 years, there have been a number of times when Senators have desired to address themselves to issues which perhaps were not so controversial, from a political standpoint, as Senate bill 101, who addressed the Chair a number of times and were not recognized because other Members of the Senate happened to be seen by the Presiding Officer first. I have waited around the floor for several days on other bills to get a chance to offer an amendment. The Chair can only recognize one Senator at a time. That is evident. But on this particular measure, in the effort that is being made to spread this campaign of poison against those of us who are opposing it, there have been these innuendos and these false charges and these intimations that there has been unfair treatment of Senators who wish to speak on the bill.

For my part, as one who is opposing this infamous legislative proposal, I resent that attitude. It is in keeping with what has happened here when Senators who were for the bill objected day after day to the introduction of any measure, or to the reception of even a committee report, and who then rushed out to the newspapers and charged that those who were opposing the bill were stalling all progress in the Senate because we would not let them pass this bill until it was fully discussed. They objected even to the introduction of important legislation because they could not impose their will upon us, and sought to make us responsible for their actions in delaying normal procedure here.

Mr. President, I say that is merely a part of this whole concerted scheme. Let Senators remain here on the floor and address the Chair, and they will be recognized. I have seen Senators seek recognition time after time before being recognized, but this is the first time I have seen these crybaby tactics of getting up and complaining that the Chair has been unkind to them because he does not recognize them at once when other Senators are seeking recognition. It is like the inferences made about the present distinguished occupant of the Chair because, forsooth, he happens to come from a Southern State, that he has not dealt fairly or would not deal fairly. I say that is a subterfuge, and I resent it. I say it is contemptible, because there is not a man who knows the Senator from Tennessee but knows that whatever might be his views as one of the stoutest fighters of the Senate, he is fair, and as a Presiding Officer he will take his rulings from the Parliamentarian who has been selected by the Senate. It is merely a part of the campaign here to build up feeling in this body and encourage Senators to strike down our rights to discuss the pending bill, and attempt to get the Senate to override the rules of the Senate by a

mere majority vote, and to strangle us on a false pretense of unfair treatment.

Mr. President, I think everyone here should be fair. For my part, I have no objection to those advocating the bill speaking at any time they desire to speak if they first address the chair. Let them remain on the floor and take their chances like any other Senator. Certainly I see no occasion for these imputations and these attacks in the press against the distinguished present occupant of the Chair. I know he is fair, I know his rulings will come from the Parliamentarian, and this campaign does not require that kind of tactics.

The sponsors of the bill talk about our being in a minority. They say they have this great majority favoring the bill. Certainly until the Senator from Tennessee has shown some manifestation of unfairness that has not yet appeared, I think he should be spared this subtle newspaper campaign against him, to the effect that he is ready to violate the rules of the Senate because his personal views happen to accord with those of this body who are resisting this measure.

Mr. MEAD. Mr. President, if I had given serious thought and study to a speech I would believe to be appropriate on this occasion, I would make the same speech for our side that has just been made by my distinguished colleague, the Senator from Georgia. I think that the insinuations and the intimidation and the charges, or nearly all of them, at least, have been hurled at those who are on our side of this controversy.

I for one have said nothing about the present occupant of the Chair, but if the present occupant of the Chair, and if my distinguished colleague who preceded me, will carry out their very encouraging suggestions and give some of us the floor in our own right beginning tomorrow or the day after, so far as I am concerned I shall be entirely satisfied. I shall rise tomorrow, if opportunity presents itself, and the next day, in an endeavor to get the floor in my own right, without any strings attached, and discuss the merits of the bill. I am encouraged by the hope that has been held out here this evening.

RECESS

Mr. CHAVEZ. Mr. President, it will be my purpose, commencing tomorrow, to attempt to have the Senate sit a little later. I think recessing at 5:10 o'clock is a little too early, under the present circumstances.

Mr. RUSSELL. Would the Senator mind indicating, for the benefit of Senators who may have engagements and appointments, about how long he intends to have the Senate sit tomorrow?

Mr. CHAVEZ. I would say to the Senator from Georgia that I do not think it would be unreasonable or unfair that we should remain in session until 6 o'clock.

Mr. RUSSELL. I do not think that will be unreasonable. I think all Senators would like to have some idea as to how long they are to be kept here.

Mr. CHAVEZ. That is what I have in mind. I now move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, January 31, 1946, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 30, 1946

The House met at 12 o'clock noon. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou compassionate Father whose goodness never faileth, bestow upon us that vision which enlarges the whole scope and sphere of our outlook, that in the joy of serving we may find ourselves. Hold us closely to the things we know to be right and let these work mightily against the things we know to be wrong. We pray that in all situations we may be tolerant and forbearing, with the realization that it takes men and women of strength to face criticism and to serve with sacrifice. Do Thou bless all influences which inspire greater unity and cooperation, through the diligent and honest industry of all our citizens. We pray that our laws may be so justly and so wisely administered that our Government shall be a living example to all lands. Keep before us, not success, not greatness, not victory, but fidelity to the public good. O Eternal Goodness, lead our spirits from all discordant notes, and give them true respite from wearying toil. In Christ's name we pray. 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.

CERTIFICATES OF ELECTION

The SPEAKER laid before the House the following communications, which were read by the Clerk:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,

Washington, D. C., January 30, 1946.

The Honorable the SPEAKER,

House of Representatives.

SIR: From the secretary of state of the State of North Carolina, I have received the certificate of election of Hon. SAM J. ERVIN, Jr., as a Representative-elect to the Seventy-ninth Congress from the Tenth Congressional District to fill the vacancy caused by the death of Hon. Joe W. Ervin.

Very truly yours,

SOUTH TRIMBLE,

Clerk of the House of Representatives.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,

Washington, D. C., January 30, 1946.

The Honorable the SPEAKER,

House of Representatives.

SIR: From the secretary of the Commonwealth of the State of Virginia, I have received the certificate of election of Hon. J. LINDSAY ALMOND, JR., as a Representative-elect to the Seventy-ninth Congress from the Sixth Congressional District to fill the vacancy caused by the resignation of Hon. Clifton A. Woodrum.

Very truly yours,

SOUTH TRIMBLE,

Clerk of the House of Representatives.

INVESTIGATION OF RAPIDO RIVER DISASTER

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. LANHAM. Mr. Speaker, I am sure it must be gratifying to us all that the Committee on Military Affairs has decided to ask for a full report concerning the Rapido River disaster. No braver boys and no more loyal Americans ever lived than those who were called upon to make the supreme sacrifice in this lamentable episode of the recent war. In this case, as in the one recited in the poem about the "charge of the light brigade," it seems evident that someone had blundered. In justice to the memory of these heroic dead, the responsibility should be determined. Our country needs all of its stalwart sons to carry on the principles for which the early patriots fought in the establishment of our American system of government. Let us see to it that the responsibility be determined and the proper action taken.

THE ATOMIC BOMB

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. BURGIN. Mr. Speaker, I notice in the press and hear over the radio that we continue to manufacture the atomic bomb. The President of the United States and the Prime Ministers of England and Canada have tentatively agreed on a program or an arrangement in an effort to work out some international solution of this question; and, since the Security Council of the United Nations has it under consideration, I suppose a resolution that our Government cease to manufacture the atomic bomb until some international agreement or arrangement is worked out. I see no necessity for continuing the expense of manufacturing atomic bombs if we are going to enter into some agreement for international control. I hope the membership will give this matter consideration.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein an address he delivered last Sunday evening on the late Franklin D. Roosevelt.

FORCE CIVILIANS TO STAND AT ATTENTION

Mr. LANE. 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 Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the war is over, though some brass hats do not want to admit it. Far from the scenes

of combat, they reveled in the forms rather than the substance of military life. Authority, priority, distinctive uniforms, salutes, all the trappings of military caste were theirs. They hate to give up these special privileges and return to the American job of earning—and not dictating—respect. They want to go on playing soldiers forever.

Take a look at this special order issued by the commanding general at Fort Banks in the harbor defense area of Boston, under which a formal inspection was made on January 18, 1946:

At all formal inspections by the harbor defense commander or his representative of installation, including offices, shops, etc., all personnel, including civilian employees, will cease work and stand at attention during the inspection.

At the very moment when any need for such ritual has disappeared, the brass hats are trying to extend and perpetuate it. Instead of concerning themselves with demobilization and the task of preparing soldiers who are about to be discharged for their adjustment to civilian life, the "Hollywood generals" are trying to inspire further deference to caste. They have not time to protect veterans employed in the civilian branches of the Army and Navy who are being discriminated against in violation of the Veterans' Preference Act of 1944. Oh, no; they are too busy forgetting this and Pearl Harbor as they try to impose new forms of slavish obeisance to the chain of command.

Is this the first step toward fascism, or is it not?

In the name of the individual dignity of American citizens, I call upon the brass hats to eliminate this civilian-stand-at-attention nonsense at once. The military hierarchy must not be permitted to forget that they are the servants and not the masters of the American people.

EXTENSION OF REMARKS

Mr. HEDRICK asked and was given permission to extend his remarks in the RECORD and include an editorial from the Charleston Gazette, of Charleston, W. Va., concerning White Sulphur Springs.

THE LATE ROBERT G. HOUSTON

Mr. TRAYNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. TRAYNOR. Mr. Speaker, Robert G. Houston, a former Member of the House of Representatives, passed away at his former home in Georgetown, Del., on Monday, January 28, 1946. He served with honor and distinction, as a Member of the House of Representatives, in the Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congresses. His service won for him the unprecedented record of having been chosen for four full terms in succession as Representative from the State of Delaware.

Bob Houston, as he was affectionately known, was an able lawyer, editor, and a brilliant speaker. With his passing,

the State of Delaware has lost a friend and a distinguished citizen.

FACT-FINDING BOARD

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, it is not the lack of facts that has led to strikes. General Motors is in defiance of the report of the fact-finding board which has been endorsed by President Truman. The steel industry has refused to accept President Truman's finding that an 13½-cent increase is justified. It is not more information on these matters but the pressure of public opinion and such measures as repeal of the carry-back provisions of the tax laws that can bring about industrial peace.

True, there are many subjects on which we do need more facts. We should have more accurate information about unemployment, about the characteristics of job seekers, about income levels, about family expenditures and budget needs, about the output and productivity of industry. President Roosevelt and President Truman have both asked Congress to provide funds for basic economic statistics on these subjects along lines recommended by the Bureau of the Budget. Yet repeatedly this House has refused the necessary funds.

Without facts on these problems we cannot hope to achieve continuing full employment. Within the near future additional bills on these matters will be coming before us. Here is our opportunity to help remove the causes of industrial unrest by relatively small proportion which will permit the finding of a more adequate solution.

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

EXTENSION OF REMARKS

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

PRICE CEILINGS ON WATERMELONS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include a telegram from the Watermelon Growers Association.

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

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, the OPA is at it again. It is once more attempting to give the tillers of the soil a swift kick in the pants. Last week it was the cotton growers who were threatened with a ceiling price on cotton. This week it is the watermelon growers. The latest effort to crack down on the farmers is an OPA order proposing to reduce the price of watermelons from \$35 to \$25 a ton.

It will be recalled that last year after the melons had begun to ripen in Oklahoma OPA arbitrarily attempted to reduce the price of melons from \$35 to \$25.

So determined was OPA to carry out that attempt it became necessary for this House to adopt an amendment to a bill then pending before this body to prevent such gross injustice being done to the melon growers of the country. So this is the second attempt to crack down on the watermelon growers.

Of course, OPA has not confined its activities to cracking down on melon growers. Two years ago the same OPA, without conferring with a single broom-corn grower, and after the bulk of the crop had been gathered and sold in other States ordered the price of broomcorn reduced to the tune of \$79 a ton. Oklahoma growers had barely begun to harvest. Except for the vigorous protest of broomcorn growers all over the country at a meeting called in Oklahoma City, and the support given by Members of Congress, there is no doubt but what that unfortunate blunder would have remained in force.

Last week it was cotton. Then, when its hand was called by Members of Congress from the cotton-producing States, we were told there was much misapprehension on the part of the farmers about what was really intended. Today, I have been assured of the same thing about the proposal to reduce the price ceiling on watermelons.

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

WEST VIRGINIA AGRICULTURE

Mr. ELLIS. 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 West Virginia?

There was no objection.

Mr. ELLIS. Mr. Speaker, this morning I was pleased to note in the press that Mr. and Mrs. Clair Allen, a 20-year-old couple of Reedy, Roane County, W. Va., were chosen the best farmers for 1945 in the central Ohio Valley region. Mr. and Mrs. Allen operate a farm of 198 acres and specialize in stock. Roane County is a part of the Fourth Congressional District which I have the honor of representing.

The Middle West Prairie States are usually referred to as the breadbasket of America. When the average person thinks of West Virginia they think of coal. While we produce 27 percent of the bituminous coal mined in the country, we also make a valuable contribution to the food supply of the country. The livestock exchange at Spencer, the county seat of Roane County, set a new record in 1945 with gross sales of \$1,370,485.83; 23,005 head of stock were marketed through weekly sales during the year. There are five or six other stock exchanges in the district conducting weekly sales.

While West Virginia produces enormous quantities of coal, natural gas, oil, and lumber, I want to impress upon my colleagues that we also have a great farming section that adds materially to the national production of food.

THE ATTORNEY FOR THE AUTO UNION

Mr. HOFFMAN. 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 Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, to aid in settling the dispute between General Motors and the UAW-CIO, the National Labor Relations Board is prosecuting General Motors for alleged unfair labor practices. From the Detroit Free Press of Tuesday I read:

The high light of the trial Monday was the demand by Maurice Sugar, attorney for the union, that NLRB award back pay for aid to strikers for time lost in the 10 weeks of the strike.

Maurice Sugar is the gentleman who in 1917 was convicted of failure to register for the draft and on a charge of a conspiracy to induce others to fail to comply with the draft.

The record of his conviction, if you want to know the kind of man who is representing the UAW-CIO there, will be found in Two Hundred and Fifty-two Federal, pages 78 and 79, yet he claims to tell NLRB that GM should pay men while on strike.

IMPORTATION OF SWISS WATCHES

Mr. HOLMES of Massachusetts. 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 Massachusetts?

There was no objection.

Mr. HOLMES of Massachusetts. Mr. Speaker, some 10 weeks ago the State Department, represented by Dean Acheson as Acting Secretary of State, agreed that there would be a limitation imposed on imports of Swiss watches and watch movements, whereby not more than 3,000,000 would be imported prior to January 1, 1947.

Mr. Speaker, the American watch workers and the American watch industry, an industry rated as essential to national defense by the Army and the Navy, have been "sold down the river" by the New Deal.

Mr. Speaker, the Secretary of Commerce, who seeks from this Congress an appropriation of some \$165,000,000, an increase of more than 400 percent over the last prewar year, supposedly to help small business but, in reality, to use as a campaign fund to head the drive of the liberals to take over our Government, presumably acting for his brother-in-law, who is the Swiss Minister, and aided by a group of sinister and greedy New York importers, has apparently forced the State Department to halt its effort to help this American industry to retain profitable jobs for these 8,000 American watch workers and to aid our national defense.

It is my belief, Mr. Speaker, that the imports of Swiss-made watches and Swiss-made watch movements for the year 1946 will exceed 6,000,000, and there is little, if any, market in America or elsewhere for the products of these American watch workers.

Mr. Speaker, I have presented legislation, now pending before the House

Ways and Means Committee, which I trust will be presented to this House for consideration. I trust that the Members of this House, realizing the equity of this case, will support this legislation and protect not only the job opportunities of America's watch workers, but even of more essentiality, in these troubled times, preserve for the necessary support of our Army and Navy this wholly essential national defense industry.

Mr. Speaker, Acting Secretary of State Dean Acheson, about the 1st of last December, so I understand, told one of my constituents, who represents some 8,000 American watch workers, 3,000 of whom live in my district—and all of these watch workers are dependent for their employment on the production of American-made watches and watch movements—that there would be a limitation on the imports of Swiss watches and Swiss watch movements of not more than 3,000,000 from December 1, 1945, to December 31, 1946.

In support of the statement accredited to the Acting Secretary of State the State Department issued a press release, under date of December 3, 1945, which reads as follows:

The Department of State announced today that following earlier discussions with the Swiss Government and after consultation with affected domestic interests, a note has been presented to the Swiss Minister regarding the increasing volume of imports of Swiss watches and watch movements, concessions on which were granted in the trade agreement with Switzerland and concluded in 1936.

Since 1942 the United States watch manufacturing industry, with its distinctive skills essential to the national defense, has been engaged almost exclusively in the production of watches and precision instruments for military purposes. During this period civilian demand for watches in the United States has been met almost entirely by imports in substantial volume from Switzerland. During recent months these imports have been at an average annual rate considerably above the prewar volume of domestic sales of both imported and comparable domestically produced watches and movements.

It has been the established policy of the interdepartmental trade agreements organization in administering the Trade Agreements Act to take action where necessary to prevent serious injury to essential United States industry as the result of concessions granted in trade agreements. The note presented to the Swiss Minister therefore expressed the concern of this Government regarding the increased imports and proposed action looking toward the limitation of imports of watches and watch movements during the period of reconversion of the domestic watch manufacturing industry. In view of the urgency of achieving a solution of the problem during the current year, the note asked for a prompt reply.

Mr. Speaker, you will note the concern the State Department expressed about the excessive imports of Swiss watches and watch movements, and note especially the following, I quote:

It has been the established policy of the interdepartmental trade agreements organization in administering the Trade Agreements Act to take action where necessary to prevent serious injury to essential United States industry as a result of concessions granted in trade agreements. The note presented to the Swiss Minister therefore expressed the concern of this Government regarding the increased imports and proposed

action looking toward the limitation of imports of watches and watch movements during the period of reconversion of the domestic watch manufacturing industry.

The note asked for a prompt reply.

It is well known that the State Department told the Swiss Minister that there must be a limitation not to exceed 3,000,000 for the 13-month period ending December 31, 1946.

It should be borne in mind that the Swiss Minister is not without powerful allies within the upper strata of the New Deal government. All this talk we hear of helping the small-business man on the part of the Secretary of Commerce proves to be "blah" when we find that his brother-in-law, the Swiss Minister, aided by a group of avaricious and greedy New York importers—and no doubt ably assisted by the Secretary of Commerce himself and his influence as the leader of the liberal political branch of the New Deal—sat idly by and virtually laughed at the alleged efforts of the State Department officials to make it possible for the American watch industry to get reconversion going and find a market in America for the products of America's industrial workers.

The Tariff Commission, as shown on page 751 of the Independent Office Appropriation hearings, 1947, reported that they had called the attention of the State Department to the excessively large imports of Swiss watches and watch movements. The Tariff Commission reported:

The information which we have in our files—

About the imports of Swiss watches and watch movements—has been furnished to the State Department and was used by them—

The State Department—

as a basis for their request to the Swiss Government that they—

The Swiss—

either agree to our imposition of a quota or they—

The Swiss—

would impose one themselves on the export end.

The imports of these Swiss products for the one month of last October alone exceeded the normal yearly production of all American watch factories. For the year 1945, I understand, the imports were 9,300,000, or more than five times the normal prewar yearly imports of these Swiss-made watches and watch movements.

It is barely possible that some officials of the State Department tried to correct this abuse of the confidence which the Congress reposed in it when it was un-American enough to abdicate its constitutional responsibilities and transfer part of its revenue-raising power to the internationalists in control of our State Department.

It is my understanding that the Swiss watch importing interests who, I am told, have been able to yearly defraud our Government of millions of dollars in revenue through the connivance of, and unusual inactivity of, certain high customs officials—which I will deal with more in detail at a later date—are now

satisfied that the heavy financial contributions which they allegedly made to keep the New Deal in power have paid off handsomely.

REPUBLIC STEEL'S POSITION IN THE LABOR-MANAGEMENT DISPUTE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein a letter from Mr. C. M. White, president of the Republic Steel Corp.

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

There was no objection.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix.]

THE SITUATION IN TEXTILES AND DRY GOODS

Mr. CRAWFORD. 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 Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, C. J. Farley & Co., dry goods and footwear wholesale dealers of Grand Rapids, Mich., states in its letter to the trade:

The situation as to merchandise is getting worse, if anything. For the first quarter of 1946, CPA (Civilian Production Administration, which replaced War Production Board) has directed that 308,000,000 yards of cotton fabrics shall be sold by our mills for export, of which amount 53,000,000 yards is to be sent to Canada, which is a country of 14,000,000 population. Under the same directives, CPA has allocated 6,000,000 yards for the consumers in the United States, which has over 140,000,000 people.

Most manufacturers of staple textiles and dry goods claim they cannot break even on most items in their lines under present OPA ceiling prices. Between the above two and other Government agencies, including Army, Navy, and Air Forces, etc., there is very little relief in sight for civilians in the United States, and these conditions will not improve until something is done at Washington to change the present controls of production of staple, scarce textiles, and dry goods.

Some day, Mr. Speaker, perhaps our Government bureaus may come to the realization it is necessary for this people of ours to have goods for our needs and on which to do business.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include therein an address by the Secretary of the Treasury.

Mrs. DOUGLAS of California asked and was given permission to revise and extend her remarks in the Appendix on five different topics and to include excerpts.

INVESTIGATION REQUESTED OF THE BATTLE OF THE RAPIDO RIVER

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I have received a resolution adopted by the Thirty-sixth Division requesting an investigation of the Battle of the Rapido River. Many of these men come from my district. Many of them I know personally. I know they are actuated by the very highest motives. I hope the Military Affairs Committee will see that the matter is given the fullest investigation. I join the Committee on Military Affairs in demanding that the truth be ascertained.

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

Mr. LUTHER A. JOHNSON. I yield. Mr. THOMASON. In answer to the gentleman's inquiry I may say that only yesterday the Committee on Military Affairs—and the chairman of that committee, the gentleman from Kentucky [Mr. MAY], is seated beside me at the moment—by unanimous vote asked the War Department for an official report on the Rapido River battle; and I believe I can assure the gentleman that the Committee on Military Affairs is going to ascertain the real facts about it. I have a great personal interest in the matter, and my colleagues and I are determined that the truth be known and justice done.

Mr. LUTHER A. JOHNSON. I agree with my colleague the gentleman from Texas [Mr. THOMASON]. The demand for a full and fair investigation comes from a great fighting organization. They are entitled to the facts.

INFLATION

Mrs. DOUGLAS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mrs. DOUGLAS of California. Mr. Speaker, from all parts of the Nation there is evidence of growing recognition among businessmen of the rising danger of inflation.

In food distribution the movement for continuation of price control is strong. I have before me a telegram to Chester Bowles from J. Frank Grimes, president of the Independent Grocers Alliance, which I want to read for the RECORD:

JANUARY 4, 1946.

CHESTER BOWLES,
Administrator, Office of Price Administration:

I urge you not to weaken in your fight to continue price control so long as it is necessary to prevent disastrous inflation. You remember a meeting of the advisory committee some months ago in which it was generally agreed that price control would be lifted, item by item, only when such item was in supply and conditions justified withdrawal of price control. It would be a disaster to this country to throw price control overboard at one fell swoop. I am sure you are going to have the support of most of the thinking men in business, and certainly the consuming public should be behind you to a man, and woman.

J. FRANK GRIMES,
President, Independent Grocers Alliance, Chicago, Ill.

The United States Wholesale Grocers Association and the National Wholesale Grocers Association also have gone on

record as favoring the continuation of price control. In my own State, the California Retail Grocers and Merchants Association recently, by a vote of 834 to 378, favored continuation of price control.

EXTENSION OF REMARKS

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Victor L. Anfuso, of Brooklyn, N. Y., on the occasion of the awarding to him of the Distinguished Service Medal by the Regular Veterans' Association.

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

THE GALLUP POLL

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. BIEMILLER addressed the House. His remarks appear in the Appendix.]

TAX EXEMPTION FOR DOCTORS

Mrs. LUCE. 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 gentlewoman from Connecticut?

There was no objection.

[Mrs. LUCE addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial which appeared in the Milwaukee Journal.

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

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a magazine article.

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

COMMITTEE TO INVESTIGATE NONESSENTIAL FEDERAL EXPENDITURES

The SPEAKER. Pursuant to the provisions of section 601, title VI, Public Law 250, Seventy-seventh Congress, the Chair appoints as a member of the Committee to Investigate Nonessential Federal Expenditures to fill the existing vacancy thereon the gentleman from Indiana [Mr. LUDLOW].

BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of title 34, section 1081, United States Code, the Chair appoints as members of the Board of Visitors to the United States Naval Academy the following Members of the House: Mr. SASSER, Mr. FOGARTY, Mr. WORLEY, Mr. ANDERSON of California, and Mr. LATHAM.

BOARD OF VISITORS TO THE UNITED STATES COAST GUARD ACADEMY

The SPEAKER. Pursuant to the provisions of title 14, section 15h, United States Code, the Chair appoints as members of the Board of Visitors to the United States Coast Guard Academy the following Members of the House of Representatives: Mrs. WOODHOUSE and Mr. GWINN of New York.

BOARD OF VISITORS TO THE UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER. Pursuant to the provisions of Public Law 301, Seventy-eighth Congress, the Chair appoints as members of the Board of Visitors to the United States Merchant Marine Academy the following Members of the House: Mr. KEOGH and Mr. HALE.

THE LATE WILLIAM PERRY HOLLADAY

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Miss SUMNER of Illinois. Mr. Speaker, it is my sorrowful duty to announce to the House the death of William Perry Holladay, a former Member. Mr. Holladay represented the Eighteenth District of Illinois for some 10 years, having succeeded Uncle Joe Cannon. He had been in ill health for some time before his death. For many years before coming to Congress he was a member of the Illinois Legislature. While in Congress he was a member of the Committee on Appropriations. He was an energetic and highly respected public servant. All who knew him will hear of his passing with deep regret, and I am sure they will join with me in sending condolences to the members of his bereaved family.

FINANCIAL RELATIONS WITH THE UNITED KINGDOM — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

The establishment of a permanent state of peace and prosperity is not a simple matter. The creation and maintenance of conditions under which nations can be prosperous and remain peaceful involves a series of highly complex and difficult problems. If we are to reach this greatly desired goal, we must be prepared at all times to face the issues that will constantly present themselves and we must be determined to solve them. If peace is to be permanent, we must never relax our efforts to make it so.

In his message to the Congress recommending the approval of the Bretton Woods agreements, President Roosevelt called these proposals "the cornerstone for international economic cooperation." By enacting the Bretton Woods Agreements Act, the Seventy-ninth Congress laid this cornerstone for the construction of an orderly economic peace. The Congress took many other steps during the same session which enlarged the structure, and its achievements in this field are just cause for pride. Among the most important of these other steps were the ratifi-

cation and implementation of the treaty establishing the United Nations Organization, the enactment of legislation to support the United Nations Food and Agriculture Organization, and to carry on the operations of the United Nations Relief and Rehabilitation Administration, the extension in a broader form of the Reciprocal Trade Agreements Act, and the expansion of the Export-Import Bank. These steps will take us a long way on the road to world-wide security and prosperity. They should not make us blind, however, to the job that has not been done—to the work that lies ahead.

In approving the establishment of the International Monetary Fund and the International Bank for Reconstruction and Development, the Congress specifically expressed its belief that additional measures for international economic cooperation would be necessary to render most effective the operations of the Fund and Bank. In the Bretton Woods Agreements Act the Congress declared it to be the policy of the United States to seek to bring about further international agreement and cooperation along these lines.

The International Monetary Fund agreement was drafted and the Bretton Woods Agreements Act was enacted during the war. Both recognized that the financial condition of some countries resulting from the war might make it impossible for them to apply at once the fundamental rule of non-discrimination in their monetary and financial transactions. Therefore, provisions were made for a transition period which might postpone as long as 5 years the complete application of this fundamental rule.

Now in time of peace as we rapidly proceed with the organization of the International Monetary Fund we find that the fears which were responsible for this period of grace are verified by the facts. The most important of these facts is that the United Kingdom as a result of the war must continue for a long period many of its emergency wartime financial controls unless it obtain additional working capital. It is apparent that, in the case of a principal member of the International Monetary Fund, we can ill afford to wait for the period permitted by the Bretton Woods Agreements for the removal of these hindrances to the financial and commercial relationships between nations. Now is the time to establish postwar monetary and financial policies of the United Nations. Now is the time to take action to enable the United Kingdom to move with us toward the prompt abolition of these restrictions.

For these reasons, the next order of international business before the Congress should be our financial relations with the United Kingdom. The problems involved, which are severe but not insoluble, are direct consequences of the war. They are matters of great urgency and I believe that the financial agreement which I am transmitting herewith furnishes a real basis for their solution. It is my earnest hope that the Congress will implement the financial agreement as speedily as is consistent with careful legislative consideration.

It is not too much to say that the agreement now transmitted will set the course of American and British economic relations for many years to come. In so doing it will have a decisive influence on the international trade of the whole world. Those who represented the United States in these discussions and those who represented the United Kingdom were fully aware of the fundamental nature of the problems before them. After long and careful consideration they agreed upon the arrangements which in my opinion will provide a solid foundation for the successful conduct of our economic relations with each other and with the world.

The financial agreement will by its terms come into operation only after the Congress has made available the funds necessary to

extend to the United Kingdom the line of credit of \$3,750,000,000 in accordance with the terms set forth in the agreement. Britain needs this credit and she needs it now. It will assist her to meet the expected deficit in her balance of payments during the next 6 years. It will enable her to buy from the world the supplies of food and raw materials which are essential to the life and work of the British people. At the same time it will keep open a market for those surpluses of the United States which are customarily exported to the United Kingdom. These are the important short-term purposes of the credit.

But the financial agreement is much more than a credit. Let me repeat, its most important purpose from our point of view is to cause the removal of emergency controls exercised by the United Kingdom over its international transactions far more speedily than is required by the Bretton Woods agreements. The financial agreement will enable the United Kingdom, through the prompt relaxation of exchange restrictions and discriminations, to move side by side with the United States toward the common goal of expanded world trade, which means expanded production, consumption, and employment, and rising standards of living everywhere.

The line of credit which will be extended to the United Kingdom under the agreement may be drawn upon until the end of 1951. At that time the United Kingdom will be obligated to begin repayment of the principal with interest and those payments will continue over a period of 50 years. These terms are neither unusual nor difficult to understand. There is one new concept, however, embodied in the terms of the credit. We have recognized that conditions may exist temporarily during such a long period of time which would make the payment of interest on such a large amount difficult, if not impossible. Accordingly, provision has been made for the waiver of interest by the United States Government after a certification by the International Monetary Fund as to the facts regarding the balance of payments position of the United Kingdom. It is not to our advantage to press for payment of interest when payment is impossible, and thus force default and a crumbling of international economic relations.

The financial assistance which the United Kingdom would receive under the agreement has made it possible for the two Governments to agree on a specific course of action which in a short period of time will result in the removal of emergency controls over foreign exchange and discriminatory import restrictions and the reestablishment of peacetime practices designed to promote the recovery of world trade. Britain has agreed to abolish the so-called sterling area dollar pool. She has agreed to give up most of her rights during the transition period provided for in the International Monetary Fund agreement and thus to abandon controls over foreign exchange which she would otherwise be permitted by the terms of that agreement to continue for a considerable period of time. In addition to the direct benefits which will flow from this stimulus to Anglo-American trade, there will be the added benefits derived from the ability of other nations to relax their restrictions once the United Kingdom has led the way.

Another troublesome financial problem which has been fully and frankly discussed by the two nations is that of the sterling liabilities of Great Britain which have resulted from her large expenditures abroad during the war. In the financial agreement the British Government has undertaken to adjust and settle these obligations out of resources other than the American credit and has outlined its intentions with respect to their settlement. Our concern in this connection is twofold. In the first place we want other countries which are in a posi-

tion to do so to grant assistance to the United Kingdom within their means. Those which hold large sterling balances can do so by scaling them down. In the second place we want to be certain that the liquidation of these balances will not discriminate against American trade. The financial agreement contains a specific undertaking by the Government of the United Kingdom that no such discrimination shall result from these settlements.

The financial agreement also makes it possible for the United Kingdom to give wholehearted support to the proposals for expansion of world trade and employment which the United States has recently put forward as a basis for international discussions by the United Nations. In the joint statement on commercial policy published at the same time as the financial agreement, the United Kingdom has undertaken to support these proposals and to use its best endeavors in cooperation with the United States to bring to a successful conclusion international discussions based upon them.

The implementation of the financial agreement will be a great contribution to the establishment of a permanent state of peace and prosperity. We are all aware of the dangers inherent in unchecked economic rivalry and economic warfare. These dangers can be eliminated by the firm resolution of this Nation and the United Kingdom to carry forward the work which has been so well begun.

The financial agreement transmitted herewith means that instead of economic controversy between the two countries, the wise rules of the Bretton Woods agreements will be fully effective much sooner than we believed possible when the Congress enacted the Bretton Woods Agreements Act. I urge that Congress act on the financial agreement promptly.

HARRY S. TRUMAN.

JANUARY 30, 1946.

FINANCIAL AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED STATES AND THE UNITED KINGDOM

It is hereby agreed between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland as follows:

1. Effective date of the agreement: The effective date of this Agreement shall be the date on which the Government of the United States notifies the Government of the United Kingdom that the Congress of the United States has made available the funds necessary to extend to the Government of the United Kingdom the line of credit in accordance with the provisions of this Agreement.

2. Line of credit: The Government of the United States will extend to the Government of the United Kingdom a line of credit of \$3,750,000,000 which may be drawn upon at any time between the effective date of this Agreement and December 31, 1951, inclusive.

3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional post-war deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

4. Amortization and interest:

(i) The amount of the line of credit drawn by December 31, 1951, shall be repaid in 50 annual installments beginning on December 31, 1951, with interest at the rate of 2 percent per annum. Interest for the year 1951 shall be computed on the amount outstanding on December 31, 1951, and for each year thereafter, interest shall be computed on the amount outstanding on January 1 of each such year.

Forty-nine annual installments of principal repayments and interest shall be equal, calculated at the rate of \$31,823,000 for each \$1,000,000,000 of the line of credit drawn by December 31, 1951, and the fiftieth installment shall be at the rate of \$31,840,736.65 for each such \$1,000,000,000. Each installment shall consist of the full amount of the interest due and the remainder of the installment shall be the principal to be repaid in that year. Payments required by this section are subject to the provisions of section 5.

(ii) The Government of the United Kingdom may accelerate repayment of the amount drawn under this line of credit.

5. Waiver of interest payments: In any year in which the Government of the United Kingdom requests the Government of the United States to waive the amount of the interest due in the installment of that year, the Government of the United States will grant the waiver if:

(a) the Government of the United Kingdom finds that a waiver is necessary in view of the present and prospective conditions of international exchange and the level of its gold and foreign exchange reserves and

(b) the International Monetary Fund certifies that the income of the United Kingdom from home-produced exports plus its net income from invisible current transactions in its balance of payments was on the average over the five preceding calendar years less than the average annual amount of United Kingdom imports during 1936-8, fixed at £866 million, as such figure may be adjusted for changes in the price level of these imports. Any amount in excess of £43,750,000 released or paid in any year on account of sterling balances accumulated to the credit of overseas governments, monetary authorities and banks before the effective date of this Agreement shall be regarded as a capital transaction and therefore shall not be included in the above calculation of the net income from invisible current transactions for that year. If waiver is requested for an interest payment prior to that due in 1955, the average income shall be computed for the calendar years from 1950 through the year preceding that in which the request is made.

6. Relation of this line of credit to other obligations:

(i) It is understood that any amounts required to discharge obligations of the United Kingdom to third countries outstanding on the effective date of this Agreement will be found from resources other than this line of credit.

(ii) The Government of the United Kingdom will not arrange any long-term loans from governments within the British Commonwealth after December 6, 1945, and before the end of 1951 on terms more favorable to the lender than the terms of this line of credit.

(iii) Waiver of interest will not be requested or allowed under section 5 in any year unless the aggregate of the releases or payments in that year of sterling balances accumulated to the credit of overseas governments, monetary authorities and banks (except in the case of colonial dependencies) before the effective date of this Agreement is reduced proportionately, and unless interest payments due in that year on loans referred to in (ii) above are waived. The proportionate reduction of the releases or payments of sterling balances shall be calculated in relation to the aggregate released and paid in the most recent year in which waiver of interest was not requested.

(iv) The application of the principles set forth in this section shall be the subject of full consultation between the two governments as occasion may arise.

7. Sterling area exchange arrangements: The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than one year after the effective date of this Agree-

ment, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

8. Other exchange arrangements:

(i) Government of the United Kingdom agrees that after the effective date of this Agreement it will not apply exchange controls in such a manner as to restrict (a) payments or transfers in respect of products of the United States permitted to be imported into the United Kingdom or other current transactions between the two countries or (b) the use of sterling balances to the credit of residents of the United States arising out of current transactions. Nothing in this paragraph (i) shall affect the provisions of Article VII of the Articles of Agreement of the International Monetary Fund when those Articles have come into force.

(ii) The Governments of the United States and the United Kingdom agree that not later than one year after the effective date of this Agreement, unless in exceptional cases a later date is agreed upon after consultation, they will impose no restrictions on payments and transfers for current transactions. The obligations of this paragraph (ii) shall not apply:

(a) to balances of third countries and their nationals accumulated before this paragraph (ii) becomes effective; or

(b) to restrictions imposed in conformity with the Articles of Agreement of the International Monetary Fund, provided that the Governments of the United Kingdom and the United States will not continue to invoke the provisions of Article XIV, Section 2 of those Articles after this paragraph (ii) becomes effective, unless in exceptional cases after consultation they agree otherwise; or

(c) to restrictions imposed in connection with measures designed to uncover and dispose of assets of Germany and Japan.

(iii) This section and section 9, which are in anticipation of more comprehensive arrangements by multilateral agreement, shall operate until December 31, 1951.

9. Import arrangements: If either the Government of the United States or the Government of the United Kingdom imposes or maintains quantitative import restrictions, such restrictions shall be administered on a basis which does not discriminate against imports from the other country in respect of any product; provided that this undertaking shall not apply in cases in which (a) its application would have the effect of preventing the country imposing such restrictions from utilizing, for the purchase of needed imports, inconvertible currencies accumulated up to December 31, 1946, or (b) there may be special necessity for the country imposing such restrictions to assist, by measures not involving a substantial departure from the general rule of nondiscrimination, a country whose economy has been disrupted by war, or (c) either government imposes quantitative restrictions having equivalent effect to any exchange restrictions which that government is authorized to impose in conformity with Article VII of the Articles of Agreement of the International Monetary Fund. The provisions of this section shall

become effective as soon as practicable but not later than December 31, 1946.

10. Accumulated sterling balances:

(i) The Government of the United Kingdom intends to make agreements with the countries concerned, varying according to the circumstances of each case, for an early settlement covering the sterling balances accumulated by sterling area and other countries prior to such settlement (together with any future receipts arising out of military expenditure by the Government of the United Kingdom to the extent to which they are treated on the same basis by agreement with the countries concerned). The settlements with the sterling area countries will be on the basis of dividing these accumulated balances into three categories (a) balances to be released at once and convertible into any currency for current transactions, (b) balances to be similarly released by installments over a period of years beginning in 1951, and (c) balances to be adjusted as a contribution to the settlement of war and postwar indebtedness and in recognition of the benefits which the countries concerned might be expected to gain from such a settlement. The Government of the United Kingdom will make every endeavor to secure the early completion of these arrangements.

(ii) In consideration of the fact that an important purpose of the present line of credit is to promote the development of multilateral trade and facilitate its early resumption of a nondiscriminatory basis, the Government of the United Kingdom agrees that any sterling balances released or otherwise available for current payments will, not later than one year after the effective date of this Agreement unless in special cases a later date is agreed upon after consultation, be freely available for current transactions in any currency area without discrimination.

11. Definitions:

For the purposes of this Agreement:

(i) The term "current transactions" shall have the meaning prescribed in Article XIX (i) of the Articles of Agreement of the International Monetary Fund.

(ii) The term "sterling area" means the United Kingdom and the other territories declared by the Defence (Finance) Definition of the Sterling Area (No. 2) Order, 1944, to be included in the sterling area, namely "the following territories excluding Canada and Newfoundland, that is to say—

- (a) any Dominion,
- (b) any other part of His Majesty's dominions,
- (c) any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty and is being exercised by His Majesty's Government in the United Kingdom or in any Dominion,
- (d) any British protectorate or protected State,
- (e) Egypt, the Anglo-Egyptian Sudan and Iraq,
- (f) Iceland and the Faroe Islands."

12. Consultation on Agreement: Either government shall be entitled to approach the other for a reconsideration of any of the provisions of this Agreement, if in its opinion the prevailing conditions of international exchange justify such reconsideration, with a view to agreeing upon modifications for presentation to their respective legislatures.

Signed in duplicate at Washington, District of Columbia, this 6th day of December, 1945.

For the Government of the United States of America:

FRED M. VINSON,
Secretary of the Treasury
of the United States of America.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

HALIFAX,

His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington.

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

Mr. SABATH. Mr. Speaker, I call up the resolution, House Resolution 499, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5158) reducing certain appropriations and contract authorizations for the fiscal year 1946, 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 shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Appropriations, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Appropriations, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Appropriations may be offered to any section of the bill at the conclusion of the general debate, but such amendments shall not be subject to amendment. 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.

Mr. SABATH. Mr. Speaker, upon request, I shall yield the first 10 minutes to the majority leader the gentleman from Massachusetts [Mr. McCORMACK].

At the same time, I wish to say that I have been directed and authorized by the committee to offer an amendment to the rule at the appropriate time.

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

Mr. SABATH. I yield.

Mr. MICHENER. As I understand, the gentleman will offer an amendment, beginning on line 11, page 1 of the bill, after the word "appropriation," to strike out the rest of that page and down through line 7 on page 2.

Mr. SABATH. Including line 7; yes.

I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

CALL OF THE HOUSE

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

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

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

A call of the House was ordered.

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

Ellsworth	Johnson,	Quinn, N. Y.
Engel, Mich.	Lydon B.	Reed, Ill.
Fernandez	Keefe	Reed, N. Y.
Fisher	King	Rees, Kans.
Flannagan	LaFollette	Rivers
Fogarty	Landis	Rizley
Fulton	LeFevre	Robinson, Utah
Gardner	Lenke	Roe, N. Y.
Hancock	McGlinchey	Scrivner
Hand	McMillan, S. C.	Sheridan
Harness, Ind.	Mathews	Short
Healy	Morrison	Starkey
Herter	Mundt	Sundstrom
Hinshaw	Norton	Wickersham
Hope	Pfeifer	Winter
Izac	Plumley	Zimmerman
Johnson, Ill.	Poage	

The SPEAKER. On this roll call 352 Members have answered to their names, a quorum.

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

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

The SPEAKER. The gentleman from Massachusetts [Mr. McCORMACK] is recognized for 10 minutes.

Mr. McCORMACK. Mr. Speaker, on this the sixty-fourth anniversary of the birth of Franklin Delano Roosevelt, one of the great men of all time, it is fitting that we pause to honor and respect his memory.

Franklin Delano Roosevelt was a great man. He was a great President of the United States. He was a great American. He gave his life in the defense and preservation of our country, and in quest of his ideal that America was destined to lead the world into the Utopia of permanent peace.

Franklin D. Roosevelt in life foresaw an America where men and women could live in freedom among men and women of good will without fear of poverty or totalitarian regimentation. He envisioned a nation where the laborer would enjoy social security, the farmer would be protected in the heritage of his land, small business would have the opportunity to flourish, and youth would have the privilege of cultural and educational advantage. He apprehended an America where the wheels of industry, turned by American hands, would fill the marts of the world with goods fashioned by American toilers, where no interests large or small would be stifled by monopoly, and where the enjoyment of the fruits of legitimate effort would be the just recompense of all those working in the vineyard.

He saw peace abroad and at home. He saw nation dealing with nation with justice in friendship. He saw peace in the ranks of labor. He saw in America the new council table of reconversion and reconstruction where labor and management each in its proper place, without fear or favor, would achieve that prosperity which is the aim and desire of American democracy.

All the strength of his brilliant mind, all the force of his character was directed to the realization of our national security and greatness. His ambition was impersonal. He loved America. He faithfully and unselfishly planned the course of her ship of state. As Chief Executive he guided us as a Nation through great storms of industrial depression and inter-

Andresen,	[Roll No. 13]	Cole, Kans.
August H.	Boykin	Cooley
Bailey	Bradley, Mich.	Crosser
Baldwin, N. Y.	Bulwinkle	Curley
Barden	Byrne, N. Y.	Dawson
Bates, Mass.	Canfield	Dingell
Beckworth	Cannon, Fla.	Dolliver
Bland	Carlson	Dondero
Bloom	Case, S. Dak.	Dworshak
	Chapman	

national wars into the harbor of national safety. He never despaired in our hours of darkness. He never faltered before the attacks of the enemy. He never lost heart when roar of political abuse sounded above the echo of bombs and cannon. Franklin D. Roosevelt was a man—of integrity unassailable, of courage unbreakable, of intellectuality undeniable, of sympathetic friendliness unmatched in the life of the America of his day, and seldom matched in the history of all time.

The Atlantic Charter symbolized to him no distant millenium. It was the heralding document of the world that is to be—attainable in our time—wherein international action to outlaw war and world-wide reduction in armaments will make international aggression impossible and atomic power will be the means of universal peace. Roosevelt planned it that way.

History alone will evaluate the greatness of our late beloved President. But history will enshrine him in the hearts of America—today and tomorrow—with the same love and admiration and respect now tendered Washington and Jefferson and Lincoln. His grasp of the dangers which threatened national financial disaster in 1933 brought order out of chaos and effaced the bread lines from the cities of America. The panic and concomitant misery of that year was replaced by a foundation of national morale which has since stood the test of time. The terrible condition of the American farmer under his leadership—from a plight of 3-cent hogs, 5-cent cotton, 10-cent corn, 20-cent wheat to prosperity through parity is known to every citizen of every rural community. The extension of civil service and its benefits has aided every Government employee. Social unrest was stilled through humanitarian legislation conceived by him and written on the statute books through his counsel, and his persevering love of his fellow man. Under Franklin D. Roosevelt industry recovered from the depths of depression and freemen commenced once again to live, love, and laugh.

And then came war. Too little is his vision of the dire events which lay ahead appreciated by those who knew the oncoming tragedy and who know the countless wearying hours when others slept, spent by him to avert its consequences and spare our shores its desolation. He wanted no war with any nation. He used the prestige of the office of the President of the United States to prevent war. He believed in strong defense, for strong defense to the end of preserving the peace of the United States.

He developed, as Commander in Chief of our armed forces, an Army, Navy, Marine Corps, Coast Guard, and merchant marine second to none among the nations of the world. And this in face of opposition in 1940 that a super navy was unnecessary and the tremendous increase of Army and Navy appropriations foolish waste. He sent destroyers to England amid the castigations of the bewildered. He fathered the selective service, but with approbation of the representatives of every church despite the rabid cries of those who were blinded

to reality. He ordered full speed ahead, and carried us safely to victory.

Franklin Delano Roosevelt never lived to set foot after victory upon the shores of the land he had fought so hard to save from the ideologies of the despot and the tyrant. His ship of state sailed into the haven of future world peace with the Stars and Stripes flying gloriously in the sunlight of the armistice. Before the dream of his life had been won—he was called to Him whose Omnipotence he always evidenced by word and deed, and whom he had served with great fidelity throughout life. He is gone. His spirit, the spirit of tolerant America triumphant, remains to remind us of the tribute owed to him by the free men and women of the world.

Franklin Delano Roosevelt is the contribution of his generation of Americans to the great constructive figures of all time.

The body of Franklin Delano Roosevelt lies in rest at Hyde Park, but the spirit and influence of Franklin Delano Roosevelt will live forever.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from West Virginia.

PERMISSION TO FILE SUPPLEMENTAL REPORT ON S. 102

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to file a supplemental report to accompany S. 102, a bill to amend section 2 (b) of the act entitled "An act extending the classified executive civil service of the United States," approved November 26, 1940, so as to provide for counting military service of certain employees of the legislative branch in determining the eligibility of such employees for civil-service status under such act, so that the report filed on December 10, 1945, by this supplemental report will comply with the Ramseyer rule.

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

There was no objection.

FIRST SUPPLEMENTAL SURPLUS RESCISSION BILL, 1946

Mr. SABATH. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from Illinois is recognized.

PRESIDENT ROOSEVELT

Mr. SABATH. Mr. Speaker, before I endeavor to explain the rule and the bill it makes in order, I cannot resist congratulating the majority leader, the gentleman from Massachusetts [Mr. McCormack], on the splendid, deserved, and inspiring tribute he has paid to one of America's truly great, perhaps greatest President. I hope we may be strong enough, wise enough, and brave enough to follow the lessons and the admonitions bequeathed to us by him who labored all his too short life to make this a better place for the common man.

It has been my pleasure and privilege many times to pay tribute to this great man, whom I knew so well and whose character and genius I, like many others, valued so highly. True, it would seem that the simple pronouncement of this great man's name, and then silence, would be our greatest tribute. It is hard,

though, to refrain from making a few remarks, however inadequate, on this first memorial birthday of Franklin Delano Roosevelt.

Let me repeat what I said on this floor several months ago about the late President; namely, that when impartial history is written in calm reflection, Franklin Delano Roosevelt will range alongside Washington, founder of the Republic; Jefferson, fountain of its idealism; and Lincoln, exemplar of its magnanimity and preserver of its internal unity.

HARRY L. HOPKINS

It is fitting at this point, Mr. Speaker, to note the passing of another of the devoted aides to the late President, whom I knew with affection and respect, another of the truly great Americans with whom Franklin Roosevelt surrounded himself, an apostle of that new America so many of us have longed for and worked for in our lifetime.

I refer to the late Harry L. Hopkins, who, as much as any man in our recent history, brought about an era of social responsibility, and helped us, every one of us, to assume our proper places as mature citizens of a mature nation. Harry Hopkins was only one of the loyal and selfless assistants to Franklin Roosevelt who gave his life to his country as truly as if he had been in battle. Before him there was Col. Louis Howe, and Marvin McIntire, and General Watson, and Miss Marguerite Le Hand. And now, Mr. Speaker, Harry Hopkins, too, has gone.

During the lifetime of Harry Hopkins, Mr. Speaker, he was reviled and libeled as have been few Americans, save, perhaps, the Chief to whom he was so devoted, Abraham Lincoln, and George Washington, and with as little reason. Even within his own party there were those who saw the gentle Harry Hopkins as a sort of Rasputin.

If he was a Rasputin, he was of the most guileless and honest sort, to whom loyalty to his Chief and his country were of more importance than personal wealth or grandeur. That he had power is certain; that he never abused that power is equally certain. In a world beset with villainy and treachery, our great wartime President knew that in Harry Hopkins he had a friend and a supporter whose loyalty never wavered, whose faith never grew dim.

The life of Harry Hopkins is proof all over of the great American dream enunciated in the Declaration of Independence: "We hold these truths to be self-evident: that all men are created equal." Born obscurely in Iowa as the son of a harnessmaker, he rose to world influence through sheer ability, because in this America of ours no caste lines exist to keep a good man down. Perhaps there was some good fortune in his rise, but it was the good fortune that comes to a man who has ability and who has faith in himself and in his fellow men. That faith in humanity, fused by his admiration for Franklin D. Roosevelt, gave to Harry Hopkins during the years of impending war, and the war, the drive which enabled him to contribute vastly to eventual victory.

I shall leave to others the recital of the dry facts of Harry Hopkins' birth and life,

the dates, the public acts. What I desire to do, Mr. Speaker, is to pay tribute to a man who gave his whole life to the people—to the people of this Nation and to the people of the world, unstintingly, unhesitatingly, and with all the force of the great intellect which was imprisoned in that frail and sickly body.

Mr. Speaker, I ask unanimous consent that I may extend and revise my remarks.

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

There was no objection.

RULE ON H. R. 5158, THE SO-CALLED RESCISSION BILL

Mr. SABATH. Mr. Speaker, the bill before us makes in order the bill H. R. 5158. When we considered the rules yesterday I was under the impression and had reason to believe that every member of our committee was in favor of a bill waiving points of order and restricting the bill to committee amendments; in other words, that it could be considered as a closed rule. But this morning a majority of the membership of the Rules Committee felt that the provision making the rule a closed one should be eliminated.

From information I have received I understand the bill before us is identical with the bill passed by the House a few weeks ago except that it does not carry the rider relating to the United States Employment Service. I hope therefore it will not be necessary for us to waste a great deal of time offering amendments to a bill that has been so carefully considered by this House. There may be some Members who desire—and they have the privilege, of course, under the rule, as it will be amended—to offer some amendments not for the purpose of improving or saving money but for the purpose, as I view it, of a little political advantage they hope they may derive through the offering of such amendments.

I know that the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] will explain the bill more thoroughly than I possibly can, because within the last few days I have been very, very busy. Yesterday we held an all-day meeting of our committee in reference to the labor fact-finding bill, which was continued throughout this morning. Naturally, I was obliged to devote all of my time to the hearings that were going on.

THE FACT-FINDING BILL, SO-CALLED

This morning our committee reported a rule making in order a bill that had not been introduced until yesterday afternoon. Think of that. No one had copies of it when we heard the gentleman from South Dakota [Mr. CASE] expound it. It had not even been printed when we considered it yesterday. The bill, therefore, evidently had not been submitted to the legislative Committee on Labor. Very few gentlemen, except those who have, I think, been cooperating in the bill's preparation, covertly and in secrecy, knew about the provisions of the bill. Fortunately for us who were not on the inside, we have today a printed bill for consideration, and

you gentlemen will have a chance to familiarize yourselves with this other bill that contains about 15 pages, a bill which will be made in order under the rule granted. Most anything and everything can be and will be considered. It will contain provisions that the House has voted on many times. I think it is ill-conceived proposed legislation at this time.

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

Mr. SABATH. I yield to the gentleman from Indiana.

Mr. HALLECK. The number of that bill to which the gentleman refers is 5262, is it not?

Mr. SABATH. Yes. It was introduced yesterday.

Mr. HALLECK. It is printed in the CONGRESSIONAL RECORD of this morning?

Mr. SABATH. Yes.

Mr. HALLECK. And copies of that bill are available at the document room?

Mr. SABATH. Yes, for the first time.

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

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

Mr. HOOK. As I understand it, that bill was introduced yesterday afternoon and was referred to the House Labor Committee. The House Labor Committee has had no opportunity to hold hearings upon the bill and that committee has been completely circumvented by the Rules Committee. It is about time that committees of this House be recognized instead of their work being sabotaged by the Rules Committee.

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

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

Mr. MARCANTONIO. As a matter of fact, the Case bill was never read section by section in the Rules Committee, except by the author of the bill when he appeared before that committee yesterday. The bill was not introduced until yesterday. The author read the bill from a typewritten copy. The bill, in print form, was not available until today. In the deliberations of the Rules Committee this bill was never considered section by section; nevertheless it has been reported by the Rules Committee in the form not of an open rule but of a rule which makes this particular bill in order. This is a most extraordinary and unprecedented procedure. Is that not correct?

Mr. SABATH. Both of you gentlemen are correct.

Mr. KELLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

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

Mr. KELLEY of Pennsylvania. How is it possible to enact proper legislation without hearings and on an emotional basis only? It is impossible to do that, therefore legislation that comes to the floor of the House without having hearings before a legislative committee cannot be good legislation.

Mr. SABATH. The gentleman from Pennsylvania is also right. I think it is a most unfortunate thing that the Rules Committee acted as it did, especially at a time when every effort is being made

by the President and by all those interested in peace and order, with every promise of gratifying success, to effect an adjustment of the difficulties which now confront our Nation. All of us are hopeful that an adjustment will take place. I think the legislation is untimely, and instead of doing any good may delay the peaceful adjustment of the differences between industry and labor.

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

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

Mr. EBERHARTER. I just want to say to the gentleman that I think any time that this House spends in the consideration of labor legislation this week will be entirely wasted. It will be of no benefit to the country and of no benefit to those engaged in this wage dispute, and it will probably be ill-considered legislation. I also want to ask the gentleman this question, whether any copies of this measure were available to the members of the Committee on Rules yesterday afternoon, because I understand the bill was not printed until today, that is, this so-called Case bill? Were copies available to the members of the committee?

Mr. SABATH. No; they were not. The gentleman from South Dakota [Mr. CASE] read from a typewritten copy of what he averred was the bill that he introduced only a little while before and I, as the chairman, had no chance or opportunity to familiarize myself, even superficially, with that copy. I never saw a print of H. R. 5262 until this morning about 10 o'clock. I think our committee has made a grave mistake. I think it is setting a dangerous precedent to bypass the legislative committee and make in order the consideration of bills that no one knows anything about. No one had been able to read it or familiarize himself with the print of H. R. 5262, which is the Case bill.

Mr. EBERHARTER. Mr. Speaker, if the gentleman will yield further, the question occurs in my mind as to whether the Committee on Rules did not actually violate the rules of the House; whether the Committee on Rules can report out a rule without the bill having first been considered by the legislative committee. I think everything the gentleman has said so far confirms my statement that any time that the House gives to labor legislation this week will be only a waste of time.

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

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

Mr. BIEMILLER. It seems to me the next rule we might get from the Committee on Rules would be one to abolish all committees, if this circumvention is going to continue.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

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

Mr. BRADLEY of Pennsylvania. I just wanted to ask the chairman of the Committee on Rules, in view of the many instances of high-handed action by the Committee on Rules, if he or any other

Member of the House should be surprised any longer at anything they might do.

Mr. SABATH. Unfortunately there seems to be an agreement on the part of my Republican colleagues and some of the Democratic members to take upon themselves jurisdiction and power which I feel that neither the rules nor the precedents contemplate giving to the Committee on Rules.

I take the opportunity of calling attention to the action of the Committee on Rules because a large number of Members have, since the committee meeting adjourned, inquired of me and have telephoned the committee clerks continuously asking for information relative to what has taken place and the form of the rule that was adopted. The rule provides for 2 days' general debate. After reading the first section of H. R. 4908 it will be in order to move to substitute the text of H. R. 5262 for H. R. 4908.

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

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

Mr. MARCANTONIO. I repeat here on the floor of the House what I said before the Committee on Rules this morning: This Case bill, despite its sanctimonious declaration of policy, was baked in the oven of the Republican National Committee, with ingredients supplied by the National Association of Manufacturers, and salted and peppered by some members of the Committee on Rules. It is a bill to protect scabs and to pillory men and women who toil and who have organized to defend their right to a decent standard of living.

Mr. SABATH. I do not agree that the manufacturers are in favor of it. I think they are against it.

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

Mr. SABATH. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I want to familiarize myself at the earliest opportunity with the situation in connection with the rule which has been reported, but at this time may I ask the gentleman this question: Is the bill as reported from the Committee on Labor in order as well as the substitute, or is only the so-called Case measure in order?

Mr. SABATH. Under the rule it will be permissible to move to substitute the Case bill for the committee bill, and the Case bill will be read then for amendment instead of the committee bill.

Mr. RANDOLPH. As I understand, but one bill may be considered as a substitute for the committee bill.

Mr. SABATH. Yes; just one.

Mr. RANDOLPH. When does the Committee on Rules expect to report the rule to the House?

Mr. SABATH. The rule will be reported this afternoon.

Mr. RANDOLPH. When will the debate on this subject matter be programmed for the House?

Mr. SABATH. I cannot speak for the House nor for the Speaker nor for the majority leader, but I believe it is intended that the rule shall be taken up tomorrow and, as I stated, 2 days will be given to general debate. Consequently, I do not see how a vote on the bill

itself can be had before Monday. I am making this statement because many Members want information.

Mr. RANDOLPH. The chairman of the Committee on Rules is always cooperative, I am sure, in informing the Members of the House to the best of his knowledge. I do think that sometime during the day from the proper voice we should hear the exact situation in connection with the program for debate, the period this week or next that this so-called legislation is to be heard in the House.

Mr. SABATH. As I understand, tomorrow and the day after will be given to general debate.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

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

Mr. BRADLEY of Pennsylvania. I wonder if the distinguished chairman of the Committee on Rules can inform the House if, when the Committee on Rules considered this so-called Case bill, the gentleman from South Dakota gave that committee any detailed information as to what great industries he has in his district that suddenly qualify him as an expert on labor matters.

Mr. SABATH. No; he did not. I did not hear him make any such statement, and I believe the gentleman has practically no industries in his district, nor is he a member of the Committee on Labor.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Am I to understand that this bill which was introduced yesterday is going to be reported out without any kind of hearings?

Mr. SABATH. Yes.

Mr. MANSFIELD of Montana. I have introduced a bill to give terminal-leave pay to enlisted men. Can I get that bill before the gentleman's committee on the same basis as this bill?

Mr. SABATH. I doubt it very much. Such action as was taken to make in order the Case bill as a substitute is taken only on legislation which aims to crucify and destroy organized labor. In the fewest words, I cannot believe that this House, nor the country, will stand for the methods employed nor for the inept and provocative legislation embodied in the Case bill. I have scanned the bill but hurriedly, but its provisions were familiar. They are extracts from bills fathered by the gentleman from Virginia [Mr. SMITH], by the gentleman from Illinois [Mr. ARENDS], and by several other Members who are known to be, and to my mind are, prejudiced against organized labor, and perhaps against all who work usefully.

As I have stated, and as other Members have stated who spoke before me, even the great industrial czars agree with labor leaders and students of labor relations that this is an inopportune time to consider such legislation as is embodied in this Case bill; yet we are asked to discuss seriously proposals familiar to only a few Members, and proposals which I believe were concocted in the precincts of the Republican National Committee

and urged by that citadel of vested power and advocate of special privilege.

Mr. Speaker, instead of giving the President the fact-finding bill he recommended in the interest of harmony and of adjustment of the conflict between industry and labor, we are going to consider this National Republican Committee abomination. While I am a Democrat, I have endeavored from time to time to advise my Republican colleagues not to permit themselves to be led to the slaughter. When they have failed to take my advice they have regretted it. Should they force through this diabolical instrument of the labor haters and the labor baiters, by some Machiavellian machinations, they will again deplore it. However, I am hopeful that there are a sufficient number of fair-minded and progressive Republicans who will refuse to be whipped into line, and out of office, and who will have the courage to resist; who will not admit to being the pawns and stooges of the du Ponts, the Morgans, yes, the Wall Street interests who control, and absolutely control, the labor policies of General Motors, General Electric, United States Steel, the meat packing companies, and the other companies and corporations who have refused to listen to the voice of reason and adjust their differences by mutual concessions and common sense.

If this bill is the best that the 20 or 30 vaunted experts and specialists can bring forth for the Republican National Committee in exchange for their reputed salaries of \$25,000 a year, only God can help the Republicans; but on their record He cannot and will not.

Mr. Speaker, I reserve the balance of my time and yield 30 minutes to the gentleman from Michigan.

Mr. MICHENER. Mr. Speaker, I shall not take the full 30 minutes. I think we have all enjoyed this prelude to the debate which will be in order tomorrow. It is not only a prediction of, but is evidence of, things to come. The Committee on Rules has been soundly spanked for reporting out the rule on the President's fact-finding bill. The paddle was applied by the chairman of the Rules Committee, aided and abetted by other members, who usually support the President. In the first place, all these gentlemen who have made inquiry of the chairman are opposed to the President's fact-finding and cooling-off period bill, except the chairman of the Committee on Labor, the gentleman from West Virginia [Mr. RANDOLPH]. Most of them appeared before the Committee on Rules against the President's labor bill. They do not want any legislation at all at this time affecting labor, the President to the contrary notwithstanding. Remember the President is asking for the Norton bill, H. R. 4980, which these gentlemen are opposing. In substance he says: "This is my program. This is my proposal to cure the strike situation, and if the Congress will not accept my program, then I ask the Congress to submit an alternative program."

The Labor Committee, having jurisdiction, has before it a number of labor bills. Most of their provisions are included in the Case bill, as I have been advised. I did not write the Case bill. Therefore, if

you will compare the bills now lying in cold storage in the Committee on Labor and the Case bill, you will find this to be the fact.

I, for one, am perfectly willing that all phases of labor legislation should come before the Congress, the Case bill and all the rest. The Committee on Rules, it has been indicated, is arbitrarily preventing the House from considering proper labor legislation. Nothing of the kind. The Committee on Rules is not a legislative committee. It proposes procedure whereby the majority of the House may make its own decisions.

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

Mr. MICHENER. I do not yield now.

Mr. HOOK. That is not so.

Mr. MICHENER. Possibly the gentleman from Michigan does not understand the function of the Committee on Rules—

Mr. HOOK. I certainly do.

Mr. MICHENER. In view of the remarks he made just a minute ago—

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

Mr. MICHENER. I do not yield now.

Mr. Speaker, the Committee on Rules is only attempting to bring the President's labor program before the House, giving to the House an opportunity to pass upon the proposals and to consider the whole strike problem and enact legislation incident thereto without taking innumerable bites at the same cherry. This bill, the President's bill, the committee amendment to the President's bill, and the Case bill, will all be before the House so that the House may work its will. If the House does not want to consider this matter as proposed in the resolution from the Committee on Rules, all it needs to do is to vote down the rule and then there will be nothing before the House. So in the final analysis all that the Committee on Rules does is to permit the matter to come before the House. You gentlemen who insist that the Rules Committee is so culpable—

Mr. HOOK. Mr. Speaker—

Mr. MICHENER. Who insist it should not be here—

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

Mr. MICHENER. I do not yield.

CALL OF THE HOUSE

Mr. HOOK. Then I make the point of order, Mr. Speaker, that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 14]

Baldwin, N. Y.	Bunker	Cole, Kans.
Barden	Canfield	Combs
Barry	Cannon, Fla.	Cooley
Bates, Mass.	Carlson	Crosser
Beckworth	Case, N. J.	Curley
Bell	Case, S. Dak.	Daughton, Va.
Bloom	Chapman	Dawson
Bulwinkle	Clark	Dingell

Dolliver	Hope	Poage
Dondero	Izac	Reed, Ill.
Douglas, Calif.	Johnson, Ill.	Reed, N. Y.
Eaton	Johnson,	Rees, Kans.
Ellis	Luther A.	Rivers
Ellsworth	Johnson,	Rizley
Elsaesser	Lyndon B.	Robinson, Utah
Engel, Mich.	LaFollette	Roe, N. Y.
Fisher	LeFevre	Scrivner
Fogarty	Lynch	Sheridan
Fulton	McMillen, Ill.	Short
Hancock	Mathews	Simpson, Pa.
Harless, Ariz.	May	Starkey
Harness, Ind.	Morrison	Sumners, Tex.
Healy	Mundt	Sundstrom
Heffernan	Norton	West
Herter	Pfeifer	Wickersham
Hinshaw	Plumley	Winter

The SPEAKER. On this roll call 349 Members have answered to their names, a quorum.

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

FIRST SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946

Mr. MICHENER. Mr. Speaker, I have just been asked if I was going to take up where I left off when interrupted by the point of no quorum made by the gentleman from Michigan [Mr. Hook]. My extemporaneous remarks preceding the roll call were inspired by the remarks of the Chairman and the observations of his interrogators. I was only trying to clarify the matter so that there would be no question about the facts, because to me facts are just as vital as they are to my good friend, the gentleman from New York [Mr. MARCANTONIO]. The gentleman from New York and I may often disagree, but I think we both try to state the facts as we see them. As I said, the Committee on Rules was chastised because, forsooth, we took it upon ourselves to give the House the right to vote upon and discuss a subject in which the country is interested. Now that is all there is to it. If the House does not like the rule, it need not support the proposal. It is a very easy matter to do what the majority wants to do by voting down the previous question. Then the Member making the motion or the Member recognized by the Speaker will have 1 hour in which he can offer any amendment he desires to the rule. Our distinguished Chairman will lose jurisdiction, and the House will have taken control and can operate on the rule as suits its fancy.

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

Mr. MICHENER. I do not yield.

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

The SPEAKER. The gentleman has declined to yield.

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

Mr. SPEAKER. The gentleman from Michigan [Mr. Hook] makes a point of order that a quorum is not present.

Mr. MICHENER. Mr. Speaker, I will yield.

The SPEAKER. Unless the gentleman from Michigan [Mr. Hook] withdraws the point of order of no quorum, no business can be transacted in the House.

Mr. HOOK. Mr. Speaker, I withdraw the point of order.

Mr. MICHENER. Yes; under the threat of wasting another 40 minutes in a roll call, I will yield.

Mr. HOOK. The gentleman said that the Committee on Rules was not a legislative committee. Will the gentleman tell me whether or not in his opinion he thinks it is proper for the Committee on Rules to report a bill which has never been before any legislative committee of this House?

Mr. MICHENER. The perfect answer to that is that this rule follows precedent and that similar rules have been granted on numerous occasions since I have been in the Congress. There are times when committees do not want any legislation of a particular character brought before the House. The President of the United States condemned the Committee on Rules because it would not report out the FEPC bill. I was ready to report it out, but, because the majority of the Committee on Rules did not feel likewise, the President reprimanded the entire committee. Then the President spanked the Committee on Labor, of which the gentleman from Michigan [Mr. Hook] is a member, because it would not report out his bill. However, the committee remains adamant. The gentleman from Michigan [Mr. Hook] is against the President's bill. He does not want it considered. The Committee on Rules was so advised. He wanted the Committee on Rules to stifle the Committee on Labor and not permit a bill which had been reported out by a majority of the Labor Committee to come to the House. Now, I do not agree with that philosophy. I believe we should have a free and open forum here, and that the House should have a right to determine whether or not it desired to consider legislation dealing with the strike situation which is of so much interest to our constituents at this time. My colleague from Michigan does not want the House to have this opportunity. He is trying to stop it. He is trying to scuttle it. He is opposed to the President's demand that his program, or a congressional alternative, be brought before the Congress.

Now, Mr. Speaker, I yield to the always courteous gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. I know the gentleman wants to be fair.

Mr. MICHENER. I do.

Mr. MARCANTONIO. I know the gentleman would never misinform the House. The gentleman has made the statement that this procedure which the Committee on Rules adopted this morning is not unusual and there is plenty of precedent for it. May I point out to the gentleman that in my 9 years here I cannot remember an instance when the Committee on Rules has made in order the consideration of a bill which was introduced the day before the Rules Committee reported out the rule, a bill which, in all fairness to the gentleman, even he has not read; a bill which the majority of the members of that committee has not read. Does not the gentleman agree with me that that is the most extraor-

inary procedure that the Rules Committee has ever adopted?

Mr. MICHENER. I will not say I stand corrected, because I do not know, but I assume the gentleman is correct. When I said there were precedents, I had in mind that the Rules Committee has made in order other bills under similar circumstances. I do not know whether those other bills had had committee consideration, but I do know that they had not been reported out by the legislative committee, and that the committee had refused to report them out. The Rules Committee on those occasions, respecting the desire of the majority of the House, reported them out. If it is not the desire of the House that this bill should be considered, then the House has the right, under this rule, and will be given the opportunity, to vote down the proposal that all these matters be brought up at once.

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

Mr. MICHENER. Yes, I will yield briefly, although my time is getting short.

Mr. EBERHARTER. I just want the gentleman's personal opinion. Does he think the House will have enough information and will have given sufficient consideration and study to the provisions of the Case bill so that the House will be in a position to legislate constructively on the far-reaching provisions of that bill? Does the gentleman think the House, without any study having been made of the effect of those provisions, by any experts, by management, or by labor, or anybody else, can legislate constructively. Does the gentleman think the House could legislate with ordinary wisdom in such a case?

Mr. MICHENER. I would prefer that the legislative committee had reported the Case bill, but the gentleman from Pennsylvania knows that could not happen. I have made his argument at times when the gentleman's Ways and Means Committee has brought in bills on which we could not do anything except vote "yes" or "no."

Mr. EBERHARTER. But the Committee on Ways and Means had had time to consider and study and have expert reports on the measure which they had adopted. That is not true of the Case bill.

Mr. MICHENER. My attention has just been called to one precedent, namely, the Worley bill, the soldiers' vote bill, which we all remember.

Mr. WORLEY. The gentleman from Michigan is correct. In the interest of fairness to the Rules Committee, this precedent was followed by the Rules Committee when it made the so-called Worley soldier vote bill in order in connection with soldiers' vote legislation.

Mr. MARCANTONIO. But how long was the Worley bill in existence before it was made in order by the Rules Committee?

Mr. WORLEY. As I recall, it had not received action from my committee.

Mr. MARCANTONIO. I said, how long had it been in existence? How long had it been pending?

Mr. WORLEY. I do not recall the exact dates but I think it had been introduced several days before the Rules Committee acted.

Mr. MARCANTONIO. Well, it had been introduced for some time. This Case bill was introduced only yesterday.

Mr. MICHENER. Mr. Speaker, I do not yield further, my time is running.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield to me?

Mr. MICHENER. Yes; I yield to my colleague from Michigan.

Mr. HOFFMAN. Some of us in the House have been working on labor legislation for about 10 years. Finally, out of the Labor Committee you get a vehicle on which you could hang legislation; but if I understand the proposed rule correctly, you are denying to some of us who have been making this fight for 10 years any opportunity to offer our measures. You are forcing us to consider a bill which was never seen, which never was printed, which never was before the Labor Committee. I say it is not fair.

Mr. MICHENER. No; the rule does not deny the gentleman anything.

Mr. HOFFMAN. Maybe I do not know.

Mr. MICHENER. The gentleman usually does know, but I think he does not in this case.

Mr. HOFFMAN. I think I do.

Mr. MICHENER. We are extending a privilege to the Case bill. We are denying nothing. All germane bills or amendments will be in order. The gentleman from Michigan did not appear before the committee and ask that his particular bills be made in order, as the gentleman from South Dakota [Mr. CASE] did.

Mr. HOFFMAN. Let me correct you, if I may. The minutes will show that I did that very thing.

Mr. MICHENER. If I were to say anything off the record, I will say that I spoke to the gentleman from Michigan yesterday and told him that the gentleman from South Dakota [Mr. CASE] was coming before the committee to ask that his bill be made in order, and I suggested to the gentleman that if he wanted his bill made in order, he should come before the committee also.

Mr. HOFFMAN. I had already done that. The minutes will so show.

Mr. MICHENER. Yes; the gentleman appeared in behalf of a rule. I do not recall that he asked the committee to make any particular bill in order.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield to me?

Mr. MICHENER. I yield.

Mr. ANDREWS of New York. As I understand it, the rule, if adopted, will make in order the bill as reported from the Labor Committee or the provisions of the so-called Case bill. Is that correct?

Mr. MICHENER. Yes.

Mr. ANDREWS of New York. Assuming that the Case bill is made in order would the provisions of that bill be subject to amendment on the floor?

Mr. MICHENER. I can best explain that—

Mr. ANDREWS of New York. No. May I ask if the provisions of the Case bill are to be subject to amendment on the floor?

Mr. MICHENER. If the gentleman will listen to what I am about to say right now, he will understand just exactly what will be in order.

If this rule is adopted as reported, the President's bill, whatever the number is, will be before the House for consideration. There is no committee bill before the House. There are committee amendments to the President's bill.

The first section of the President's bill will be read and I assume at the conclusion of the reading of that section the gentleman from South Dakota [Mr. CASE] will offer his bill as an amendment, or substitute, to the first section of the President's bill.

Then the Case bill, answering the question of the gentleman from New York, will be read under the 5-minute rule just the same as if it were an original bill and will be open to all germane amendments to add to or strike out. After the Case bill has been perfected, if it suits the committee by a majority vote, then the vote will be to substitute the Case bill as amended in place of the President's bill. As I understand, that is all there is to it.

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

Mr. MICHENER. I yield.

Mr. COCHRAN. The same situation will exist if that rule is adopted that existed in the House yesterday. When the substitute was adopted the committee immediately rose and we went into the House and voted on the bill. Only just this minute was I able to get a copy of this bill from the Document Room. The Rules Committee has taken it upon itself to make the provisions of the Case bill in order before the Committee on Labor has ever had a chance to look at it.

Mr. MICHENER. No, no; the Rules Committee has not made anything in order. The Rules Committee has made it possible for the House to determine whether the House wants to make the Case bill in order. The Rules Committee does not speak with finality in any way at all; it can only propose suggestions to the House and then the House works its own will and does that which a majority of the House decides to do.

Mr. COCHRAN. If the Rules Committee is going to continue this policy we may just as well abolish the legislative committees of this House.

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

Mr. MICHENER. Yes; I yield to the gentleman from California. I would like to yield to all the gentlemen standing, but I must continue with my own remarks, and this will be the last time I shall yield.

Mr. VOORHIS of California. The rule, as I understand, when it comes up for consideration, can be altered by the House; the House can work its will with regard to what the rule provides in respect to the Case bill.

Mr. MICHENER. That is correct; the House has it within its power to amend

the rule and fix up any kind of rule it wants. If the House does not like this rule, the House should vote it down.

Mr. Speaker, I regret I cannot yield any more.

All this debate concerning the labor legislation that is coming up tomorrow has nothing to do with the rule now before the House. It should not have been interjected here. I am advised that on tomorrow and Friday the House will debate the labor bill and amendments will not be in order until Monday. Therefore, adequate opportunity will be given to all Members to familiarize themselves with the Case bill and the Norton bill, and to prepare any amendments they desire to offer. This is more time than is given for the study of appropriation bills carrying billions of dollars. Study and time will not have much effect on those who are fundamentally opposed to any labor legislation.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Speaker, I should like to call the attention of the members of the Ways and Means Committee to a bill I have just introduced, amending the Internal Revenue Code, which I think the committee should seriously consider as a step designed to help smooth the economic path for veterans of this war.

In brief, the provisions of this bill would allow every honorably discharged veteran of this war the same gross income tax exemption he enjoyed while in the service, for a period of time equal to his length of service.

A great many of our veterans are going to find the going pretty tough when they get back to civilian life. Along with the problem of getting a job, most of them will be faced with added burdens. Many will have to reestablish their homes; will have to buy furniture, clothes, an automobile, and other necessities. In short they will have to start from scratch. This means that they will have quite a capital outlay and will have to spend most of what they make on such items for several years to come.

Congress has been pretty kind to the big corporations in my opinion in revoking the excess profits tax and putting the carry-back provision in our tax laws. We did this with the hope that it would help reconversion and thus provide jobs for our veterans.

If we can do these things for corporations involving millions of dollars of lost taxes, why cannot we do something for our veterans? The veteran's exemption I propose will not cost the Government anything like the vast sums lost through the benefits given to corporations, and it will help put our veterans back on their feet. The whole program would not last for more than 5 years at the most, by which time the vast bulk of our veterans would have used up their service credit and would have had time to get themselves well adjusted and able to carry their tax burden like the rest of us.

Allowing the veteran a \$1,500 exemption will help the low income group most and will give all veterans a breathing spell in which to readjust themselves.

I feel that most Members of Congress sincerely want to help the veteran.

Therefore I urge the Ways and Means Committee to consider this problem carefully.

Mr. SABATH. Mr. Speaker, I now offer the following amendment to the rule.

The Clerk read as follows:

Amendment offered by Mr. SABATH:

Page 1, line 12, after the period insert "and amendment to the bill shall be in order."

Page 1, line 12, strike out the remainder of line 12.

Page 2, strike out lines 1 to 7, inclusive.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. SABATH].

The amendment was agreed to.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. CANNON of Missouri. 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. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5158, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, this bill is identical in every respect with the bill H. R. 4407 passed by both Houses recently—with the exception it does not include the one provision in H. R. 4407 to which the President in his veto message objected. The bill as submitted has been debated, amended, and read three times in both Houses and has been tacitly approved by the President. For that reason I shall not discuss it in detail. Suffice to say that it provides for the rescission in cash, in contractual authority, and in corporate funds of an amount aggregating \$51,786,811,925.

We have previously recalled in two former bills of similar nature an amount totaling \$9,457,119,000 and since the passage of the original bill, the House is in receipt of a further message from the President recommending an additional rescission in the amount of \$5,748,563,373. In other words, upon the President's recommendation we propose after passing the bill now under consideration to report a bill carrying further rescissions of approximately \$5,745,563,373, providing a total minimum rescission of \$66,989,494,294.

The committee would have offered at this time and under this rule amendments increasing the amount of rescission to that figure but for the fact that we feel we can develop in the hearings during the next 2 weeks, on the further recommendation of the President, an additional amount for rescission.

Unquestionably with the end of the fiscal year even greater economies will be possible and we have reason to con-

fidently expect a total rescission eventually of somewhere between seventy and seventy-five billion dollars. This bill, in precisely its present form with the exception of the one item, went to the President and was vetoed by the President solely on the ground that it included a rider which he thought did not belong in an appropriation bill. Riders on appropriation bills are objectionable from many points of view. There has been no legislative practice which has been subjected to more general criticism or to criticism over a longer period of years than the practice of legislating by appending riders to appropriation bills, and this rider is no exception.

The provisions embodied in the objectionable rider have been incorporated in a bill which has been reported to the House by the Committee on Labor in regular and orderly procedure under the rules of the House and has now been passed and sent to the Senate. So the House has in that way conceded the justice of the President's criticism and justified his action in vetoing the bill because of this objectionable rider.

We have now reported the bill as originally submitted to the President without the rider and we will within a few days submit to the House a further bill making additional rescissions. At the end of the fiscal year we shall report to the House a final bill recalling any funds and authorizations available for rescission after June 30, with the expectation of ultimately effecting a final saving for the Seventy-ninth Congress aggregating seventy to seventy-five billion dollars.

The amount of salvage effected by the prompt action of the President and the committee, approved by the Congress, vastly exceeds expectations. Hearings by the committee and investigations by its research staff are continuing and all departments and agencies will be stripped of every dollar that can be reclaimed and every authorization subject to cancellation.

I yield at this time to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this bill, as the gentleman from Missouri has said, is a duplicate of the bill, H. R. 4407, which was passed by the Congress along toward the end of the last session and was vetoed by the President. It is in no way different from that, except that it has nothing in it in the nature of a rider restoring the employment services to the States. In my opinion, that rider was very salutary. If it had stayed in, and if the President had approved the bill, it would have expedited the reconversion program beyond expectations and permitted our people to go to work instead of having the employment services blocking them. I hope that the legislation which the House passed yesterday will become a law. If it does, it will help in putting the people to work.

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

Mr. TABER. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. I cannot see that that was exactly a rider. It seems to me that was the only way to

rescind the money appropriated for that particular agency.

Mr. TABER. It was not exactly a rescission; it was a little more, because it constituted an appropriation of funds to carry on the activity in the States.

With reference to the bill itself, I do not propose to offer amendments increasing these rescissions, that is, these cuts in existing appropriations, at this time. The President has submitted in House Document 394 a recommendation for the rescission of approximately \$5,000,000,000 additional. Hearings have begun upon that document. As a result of these hearings, I believe we are going to be able to recover a very considerable sum of money beyond what the President has estimated. I hope that when the committee brings in a bill to carry into law the recommendations of the President along that line the committee will add such sums as the evidence may seem to justify in the hearings that we shall hold and are holding. If the committee does not bring in that kind of a bill, when that bill comes up on the floor I shall offer amendments to increase the rescissions so that they will comport with the evidence the committee receives.

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

Mr. TABER. I yield to the gentleman from Indiana.

Mr. SPRINGER. I note by the report that this bill seeks to recover \$51,000,000,000 plus.

Mr. TABER. Yes.

Mr. SPRINGER. Is that amount the same as was embraced in the bill which was previously considered by the House?

Mr. TABER. It is the same amount as was embraced in the bill H. R. 4407, which was passed by the Congress and was sent to the President.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

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

Mr. EDWIN ARTHUR HALL. I do not pretend to be any great authority on diction, but it seems to me the title "Rescission" should be modified, since we are saving so much money or recapturing money, or whatever we want to call it, to something like an "economy bill," so that the people of the United States may understand what we are trying to do and what we are effecting here.

Mr. TABER. If we are not able to tell the people back home what is being accomplished and what is being saved it is just too bad for us. As far as I am concerned, I shall undertake to tell the folks back home what the Congress has done, and I shall have no compunctions about telling them, nor shall I be ashamed to tell them.

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

Mr. TABER. I yield to the gentleman from Illinois.

Mr. CHURCH. I commend the gentleman on his stated intention of cutting down future appropriations. The gentleman should be congratulated by every Member of this House for doing that. It seems to me if that purpose is identified, it should be called prevention of inflation. Would the gentleman agree with me that cutting down these appropri-

tions is one of the best ways of stopping the inflation that is now growing?

Mr. TABER. I do not know of any way that we can contribute as much to cutting down inflation as by reducing the activities of the Federal Government and saving money for the Treasury.

Every time we spend more money and incur more debt, that operation is inflationary and it is inflationary in a very high degree. I would hope that the Congress would be very careful to carry forward a program of economy which will keep the country right side up. While we are on the subject of appropriations and expenditures, I think I could perform no better public service in illustrating to this country what a program of expenditures means than to quote the words of the gentleman from Ohio [Mr. CLEVINGER] the other day when he said that a proposal to spend next year \$35,000,000,000 meant practically \$3,000,000,000 a month and that was \$60 per month for every wage earner or income producer in this country. In other words, every workingman and every workingwoman is subject in one way or another to a \$60 a month tax to carry a \$36,000,000,000 a year expenditure. That is an intolerable burden and we must stop it.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that general debate be concluded and that the bill be considered as having been read for amendment.

Mr. TABER. Mr. Chairman, before that is done, I reserve the balance of my time. I have so many requests I must take care of. I now yield 5 minutes to the gentleman from Idaho [Mr. DWORSHAK].

FEDERAL CIVILIAN PERSONNEL REMAINS AT HIGH FIGURE AT YEAR END

Mr. DWORSHAK. Mr. Chairman, recently this body received the budget message of the President in which were outlined some recommendations, not only for the rescission and recapture of funds which already have been appropriated, but the legislative branch of the Government was advised that at the end of the 1947 fiscal year we would probably reach the figure of 1,600,000 for paid civilian employees in the executive department of government. Last week during the debate on the independent offices appropriation bill, I endeavored to point out that while the President accepted that figure as an all-time permanent peacetime level, it was comparable to the number of paid civilian employees on the Federal pay roll in December 1941, at the time of Pearl Harbor. At that time we had been in preparation for national defense and war for almost 2 years. Consequently, instead of reducing Federal employment to a so-called prewar level, this administration now proposes to maintain levels almost double the average civilian employment during the year 1939. We hear a lot about estimates and recommendations and proposals for reduction in the expense of operating our Federal Government and for retrenchment of paid civilian personnel, but actually the record shows little indication that we are making any worth-while progress in that direction.

The United States Civil Service Commission has just released its official report for December 1945. On the last day of the year there was estimated to be a total of 2,405,000 paid civilians in the executive branch of the Government within the United States. Outside of the continental limits of our country, the total number of paid personnel was placed by the United States Civil Service Commission at 747,300. During the month of December—5 months after the termination of hostilities—the Civil Service Commission reports there were still 3,152,305 civilian employees on the Federal pay roll, and that during December there was a reduction, within the boundaries of the United States, of only 51,000, while there was a shrinkage of approximately 16,000 in the paid civilian employees outside the continental borders of our country.

If you will study this official report, you will find that at the end of December the War Department had almost 1,500,000 civilian employees; the Navy Department had approximately 600,000 civilian employees. Of course, we are all primarily interested in redeployment and demobilization, which will bring our American soldiers and sailors back from the various theaters of war; but when we talk about economy in the Federal Government, is it not time for this body, which appropriates funds, to demand even greater retrenchment and reduction, if we are going to meet that figure estimated by the President, of 1,600,000 at the end of 1947 fiscal year? We have to retrench at a much more rapid rate than is indicated in December, if that goal is attained. Why should we continue more than 3,000,000 civilians on the pay roll of the executive departments of the Government as we expedite reconversion so that we can attain a balanced National Budget? The President has held out that hope for us in the next fiscal year.

I have confidence in my Appropriations Committee—in the chairman and the ranking Republican member, the gentleman from New York [Mr. TABER]—because there has been some very concrete evidence that, notwithstanding these reports and recommendations coming from downtown, we really intend to do something about economy. We have these appropriation bills coming in almost every week. We disposed of the independent offices bill last week, and included a few reductions, after the Republican leadership made a valiant attempt to make even deeper cuts. I am mentioning this particular fact now because, if we are to reduce the civilian pay rolls, which must be done if we are to cut the cost of Federal Government, then we must do a great deal more than merely talk about it or be satisfied to have the Chief Executive send messages and reports to Congress outlining proposed reductions. The time has come for real action.

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

Mr. DWORSHAK. I yield.

Mr. PITTINGER. This bill is a lot of shadow-boxing, anyway, is it not? These departments have not spent this money. They do not have to spend it. They could make a hit by reporting back to us that they did not need the money.

Mr. DWORSHAK. I think the President is making a conscientious effort to cooperate in this rescission bill; but the fact is that the various departments would have difficulty in spending the amounts which are being recaptured in this particular bill, because these appropriations were made by Congress specifically for wartime activities. There is no longer any justification for those policies and those programs.

So, I merely make mention of this fact, that if there is to be retrenchment and economy, then actually this House will have to assert greater leadership so that the President will be able to keep faith with the promises and pledges he has made to the American taxpayers.

Mr. Chairman, in order to provide accurate information, I am inserting at this point some statistics furnished by the United States Civil Service Commission on civilian personnel and pay rolls during the 6-year period ended December 31, 1945:

Federal civilian employment and pay rolls in the executive branch, December 1939-45

Date	Total employment including outside United States	Washington, D. C., metropolitan area ¹	Outside continental United States	Pay roll
1939: December	988,069	127,502	45,065	\$152,398,777
1940:				
January	939,296	127,520	(2)	144,158,903
February	939,396	127,783	(2)	141,947,398
March	949,418	128,642	(2)	144,106,408
April	959,972	129,677	(2)	145,014,926
May	980,801	130,338	(2)	149,405,065
June	1,014,117	133,856	(2)	149,240,255
July	1,026,572	138,471	(2)	155,226,773
August	1,039,996	142,899	(2)	159,350,059
September	1,059,984	145,620	(2)	159,798,624
October	1,091,931	149,389	(2)	167,220,383
November	1,114,068	152,538	(2)	168,618,728
December	1,184,344	155,914	(2)	183,707,026
1941:				
January	1,153,431	158,610	(2)	178,413,671
February	1,173,152	161,862	(2)	175,623,559
March	1,202,348	167,081	(2)	184,244,306
April	1,251,283	172,876	(2)	189,213,464
May	1,306,333	177,328	(2)	198,382,389
June	1,370,110	184,236	89,297	205,581,047
July	1,391,689	185,152	(2)	208,977,308
August	1,444,585	186,931	(2)	217,772,054
September	1,487,925	191,588	(2)	224,140,608
October	1,511,682	194,265	(2)	235,778,908
November	1,545,131	199,283	(2)	237,598,486
December	1,620,922	207,214	(2)	247,379,409
1942:				
January	1,703,099	223,483	(2)	250,404,945
February	1,805,186	233,403	(2)	262,108,949
March	1,926,074	238,801	(2)	309,764,679
April	1,970,969	248,100	(2)	317,207,064
May	2,066,873	256,457	(2)	336,568,306
June	2,206,970	268,383	(2)	353,364,409
July	2,327,932	274,001	(2)	382,373,859
August	2,450,759	275,362	(2)	391,502,171
September	2,549,474	281,423	(2)	414,394,644
October	2,687,093	283,692	(2)	445,133,852
November	2,739,815	283,872	(2)	453,580,367
December	2,810,871	284,068	(2)	470,334,353
1943:				
January	2,804,021	284,643	(2)	519,224,846
February	2,944,922	287,244	(2)	531,185,480
March	2,978,824	285,454	(2)	638,926,265
April	3,005,812	282,809	(2)	634,324,484
May	3,030,656	280,027	(2)	617,645,274
June	3,157,113	286,813	154,660	611,419,957
July	3,126,376	279,261	(2)	615,743,724
August	2,992,307	274,250	(2)	610,003,154
September	2,971,739	269,887	106,220	614,861,992
October	2,963,733	268,449	(2)	624,701,592
November	2,988,947	265,246	(2)	603,485,040
December	3,227,578	263,448	415,766	620,779,679
1944:				
January	3,235,800	263,317	(2)	612,003,108
February	3,243,608	263,701	(2)	644,559,082
March	3,217,041	263,962	379,489	631,857,530
April	3,232,050	264,023	(2)	650,048,580
May	3,245,890	264,001	(2)	675,959,276
June	3,312,256	270,019	393,668	480,526,772
July	3,335,178	270,501	(2)	586,319,338
August	3,302,526	264,335	(2)	614,792,316
September	3,334,841	259,060	453,612	608,920,297
October	3,331,882	258,107	(2)	612,475,435

Footnotes at end of table.

Federal civilian employment and pay rolls in the executive branch, December 1939-45—Continued

Date	Total employment including outside United States	Washington, D. C., metropolitan area ¹	Outside continental United States	Pay roll
1944—Con.				
November	3,329,616	257,122	(2)	\$593,900,524
December	3,412,355	255,185	552,618	629,538,382
1945:				
January	3,441,518	256,043	(2)	616,535,389
February	3,471,545	256,497	(2)	584,866,625
March	3,577,409	256,262	656,999	632,065,080
April	3,571,090	253,690	(2)	605,006,052
May	3,554,658	252,768	(2)	615,610,163
June	3,769,646	257,808	854,170	626,054,424
July	3,753,791	255,573	(2)	637,752,347
August	3,705,622	251,090	(2)	648,235,085
September	3,376,558	239,992	763,190	555,284,367
October	3,275,953	232,577	(2)	(2)
November	3,213,391	228,373	(2)	(2)
December	3,152,305	228,732	747,300	(2)

¹ Figures prior to December 1941 apply to District of Columbia only.

² Not available.

³ Excludes \$1,259,612 Rumspeck promotional pay roll.

⁴ Includes about 3,000 without-compensation and \$1-per-year employees.

⁵ Partially estimated.

⁶ Revised. Excludes 105,100 persons rendering service on a reciprocal aid basis at Army installations overseas who are not actually on the United States pay roll. Such persons have been included in totals previously reported by the War Department for civilian employment outside the continental limits of the United States.

⁷ Preliminary.

NOTE.—Employment before June 1943 represents number of employees on last regular pay roll in a given month; since June 1943, employment represents number of employees working on the last day of each month. Pay roll before June 1943 includes payments to civilian employees serving outside continental United States; since June 1943, pay roll excludes such payments to civilian employees outside continental United States. Pay roll represents expenditures for personal services during a given month (2 biweekly pay periods per month for July to September 1945) including overtime compensation, premium payments, night differentials, payments for accrued leave, payments to part-time workers, and fractional payments to individuals entering or leaving the Federal service during a month. Since December 1944 lump-sum payments for accrued annual leave have been included.

Civilian employment outside the continental United States, Sept. 30, 1945

Agency	Pay roll
Alien Property Custodian	22
Office of Inter-American Affairs	1,926
Foreign Economic Administration	762
Office of Defense Transportation	29
Office of Scientific Research and Development	9
War Production Board	21
War Shipping Administration	935
Office of Censorship	15
Office of Price Administration	549
Office of Strategic Services	448
Selective Service System	422
State	11,637
Treasury	519
War	646,457
Justice	296
Post Office	1,439
Navy	55,813
Interior	4,812
Agriculture	1,663
Commerce	2,006
Labor	200
Civil Service Commission	17
Employees' Compensation Commission	29
Federal Communications Commission	145
Federal Deposit Insurance Corporation	2
Federal Security Agency	656
Federal Works Agency	281
Maritime Commission	138
National Housing Agency	36
National Labor Relations Board	4

Footnotes at end of table.

Civilian employment outside the continental United States, Sept. 30, 1945—Continued

Agency—Continued	Pay roll
Panama Canal	23,725
Panama Railroad Company	7,945
Reconstruction Finance Corporation	194
Smithsonian Institution	5
Veterans' Administration	153
Total	763,190

¹ Revised. Excludes 105,100 persons rendering service on a reciprocal-aid basis at Army installations overseas who are not actually on the United States pay roll. Such persons have been included in totals previously reported by the War Department for civilian employment outside the continental limits of the United States.

Of the 763,190 civilians of the Federal Government serving outside the continental limits of the United States, approximately 692,000, or 91 percent, are employed by the War and Navy Departments. About 19,000 of these civilians in military and naval installations are in classified positions, i. e. "graded," whereas about 673,000 are laborers, helpers, mechanics, etc., in ungraded positions performing such work as road building, construction of facilities and related activities, maintenance and repair service, etc. A large proportion of the 71,000 employees of other agencies who are located outside the 48 States and District of Columbia are also engaged in these industrial types of work, while a substantial number are in the foreign-service activities, informational services, and other governmental functions.

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

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. CANNON of Missouri. Mr. Chairman, a parliamentary inquiry. Under the rule debate is to be confined to the bill?

Mr. EBERHARTER. Mr. Chairman, a point of order. I do not yield for a parliamentary inquiry.

Mr. CANNON of Missouri. I shall have to object to any further debate not confined to the bill. I had requests on this side from Members who wanted to speak on matters outside the bill but explained to them that under the rule debate is confined to the bill.

Mr. EBERHARTER. Mr. Chairman, I have not yielded to the gentleman.

The CHAIRMAN. The gentleman from Pennsylvania not having yet made a statement, it is impossible for the Chair to tell whether or not he is going to speak on the bill.

The gentleman from Pennsylvania will proceed in order.

Mr. EBERHARTER. Most members of the Committee on Appropriations are happy to report a bill here in which it is proposed to recapture some of the funds which had been heretofore appropriated. I remember that as a member of the Committee on Ways and Means I got a good deal of pleasure out of being able to concur with a majority of the members of that committee in recommending a new tax bill which reduced the taxes upon industry and upon the people of the country generally, the workingman and the businessman both.

Mr. Chairman, speaking of taxes, which I think is inevitably bound up with the matter of appropriations, I wish to say

that throughout our country today there are many people who firmly believe that the current labor unrest must be attributed in part to the present hodgepodge program of income taxation.

It is very likely that labor would not be making such strong demands for wage increases—if the men and women of labor were not struggling under a terrific income-tax burden.

Some persons are now saying, "This is no time to reduce income taxes." I say: This is the time to give men and women in all walks of life more spendable income—whether or not today's income is 70, 80, 90, or 100 percent of wartime levels.

An improved spendable income can only be a reality when Federal income taxes are at an equitable and just level—appropriate for our peacetime economy.

Therefore, in order to assure an increase in the spendable income in the hands of all people, I am now introducing a bill embodying the new approach to Federal income taxes which was suggested almost a year ago by Frank Wilbur Main, of Pittsburgh.

The incentive income-tax plan, authored by Mr. Main, has as one of its objectives the creation of more spendable income. The bill incorporates the incentive income-tax plan as conceived by Mr. Main. To be known as the Incentive Income Tax Act, 1946, the bill is designed to secure adequate revenues for our country to operate on a balanced budget. It will relieve some 18,000,000 present income taxpayers of the necessity of shouldering the burden of an income tax on top of their respective costs of living.

We all hope to be able to have new radios, new refrigerators, new cars—soon, might I say, very soon. We have been struggling along—thinking about such new things that make life more enjoyable and a little more comfortable.

When these consumer goods do come into our neighborhood stores, will you, will your neighbors, have enough money left, after paying present Federal income taxes, sheltering, feeding, and clothing your families, to afford these prewar necessities. Or must we lower our standard of living, and class these former essentials as outright luxuries?

To assure the utmost in spendable income, the taxation program outlined by Main places the Government's revenue-securing system on a basis of peacetime economy. It gets back to basic fundamentals. It is a fresh concept of income taxation, entirely free of all the patchwork of our present tax laws, and aimed to replace the confused and unbalanced tax structure.

We all agree that in order to have a balanced Federal Budget, and to raise sufficient revenues for the proper conduct of all Government operations, an income tax is a necessity. If there is this unity of thought, then I welcome the utmost in consideration, and judgment, and discussion of this bill which specifies a tax on income.

Note that if you will, a tax on income, whether that income is earned by an individual, a partnership, or a corporation.

The bill provides that individuals and corporations be taxed alike on a graduated scale, starting at 25 percent of the first \$5,000 of net taxable income and ex-

tending upward with 5-percent increases until there is taxation of 50 percent on all net taxable income in excess of the initial \$25,000.

Under the provisions of the incentive income-tax plan which has been incorporated in this bill, it matters not if Brown-Jones, Inc., or Brown & Jones, as partners, or just Tom Brown, as an individual, has a net taxable income of, let us say, \$40,000 per year. Since income is the item taxed, and not individuals or corporations, the tax to be paid in all three instances would be relatively the same. There would be some differences, depending on personal and corporate exemptions.

To relieve the present drudging burden of taxation from the farmer, the returned veteran, the men and women of labor, the teacher, and the Army and Navy doctor starting out to build a practice, personal exemptions are substantially raised so that some 18,000,000 persons are removed from the Federal income tax rolls.

Why should the exemptions be raised? Take the case of the young, unmarried man—drafted from high school and now at work on his first civilian job. He earns \$25 a week. He pays approximately 5 weeks' wages as his Federal income tax. Can he afford to think of getting married, or of buying a car, or buying a good suit of clothes with the spendable income he now possesses? Neither he nor millions like him can hope to really get started in life, can become part of a mass market for goods of all descriptions, until spendable income improves.

Mr. Main has suggested the raising of the personal exemption from \$500 for a single man to \$1,250. The bill incorporates this suggestion as well as the increase to \$2,500 exemption for married couples and for a \$500 exemption for each dependent.

The bill is designed to provide incentive to buy the goods of our farms and factories. It is aimed to give incentive for investments. The main proposal should encourage millions in the lower income brackets to forge ahead, to buy what they need to maintain a reasonable standard of living.

It is Mr. Main's belief that with startling rapidity a host of these taxpayers will be back on the tax rolls in a short time, having improved their economic status and their earning power to the extent that they can again directly contribute to income taxation in a higher bracket and at an equitable rate.

In the meantime, the proponent of the incentive income tax plan counts on these millions continuing the support and operation of our Government through the wide variety of taxes now in force, such as we all pay on cigarettes, alcohol, leather goods, amusements and gasoline.

The incentive income tax plan, incorporated in this bill, asks that the income of a corporation be taxed at identical rates as the income of an individual. It would have every corporation, regardless of its size, provided with a \$2,500 annual exemption.

The Incentive Income Tax Act, 1946, if adopted into law, would totally eliminate double taxation of dividends. Divi-

dends paid to stockholders would be free from taxation.

This step, also proposed in the incentive income tax plan, has been hailed by many as providing great encouragement to a free flow of investment funds into old and established businesses, and into new and risk-taking ones as well.

There does not seem to be much question that stimulated investment will aid in providing facilities for increased production of goods.

In order to have volume production, the factories must have volume buying, which in turn helps to create a national income sufficiently high to provide the revenues our Government must have to operate on a balanced budget.

The corporate form of doing business has many advantages—and some disadvantages. Mr. Main has seized upon one of the disadvantages—the taxation aimed specifically at corporations. It is his feeling that such taxation has prevented many business enterprises from enjoying the inherent benefits of corporate organization. In his plan, embodied in this bill, the taxation disadvantages have been wiped out and a pathway opened for many activities to become corporations. The bill specifies that each corporation would have only a single Federal income tax to pay each year.

According to the incentive income tax plan, sufficient revenues can be produced for a balanced Federal peacetime budget of \$25,000,000,000. Mr. Main has stated that this proposal includes the vital consideration of meeting obligations to our veterans, plus making possible a systematic retirement of our national debt.

I earnestly hope that this bill will be given the widest possible discussion. To my mind, the proposals made by Mr. Main have many most worthwhile possibilities. Of course, there are many who will seriously disagree with his suggestions.

Let the practical be balanced against the impractical. Let the separate features be most widely discussed. Let there be a deliberate weighing of all the factors. It is only through deliberation and consideration that we can achieve the very best for our country and for its citizens in all walks of life.

Mr. Chairman, the bill I now introduce, has been hailed by many persons throughout our country as a sound and equitable answer to our income-tax problems of many years' standing. They have said that Mr. Main's proposal is a sure roadway to the creation of a national income of approximately \$160,000,000,000. Many economists have predicted that such a national income must be achieved if the United States is to have a vigorous and dynamic national economy. Their claim is that any smaller figure would put an unbearable strain on our economic life.

I agree with these economists when they also say that any detraction from healthy economic life leads toward deficit financing—which is always good to avoid.

I am very glad, Mr. Chairman, to present to the people of the country who

have pleaded for relief from the emergency wartime taxation, these suggestions made by Frank Wilbur Main, of Pittsburgh.

He is a constituent of mine, a certified public accountant, and the senior partner of Main & Co., a Nation-wide organization. The abilities and the constructive thinking of Frank Wilbur Main have been recognized beyond the borders of Pittsburgh. His profession has honored him with many State and National duties, including the presidency of the American Society of Certified Public Accountants.

Here is constructive thinking on the part of Mr. Main for incentive and encouragement to men and women in all walks of life. Here is his proposal to create more spendable income and to encourage investment of capital. Through these suggestions, the incentive income-tax plan has been declared to be a stimulant to a high level of national income and a means of assuring the highest possible level of postwar employment. I now introduce the Incentive Income Tax Act, 1946.

Here is a brief summary of the important features of the incentive income-tax proposal:

INCENTIVE INCOME-TAX BILL, 1946

1. Incentive income-tax bill, 1946, introduced into the House on Wednesday, January 30, by Hon. HERMAN P. EBERHARTER, Pennsylvania; Democrat; Member of Ways and Means Committee.

2. Incorporates the incentive income-tax plan conceived by Frank Wilbur Main, of Pittsburgh, Pa.

3. Purpose:

1. A Federal income-tax structure offering incentive to all groups of citizens.

2. Correction of inequities and the elimination of many complications of existing tax laws.

3. Achievement of a balanced peacetime Federal Budget, with reduction of the national debt.

4. Stimulation of employment, encouragement of investments, maintenance of high national income and the creation of more spendable income in the hands of all people.

4. Principal provisions:

1. The taxing of income rather than of individuals or corporations as such.

2. Raises exemptions for single persons from \$500 to \$1,250—for married couples from \$1,000 to \$2,500—each dependent, \$500.

3. Reduces the number of Federal income taxpayers from 36,000,000 to 18,000,000.

4. Corporations pay a single Federal income tax at identical rate as paid by an individual.

5. After exemptions, these rates of tax on net taxable income apply:

Twenty-five percent on first \$5,000.

Thirty percent on next \$5,000.

Thirty-five percent on next \$5,000.

Forty percent on next \$5,000.

Forty-five percent on next \$5,000.

Fifty percent on all net taxable income above \$25,000.

6. Elimination of stockholders paying taxes on their dividends.

7. Assuming a national income of one hundred and sixty billions, it is estimated that the income taxes produced under this act will, in combination with other Federal taxes, result in a total annual revenue of twenty-five and one-half billions.

8. All deductions for charitable contributions, interest payments, as well as all other allowable deductions—unchanged.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks,

and I want to thank the gentleman from Missouri for carrying on in his usual manner when I first attempted to speak to the House.

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

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, in response to the gentleman's suggestion he applied to me, and I was very anxious to give him time. I was anxious that he be heard. I think all Members of the House will agree with me that we listen to him always with pleasure and profit. But under the express provisions of the rule no extraneous debate is allowed. Debate is confined to the bill. Therefore much to my regret I was constrained to deny him time.

Mr. Chairman, these rules are always complied with. We should not incorporate in rules provisions we expect to violate. My only reason for declining to yield was because of the express provisions in the rule that debate should be confined to the bill, he having told me he wanted to discuss a matter not connected with the bill.

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

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman is, of course, aware of the practice which occurs here every day during debate on a bill. When the rule provides that debate shall be confined to the bill, time after time Members get up and ask unanimous consent to speak out of order, and it is very seldom, in the hundreds of times I have heard that request made, that objection has been raised.

Mr. CANNON of Missouri. But the gentleman made no such request.

Mr. EBERHARTER. I certainly intended to make that request.

Mr. CANNON of Missouri. Regardless of his intentions, the gentleman did not make the request. I would not have objected under those circumstances. I greatly enjoyed the gentleman's speech. It is a matter of regret that under the rule I have no authority to recognize him. I was constrained to comply with the provisions of the rule.

Mr. EBERHARTER. I will say that the gentleman, even before I began to make my remarks, attempted to interrupt without requesting that I yield to him, which he knows is a clear violation of the rules. I got the impression that he wanted to stop me absolutely from making any remarks on the floor of the House, he having in mind, of course, what I had told him at the time I made the request.

Mr. CANNON of Missouri. Mr. Chairman, I think the gentleman is a little ungracious. My only purpose in making the statement was to pay the gentleman a compliment. At any time during his speech, I could have made a point of order and have taken him from the floor. I did not do so. I granted him full time. I regret that the gentleman takes this position.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. EBERHARTER. Mr. Chairman, I just want to say for the record that I disagree with the gentleman that he could have taken me from the floor, because I think I was speaking in order. My statement at the beginning, when I had the floor, showed clearly the connection between the remarks I was making and the subject matter before the House. Taxation is inevitably and irretrievably connected with appropriations. If one is in order, certainly the other is also in order.

Mr. CANNON of Missouri. Mr. Chairman, the House knows the gentleman was not speaking on the bill. He told me when he asked for time that he wanted to discuss an extraneous subject. I could have stopped him at any time. I did not do so. I was glad to hear him and I enjoyed his remarks.

Mr. Chairman, I ask unanimous consent that general debate on the bill be now concluded.

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

There was no objection.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment.

The bill is as follows:

Be it enacted, etc., That the appropriations and contractual authorizations of the departments and agencies available in the fiscal year 1946, and prior year unreverted appropriations, are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

TITLE I—EXECUTIVE OFFICE OF THE PRESIDENT, INDEPENDENT OFFICES, AND EXECUTIVE DEPARTMENTS

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management

Foreign Economic Administration: Salaries and expenses, \$3,884,400, and limitations under this head are hereby decreased as follows: (1) Travel within continental United States from "\$234,000" to "\$180,000", (2) reimbursement to employees for emergency or extraordinary expenses from "\$75,000" to "\$47,500", and (3) expenses of a confidential character from "\$1,200,000" to "\$100,000."

Penalty mail costs, \$12,440.

National War Labor Board: Salaries and expenses, \$1,566,500.

Office of Defense Transportation: Salaries and expenses, \$3,075,000, and limitations under this head are hereby decreased as follows: (1) Traveling expenses from "\$452,500" to "\$150,000", (2) printing and binding from "\$47,500" to "\$14,000" (of which the amount available outside continental United States is decreased from \$1,800 to "\$500"), and (3) penalty mail costs from "\$118,900" to "\$53,000."

Office of Economic Stabilization: Salaries and expenses, \$53,780, and limitations under this head are hereby decreased as follows: (1) Penalty mail costs from "\$2,250" to "\$1,500", (2) traveling expenses from "\$4,500" to "\$4,000", and (3) printing and binding from "\$2,000" to "\$1,600."

Office of Inter-American Affairs: Salaries and expenses, \$1,500,000.

Office of Scientific Research and Development: Salaries and expenses, \$56,101,792.

Office of War Information: Salaries and expenses, \$6,912,558, and limitations under this head are hereby decreased as follows: (1) Temporary employment in the United States by contract or otherwise without regard to the civil-service and classification laws from "\$45,800" to "\$28,750", (2) travel within continental United States from "\$267,500" to

"\$237,500", (3) printing and binding within continental United States from "\$1,000,000" to "\$587,500", and (4) to meet emergencies of a confidential character from "\$250,000" to "\$47,500."

War Manpower Commission:

General administration, \$71,194.

Apprentice training service (national defense), \$131,500, and the balance to remain available until December 31, 1945.

Training Within Industry Service (national defense), \$125,000, and the balance to remain available until December 31, 1945.

Migration of workers, \$479,000.

War Production Board: Salaries and expenses, \$10,000,000, and limitations under this head are hereby decreased as follows:

(1) Travel expenses from "\$1,944,000" to "\$954,000", (2) penalty mail costs from "\$210,000" to "\$105,000", (3) printing and binding from "\$648,000" to "\$346,000", and (4) salary of the head of the agency from "\$15,000" to "\$12,000", except that so long as the position is held by the present incumbent the salary shall remain at \$15,000.

War Shipping Administration:

Revolving fund, \$195,452,000.

Maritime training fund, \$25,000,000.

Marine and war risk insurance fund, revolving fund, \$91,000,000.

Office of Censorship: Salaries and expenses, \$8,200,000.

Office of Price Administration: Salaries and expenses, \$25,929,000, and limitations under this head are hereby decreased as follows:

(1) Printing and binding from "\$1,470,000" to "\$961,064", (2) traveling expenses from "\$7,949,700" to "\$6,780,000", and (3) penalty mail costs from "\$5,210,550" to "\$3,085,000."

Office of Strategic Services: Salaries and expenses, \$9,500,000, and limitations under this head are hereby decreased as follows:

(1) Expenditures without regard to provisions of law and regulations from "\$10,500,000" to "\$3,000,000", and (2) expenditures for objects of a confidential nature from "\$10,000,000" to "\$2,750,000."

Petroleum Administration for War: Salaries and expenses, \$1,800,000, and limitations under this head are hereby decreased as follows: (1) Personal services without regard to civil-service and classification laws from "\$250,000" to "\$125,000", and (2) travel expenses from "\$263,700" to "\$100,000."

In all, Office for Emergency Management, \$440,794,164.

EMERGENCY FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, \$45,000,000.

Defense aid—lend-lease:

(1) Ordnance and ordnance stores, supplies, spare parts, and materials, \$57,990,000.

(2) Aircraft and aeronautical material, \$85,705,000.

(3) Tanks, armored cars, automobiles, trucks, and other automotive vehicles, spare parts, and accessories, \$24,461,000.

(4) Vessels, ships, boats, and other watercraft, \$76,080,000.

(5) Miscellaneous military equipment, supplies and materials, \$8,963,000.

(6) Facilities and equipment for the manufacture or production of defense articles, by construction or acquisition, \$17,937,000.

(7) Agricultural, industrial, and other commodities and articles, \$1,351,216,000, and the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for post-war price support of agriculture shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture.

(7b) For testing, inspecting, proving, repairing, outfitting, reconditioning, or otherwise placing in good working order any defense articles for the government of any country whose defense the President deems vital to the defense of the United States, \$73,266,000.

(7d) For necessary services and expenses for carrying out the purposes of such act not specified or included in the foregoing, \$43,943,000.

In all, emergency funds appropriated to the President, \$1,784,561,000.

INDEPENDENT OFFICES

Civil Service Commission: Salaries and expenses, Civil Service Commission (national defense), \$2,032,000.

Employees' Compensation Commission: Employees' compensation fund, \$1,761,644.

Federal Communications Commission: Salaries and expenses, Federal Communications Commission (national defense), \$465,000.

Federal Power Commission: National defense activities, \$17,628.

National Advisory Committee for Aeronautics: Advisory Committee for Aeronautics, \$2,000,000.

Selective Service System: Salaries and expenses, \$2,957,500.

United States Maritime Commission: Construction fund, act June 29, 1936, revolving fund, \$496,500,000.

Federal Security Agency

Public Health Service:

Health and sanitation activities, war and defense areas (national defense), \$392,568.

Malaria and diseases of tropical origin (national defense), \$1,862,501.

Training for nurses (national defense), \$15,557,000, and the limitation on the amount which may be expended for administrative expenses is hereby decreased from "\$788,255" to "\$611,322."

Federal Works Agency

Office of the Administrator: War public works (community facilities), \$13,700,000.

Public Buildings Administration: Emergency safeguarding of public buildings and property, \$753,000.

Construction of temporary office buildings, Washington, D. C., unobligated balance.

Public Roads Administration: Flight strips (national defense), \$318,008.

National Housing Agency

Office of the Administrator:

War housing, \$74,355,000.

War housing in and near the District of Columbia, \$3,372,000.

Reserves: From the reserve account established by the National Housing Administrator in the Treasury pursuant to section 303 of Public Law 849, Seventy-sixth Congress, approved October 14, 1940, as amended, \$50,000,000.

Section 303 of the act of October 14, 1940, as amended (42 U. S. C. 1521), is hereby amended by inserting "(a)" after the figures "303", and adding the following new subsections:

"(b) Moneys derived by the National Housing Administrator from the disposition of property, or from the removal of temporary housing, acquired or constructed under the provisions of this act, of Public Laws Nos. 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of disposition and removal, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That moneys derived by said Administrator from the disposition of any such property or the removal of any such temporary housing may be deposited in a common fund account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the disposition of any such property or the removal of any such temporary housing shall be covered at the end of each fiscal year into miscellaneous receipts,

"(c) Moneys in the reserve account established by the National Housing Administrator pursuant to subsections (a) and (b) of this section 303 shall not exceed \$25,000,000 at any time: *Provided*, That all moneys in said account shall be covered into miscellaneous receipts not later than 2 years after the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist."

In all, independent offices, \$66,040, 849.

EXECUTIVE DEPARTMENTS

[Non-War]

Department of Agriculture

Emergency rubber project, \$1,649,790, and the balance remaining shall be used to liquidate such project, including the elimination of the remaining plantations, the rehabilitation and return of leased lands to the owners and the disposal of other property according to law, and for the continuation of the production, breeding, and disease phases of guayule research on indicator plots and experimental areas until June 30, 1946: *Provided*, That any balances remaining shall be available until December 31, 1946, for completing the liquidation of the emergency rubber project.

War Food Administration: Salaries and expenses, \$3,116,894.

Emergency supplies for Territories and possessions, \$25,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Bureau of Agricultural Economics, salaries and expenses (crop and livestock estimates).

Office of Foreign Agricultural Relations, salaries and expenses.

Agricultural Research Administration:

Bureau of Animal Industry, salaries and expenses (meat inspection);

Bureau of Plant Industry, Soils, and Agricultural Engineering, salaries and expenses (fruit, vegetable, and specialty crops);

Bureau of Entomology and Plant Quarantine, salaries and expenses (foreign plant quarantine).

Forest Service:

Salaries and expenses (national forest protection and management);

Forest-fire cooperation.

Department of Commerce

Office of the Secretary: Salaries and expenses, National Inventors Council Service Staff, \$11,000.

Office of Administrator of Civil Aeronautics: Development of landing areas, \$5,000,000.

The following appropriations shall be so administered as to avoid the incurrence of deficiencies therein except for such added expense occasioned by the Federal Employees Pay Act of 1945 as it may not be practicable to absorb, namely:

Coast and Geodetic Survey, salaries and expenses, departmental;

Patent Office, salaries;

Weather Bureau, salaries and expenses.

Department of the Interior

Office of the Secretary: Salaries and expenses, Division of Geography, \$13,000.

War Relocation Authority: Salaries and expenses, War Relocation Authority, Department of the Interior, \$2,500,000.

Office of Fishery Coordination: Salaries and expenses, \$57,000.

Solid Fuels Administration for War: Salaries and expenses, \$275,000, and on April 1, 1946, the sum of \$150,000 of said appropriation shall be transferred to the appropriation "Economics of mineral industries", Bureau of Mines, and the limitation in said latter appropriation for personal services in the District of Columbia shall be increased from "\$397,500" to "\$529,000."

Bureau of Mines

Enforcement of Federal Explosives Act, \$27,900.

Investigation of raw-material resources for steel production (national defense), \$180,000.
Construction and equipment of helium plants, \$260,000.

Manganese beneficiation pilot plants and research (national defense), \$50,000.

Production of alumina from low-grade bauxite, aluminum clays and alunite (national defense), \$200,000.

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense), \$350,000.

Magnesium pilot plants and research (national defense), \$150,000.

Investigation of deposits of critical and essential minerals in the United States and its possessions (national defense), \$420,000.

Government in the Territories

Emergency fund, Territories and island possessions (national defense), \$332,000.

Department of Justice

Legal activities and general administration: Salaries and expenses, War Division, \$100,000.

Federal Bureau of Investigation: Salaries and expenses, detection and prosecution of crimes (emergency), \$1,240,000.

Department of Labor

Office of the Secretary:
Salaries and expenses (national defense), \$1,388.

Salaries and expenses, safety and health program (national defense), \$60,000.

Children's Bureau:

Grants to States for emergency maternity and infant care (national defense), \$8,113,600: *Provided*, That such reduced amount shall not affect the amount to be allotted to the States for administrative expenses as authorized in the Department of Labor Appropriation Act, 1946.

War Department

The Panama Canal: Maintenance and operation of the Panama Canal, \$5,000,000.

In all, executive departments, \$54,107,572.
In all, title I, \$2,945,503,585.

Miscellaneous Provisions, Title I**Reductions in contract authorizations**

Contract authorizations of the departments and agencies available in the fiscal year 1946 are hereby reduced in the sums hereinafter set forth:

Executive Office of the President

Emergency funds appropriated to the President: Defense aid—lend-lease, \$600,000,000.

Independent offices

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$325,900,000.

Federal Works Agency

Public Roads Administration:
Strategic highway network, \$1,484,363.
Access roads, \$2,576,845.

Reductions in limitations on administrative expenses

Limitations on amounts from funds of corporations and other agencies for administrative expenses are hereby reduced in the following sums:

Executive Office of the President

Office for Emergency Management: Foreign Economic Administration, Rubber Development Corporation, \$249,500.

War Shipping Administration:

Revolving fund, \$4,312,000.
Maritime training fund, \$519,357.

Independent offices

Smaller War Plants Corporation: Administrative expenses, \$1,550,000, and the limitation under this head on the amount of pen-

alty-mail costs is hereby decreased from "\$50,000" to "\$40,000".

United States Maritime Commission: Construction fund, Act June 29, 1936, revolving fund, \$2,687,450.

EXTENDING AVAILABILITY OF APPROPRIATIONS

The following appropriations for the fiscal year 1946 are hereby continued available until June 30, 1946, except as modified in this title.

Executive Office of the President: Bureau of the Budget, national defense activities.

Independent Offices:

Civil Service Commission, salaries and expenses (national defense).

Federal Communications Commission, salaries and expenses (national defense).

Federal Power Commission: National defense activities.

Federal Security Agency—Office of the Administrator:

Salaries and expenses, Office of Community War Services;

Expenses, temporary aid to enemy aliens and other restricted persons.

Department of the Interior—Office of the Secretary: Salaries and expenses, Division of Geography, Department of the Interior.

CORPORATE FUNDS TO BE TRANSFERRED TO THE TREASURY**Executive Office of the President**

Office for Emergency Management: Office of Inter-American Affairs: The Director of the Office of Inter-American Affairs is hereby directed to deposit in the Treasury of the United States as miscellaneous receipts the following sums representing excess funds of corporations created by the Coordinator of Inter-American Affairs under authority of law:

Institute of Inter-American Transportation, \$315,500.

Prencinradio, Inc., \$875,000.

General provisions

In order to accomplish the liquidation of any temporary agency of the Government created to perform functions in connection with the national security and defense, there may be transferred to such liquidating agency as the President may designate such amount from the funds of the agency to be liquidated as the Bureau of the Budget shall determine is necessary therefor.

TITLE II—MILITARY ESTABLISHMENT**Office of Secretary of War:**

Contingencies of the Army, 1942-46, \$12,829,151.

Expediting production of equipment and supplies for national defense, 1940-46, \$282,892,000.

General Staff Corps:

Contingent fund, Chief of Staff, 1942-46, \$124,335,489.

Special field exercises, Army, 1942-46, \$51,246,874.

Finance Department: Finance Service, Army, 1942-46, \$207,000, and subappropriations under this head are hereby decreased as follows: (1) Expenses of courts martial, \$36,000; and (2) apprehension of deserters, \$171,000.

Quartermaster Corps: Quartermaster Service, Army, 1942-46, \$3,919,838,479, and subappropriations under this head are hereby decreased as follows: (1) Welfare of enlisted men, \$5,000,000; (2) subsistence of the Army, \$1,762,081,479; (3) regular supplies of the Army, \$541,018,000; (4) clothing and equipage, \$1,563,225,000; (5) horses, draft and pack animals, \$1,514,000; and (6) Army transportation, \$47,000,000.

Transportation Corps: Transportation Service, Army, 1945-46, \$704,268,000.

Signal Corps: Signal Service of the Army, 1942-46, \$1,675,684,000.

Air Corps: Air Corps, Army, 1942-46, \$11,799,313,000: *Provided*, That before any permanent fields are determined upon or perma-

nent buildings erected thereon the Air Corps shall submit to Congress a list of such fields and the justification therefor.

Medical Department: Medical and Hospital Department, Army, 1942-46, \$267,539,000.

Corps of Engineers: Engineer Service, Army, 1942-46, \$2,306,763,000, and subappropriations under this head are hereby decreased as follows: (1) Engineer Service, \$2,011,648,000; (2) Military posts, \$143,255,000; and (3) Barracks and quarters, Army, \$146,860,000.

Ordnance Department: Ordnance Service and Supplies, Army, 1942-46, \$8,100,000,000.

Chemical Warfare Service: Chemical Warfare Service, Army, 1942-46, \$997,870,000.

Special Service Schools: Special Service Schools, Army, 1942-46, \$178,000, and subappropriations under this head are hereby decreased as follows: (1) Infantry School, \$81,000; (2) Cavalry activities, \$22,700; and (3) Field Artillery activities, \$74,300.

Seacoast defenses: Seacoast defenses, general, 1942-46, \$1,664,000.

United States Military Academy: Pay of Military Academy, 1942-46, \$21,000.

Inter-American Relations, War Department: Inter-American Relations, War Department, 1943-46, \$75,000.

Office of the Secretary:

Contingent expenses, War Department, 1942-46, \$1,200,000.

Printing and binding, War Department, 1942-46, \$18,000,000.

Transfer of appropriations

In addition to the transfers authorized by section 3 of the Military Appropriation Act, 1946, transfers of not to exceed the amounts hereinafter set forth may be made, with the approval of the Bureau of the Budget, from the appropriation "Ordnance Service and Supplies, Army", to the following appropriations:

Army War College, \$23,819;

Command and General Staff School, Fort Leavenworth, Kans., \$30,189;

Quartermaster Service, Army, \$7,881,967;

Rock Island Bridge, Rock Island, Ill., \$5,719;

Instruction in armored force activities, \$389,756;

Maintenance and operation, United States Military Academy, \$1,323,884;

Army of the Philippines, \$200,000,000: *Provided*, That service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1940, as amended, under contracts heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death: *Provided further*, That such pensions shall be paid at the rate of one Philippine peso for each dollar authorized to be paid under the laws providing for such pensions: *Provided further*, That any payments heretofore made under any such law to or with respect to any member of the military forces of the Government of the Commonwealth of the Philippines who served in the service of the armed forces of the United States shall not be deemed to be invalid by reason of the circumstances that his service was not service in the military or naval forces of the United States or any component thereof within the meaning of such law.

General provision

Appropriations for the Military Establishment for the fiscal year 1946 available for expenses of travel may be used under regulations prescribed by the Secretary of War, for the payment, in lieu of transportation in kind or movement at Government expense authorized by law for dependents, of 4 cents per mile for dependents 12 years of age or over and of 2 cents per mile for dependents between 5 and 12 years of age, in advance or otherwise, in accordance with distances established for payment and settlement of mileage accounts of officers pursuant to the provisions of the act of June 12, 1906, as amended (34 Stat. 246; 10 U. S. C. §70).

In all, title II, \$30,263,923,993.

TITLE III—NAVAL ESTABLISHMENT

Office of the Secretary:
Miscellaneous expenses, Navy:
Fiscal year 1944, \$2,323,605.
Fiscal year 1945 \$671,805.
Fiscal year 1946, \$11,900,000.
Contingent, Navy:
Fiscal year 1944, \$74,000.
Fiscal year 1945, \$49,000.
Fiscal year 1946, \$20,000.
Naval emergency fund:
Fiscal year 1945 \$25,477.
Fiscal year 1946, \$3,000,000.
Naval Research Laboratory:
Fiscal year 1944, \$5,185.
Fiscal year 1945 \$3,002.
Fiscal year 1946, \$90,000.
Operation and conservation of naval petroleum reserves:
Fiscal year 1944, \$6,986.
Fiscal year 1945 \$6,353.
Fiscal year 1946, \$18,000.
Ocean and lake surveys, Navy:
Fiscal year 1944, \$6,677.
Fiscal year 1945, \$21,298.
Bureau of Naval Personnel:
Naval War College.
Fiscal year 1944, \$4,521.
Fiscal year 1945 \$2,886.
Naval Training Station, San Diego, Calif.:
Fiscal year 1944, \$232,338.
Fiscal year 1945, \$327,515.
Naval Training Station, Newport, R. I.:
Fiscal year 1944, \$823.
Fiscal year 1945, \$256.
Naval Training Station, Great Lakes, Ill.:
Fiscal year 1944, \$459,244.
Fiscal year 1945, \$29,510.
Fiscal year 1946, \$700,000.
Naval Training Station, Norfolk, Va.:
Fiscal year 1944, \$4,488.
Fiscal year 1945, \$14,879.
Naval Training Station, Lake Pend Oreille, Idaho:
Fiscal year 1944, \$54,790.
Fiscal year 1945, \$604,708.
Naval Training Station, Lake Seneca, N. Y.:
Fiscal year 1944, \$38,894.
Fiscal year 1945 \$3,209.
Naval Training Station, Port Deposit, Md.:
Fiscal year 1945, \$2,794.
Fiscal year 1946, \$500,000.
Fleet training, Navy:
Fiscal year 1944, \$11,108.
Fiscal year 1945, \$164,695.
Fiscal year 1946, \$78,000.
Instruction, Navy:
Fiscal year 1944, \$2,151,364.
Fiscal year 1945, \$120,000.
Fiscal year 1946, \$6,000,000.
Libraries, Navy:
Fiscal year 1944, \$145,920.
Fiscal year 1945, \$1,693.
Fiscal year 1946, \$1,252,935.
Welfare and recreation, Navy:
Fiscal year 1944, \$903,681.
Fiscal year 1946, \$4,124,000.
Naval Reserve Officers' Training Corps:
Fiscal year 1944, \$237,300.
Fiscal year 1945, \$88,337.
Miscellaneous expenses, Bureau of Naval Personnel:
Fiscal year 1944, \$3,009.

Fiscal year 1945, \$124.
Fiscal year 1946, \$20,000.
Naval Reserve:
Fiscal year 1944, \$54,961,800.
Fiscal year 1945, \$24,511,154.
Fiscal year 1946, \$38,262,000.
Pay, Naval Academy:
Fiscal year 1944, \$88,394.
Fiscal year 1945, \$93,796.
Maintenance, Naval Academy:
Fiscal year 1944, \$6,877.
Fiscal year 1945, \$2,529.
Naval Home, Philadelphia, Pa.:
Fiscal year 1944, \$610.
Fiscal year 1945, \$1,250.
Naval prison farms and prison personnel:
Fiscal year 1944, \$10.
Fiscal year 1945, \$5,100.
Bureau of Ships:
Maintenance, Bureau of Ships:
Fiscal year 1942, \$43,907,135.
Fiscal year 1942-43, \$51,956,375.
Fiscal year 1943, \$64,050,351.
Fiscal year 1944, \$52,247,000.
Fiscal year 1945, \$118,474,000.
Fiscal year 1946, \$1,468,000,000.
Defense installations on merchant vessels, Navy, \$13,658,123.
Bureau of Ordnance:
Ordnance and ordnance stores, Navy:
Fiscal year 1944, \$551,226,542.
Fiscal year 1945, \$1,208,752,767.
Fiscal year 1946, \$2,575,225,500.
Bureau of Supplies and Accounts:
Pay, subsistence, and transportation, Navy, 1944, \$69,247,269.
Pay an subsistence of naval personnel, 1946, \$1,317,369,200.
Maintenance, Bureau of Supplies and Accounts, 1946, \$81,314,000.
Transportation of things, Navy, 1946, \$140,036,282.
Fuel, Navy, 1946, \$100,000,000.
Bureau of Medicine and Surgery:
Medical Department, Navy:
Fiscal year 1944, \$1,017,195.
Fiscal year 1945, \$12,238,592.
Fiscal year 1946, \$30,000,000.
Bureau of Yards and Docks:
Maintenance, Bureau of Yards and Docks:
Fiscal year 1944, \$2,431,496.
Fiscal year 1945, \$3,139,211.
Fiscal year 1946, \$5,000,000.
Public Works, Bureau of Yards and Docks, \$400,000,000, and the contract authorization for "Public Works, Bureau of Yards and Docks" available in the fiscal year 1946 is hereby reduced in the sum of \$1,248,510,540: *Provided*, That the rescission of \$400,000,000 of the appropriation shall not act to reduce further the contract authority: *Provided further*, That of this amount \$946,000,000 shall apply against advance base construction, material, and equipment: *Provided further*, That of the funds remaining available for advance base construction, material, and equipment, not to exceed \$6,000,000 shall be available toward reconstruction of the civilian economy of Guam.
Bureau of Aeronautics:
Aviation, Navy:
Fiscal year 1943, \$256,482,489.
Fiscal year 1943-44, \$193,929,557.
Fiscal year 1944, \$811,987,405.
Fiscal year 1945, \$1,468,753,102.
Fiscal year 1946, \$1,359,367,650, and sub-appropriations under this head are hereby decreased as follows: (1) New construction and procurement of aircraft and equipment, spare parts, and so forth, from "\$799,128,500" to "\$128,116,900", (2) replacement of navigational and radio equipment for aircraft in service, and so forth, from "\$168,808,200" to "\$44,934,000", and (3) maintenance, repair, and operation of aircraft factory, air stations, and so forth, from "\$1,431,840,800" to "\$800,374,950"; the subappropriation "continuing experiments and development work, and so forth," is hereby increased from "\$81,272,500" to "\$148,256,500"; and the unobligated por-

tion of the contract authorization provided under this head is hereby repealed.

Marine Corps:
Pay, Marine Corps:
Fiscal year 1944, \$40,521,480.
Fiscal year 1945, \$10,000,000.
Fiscal year 1946, \$69,913,260.
Pay of civil force, Offices of Commandant of Marine Corps and Director of Personnel:
Fiscal year 1944, \$358.
Fiscal year 1945, \$174.
Pay of civil force, Office of Paymaster General, Marine Corps:
Fiscal year 1944, \$330.
Fiscal year 1945, \$118.
Pay of civil force, Office of Quartermaster General, Marine Corps:
Fiscal year 1944, \$844.
Fiscal year 1945, \$1,059.
General expenses, Marine Corps:
Fiscal year 1944, \$79,787,482.
Fiscal year 1945, \$56,737,554.
Fiscal year 1946, \$307,750,000.
Increase and replacement of naval vessels:
Increase and replacement of naval vessels, construction and machinery, \$732,104,151.
Increase and replacement of naval vessels, armor, armament and ammunition, \$276,876,967.
Increase and replacement of naval vessels, emergency construction, \$38,385,489: *Provided*, That the balances remaining of appropriations under "Increase and replacement of naval vessels" shall not be available for the period of the fiscal year 1946 subsequent to October 16, 1945, for beginning the construction of any new vessels, except, not to exceed \$24,100,000 may be available during the fiscal year 1946 against the construction of 5 advanced type combatant vessels and 17 minor craft.

Repair facilities, Navy:
Repair facilities, Navy, \$38,266,050, and the contract authorization for "Repair facilities, Navy," available in the fiscal year 1946 is hereby reduced in the sum of \$27,562,131.

Coast Guard:
Salaries, Office of Commandant, United States Coast Guard:
Fiscal year 1944, \$219.
Fiscal year 1945, \$133,293.
Pay and allowances, Coast Guard:
Fiscal year 1944, \$35,006,326.
Fiscal year 1945, \$3,658,922.
Fiscal year 1946, \$30,000,000.
General expenses, Coast Guard:
Fiscal year 1944, \$631,865.
Fiscal year 1945, \$1,289,896.
Fiscal year 1946, \$20,000,000.
Civilian employees, Coast Guard:
Fiscal year 1944, \$109,654.
Fiscal year 1945, \$200,633.
Establishing and improving aids to navigation, Coast Guard, \$346,000.
Acquisition of vessels and shore facilities, Coast Guard, \$2,741,000.
Retired pay, former Lighthouse Service, Coast Guard:
Fiscal year 1944, \$73,320.
Fiscal year 1945, \$48,109.
Salaries, Merchant Marine Inspection, Coast Guard, 1945, \$25,536.
Salaries and expenses, Merchant Marine Inspection, Coast Guard:
Fiscal year 1944, \$999,401.
Fiscal year 1945, \$373,270.
Emergency construction, vessels and shore facilities, Coast Guard (Navy), \$231,000.
Special projects, vessels, Coast Guard (Navy), \$127,000.
Special projects, aids to navigation, Lighthouse Service, Coast Guard (Navy), \$28,699.
Special projects, aids to navigation, Coast Guard (Navy), \$556,000.

Navy Department

Salaries:
Salaries, Office of Secretary of the Navy:
Fiscal year 1944, \$78.
Fiscal year 1945, \$5,330.

Salaries, General Board, Navy Department:

Fiscal year 1944, \$3,826.
Fiscal year 1945, \$8,775.

Salaries, Naval Examining and Retiring Boards:

Fiscal year 1944, \$1,536.
Fiscal year 1945, \$5,662.

Salaries, Office of Naval Records and Library:

Fiscal year 1944, \$679.
Fiscal year 1945, \$7,035.

Salaries, Office of Judge Advocate General, Navy:

Fiscal year 1944, \$5,312.
Fiscal year 1945, \$36.

Salaries, Office of Chief of Naval Operations:

Fiscal year 1944, \$787.
Fiscal year 1945, \$731.

Salaries, Board of Inspection and Survey, Navy Department:

Fiscal year 1944, \$3,452.
Fiscal year 1945, \$2,893.

Salaries, Office of Director of Naval Communications:

Fiscal year 1944, \$125.
Fiscal year 1945, \$18,647.

Salaries, Office of Naval Intelligence:

Fiscal year 1944, \$2,932.
Fiscal year 1945, \$923.

Salaries, Hydrographic Office:

Fiscal year 1944, \$176,696.
Fiscal year 1945, \$16,357.

Salaries, Naval Observatory:

Fiscal year 1944, \$38.
Fiscal year 1945, \$1,117.

Salaries, Bureau of Ships:

Fiscal year 1944, \$2.
Salaries, Bureau of Ordnance:

Fiscal year 1944, \$322.
Fiscal year 1945, \$151.

Salaries, Bureau of Supplies and Accounts:

Fiscal year 1944, \$2,992.
Fiscal year 1945, \$2,414.

Salaries, Bureau of Medicine and Surgery:

Fiscal year 1944, \$4,578.
Fiscal year 1945, \$2,854.

Salaries, Bureau of Yards and Docks:

Fiscal year 1944, \$94.
Salaries, Bureau of Aeronautics:

Fiscal year 1944, \$46.
Contingent expenses:

Contingent expenses, Navy Department, 1944, \$10,322.

Contingent expenses, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$5,500,000" to "\$4,500,000."

Printing and binding, Navy Department, 1946:

The amount which may be transferred to this appropriation from other appropriations contained in the Naval Appropriation Act, 1946, is hereby decreased from "\$18,500,000" to "\$10,500,000."

Contingent and miscellaneous expenses, Hydrographic Office:

Fiscal year 1944, \$289,839.
Fiscal year 1945, \$94,942.

Contingent and miscellaneous expenses, Naval Observatory:

Fiscal year 1944, \$572.
Fiscal year 1945, \$40.

General provisions

Provisions of law prohibiting the payment of compensation to any person not a citizen of the United States shall not apply to personnel under the Naval Establishment during the fiscal year ending June 30, 1946.

Notwithstanding the provisions of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364), the Secretary of the Navy is authorized and directed to issue in kind one dress blue uniform and overcoat to each enlisted man in the naval service upon his return to the United States from sea and for-

eign shore duty for separation from the naval service upon the sworn statement of such enlisted man that these articles of clothing are not now in his possession by reason of compliance with orders of higher naval authority or other exigencies of the service beyond his control and that no claim for reimbursement will be filed for the value of such articles so replaced: *Provided*, That the value of such articles of clothing shall be charged to the clothing and small-stores fund. The authority contained herein shall terminate on September 30, 1946.

Personnel of the Naval Reserve, not qualified for sea duty, will, upon their application, be placed on inactive duty if surplus to requirements.

The dependents and household effects of such civilian and naval personnel of the Naval Establishment (without regard to rank or grade) on duty at locations outside the continental limits of the United States, or in Alaska, as may be determined upon by the Secretary of the Navy, may prior or subsequent to the issuance of orders for the relief of such personnel from their stations, or subsequent to the discharge or release of such personnel from active service, be moved (including packing and unpacking of household effects) from such locations outside the continental limits of the United States, or in Alaska, to such locations as may be designated by such personnel, or dependents concerned, by the use of either Government or commercial means of transportation, and later from such locations to the duty station to which such personnel may be ordered, and current appropriations of the Navy Establishment available for travel and transportation may be used for this purpose. In lieu of the transportation in kind authorized for dependents, the Secretary of the Navy may authorize the payment in money of amounts equal to the commercial transportation costs (including taxes if paid), for the whole or such part of the travel for which transportation in kind is not furnished when such travel shall have been completed.

In all, title III, \$14,370,964.

General provision

The officer and enlisted personnel strengths of the Army, Navy, Marine Corps, and Coast Guard shall be demobilized at a rate not less than would be necessary to keep within the amounts available for their pay in consequence of the provisions of this act, unless the President otherwise shall direct.

Effective December 1, 1945, no military or naval personnel shall receive during the remainder of the current fiscal year aviation pay unless the person affected is assigned to duty on air activities prescribed by the Secretary of War or the Secretary of the Navy as requiring regular and frequent participation in aerial flights, or is required to participate regularly and frequently in aerial flights in order to continue his fitness for his primary technical skill: *Provided*, That in addition, on or before January 1, annually, the Secretaries of War and Navy, respectively, shall certify to the Congress by rank and age group the number of such officers above the rank of major of the Army or lieutenant commander of the Navy, with the average monthly flight pay authorized by law to be paid to such officers during the 6-month period preceding the date of the report: *Provided further*, That the Secretary of War and the Secretary of the Navy shall on or before January 3, 1946, submit to the Congress a joint recommendation for revision of the Pay Readjustment Act of 1942, as amended, including but not restricted to recommendations with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances.

SEC. 301. This act may be cited as the "First Supplemental Surplus Appropriation Rescission Act, 1946."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, 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. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, pursuant to House Resolution 499, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

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

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

The bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT TO RETIRE CERTAIN OFFICERS AND ENLISTED MEN OF THE NAVY, MARINE CORPS, AND COAST GUARD

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (S. 1405) to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1405) to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 3, 5, 6, and 7.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 4, 8, 9, 10, and 11, and agree to the same.

CARL VINSON,

P. H. DREWRY,

W. STERLING COLE,

Managers on the Part of the House.

DAVID I. WALSH,

MILLARD E. TYDINGS,

CHAS. W. TOBEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1405) to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the

conferees and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: These amendments provide that the members of selection boards shall be senior in permanent rank to the permanent rank of any officer under consideration. Under the Senate version an officer junior in permanent rank, though senior in temporary rank to the officer under consideration, could be serving on a selection board. The House amendment has been accepted by the conferees.

Amendments Nos. 3, 5, 6, and 7: These amendments have to do with the procedure to be followed in determining what rank officers shall have when placed on the retirement list. Officers retired under the Senate version of this bill would be retired in their highest temporary ranks and with retired pay based upon their highest temporary ranks only if their performance of duty in such ranks was satisfactory. The determination of satisfactory performance would be made by the Secretary of the Navy.

Under the House version of the bill, the determination of satisfactory performance of duty and the question of whether an officer was entitled to his highest temporary rank and pay based upon that rank would be made by a board. The practical results achieved would be the same.

Since the administration of the House version would require an enormous amount of work for many years to come, would create delays and doubts as to the amount of retired pay officers would receive, and would probably create inequities of treatment in individual cases by the necessary changes in membership of boards, the House conferees recommend that the House recede from its amendments Nos. 3, 5, 6, and 7.

Amendments Nos. 4 and 10: These amendments establish the limiting date on which an officer serving in a temporary rank can be retired in the highest temporary rank which he held. The Senate version required that such officers should be serving in this rank on August 12, 1945, or if prisoners of war the rank in which he was serving on November 1, 1945. The House provision is that an officer is eligible to be retired in the highest rank in which he served on or prior to June 30, 1946, or if a prisoner of war at any time during World War II, the highest rank to which such officer was temporarily appointed pursuant to the provisions of the act approved July 24, 1941.

Amendments Nos. 8 and 9: These amendments pertain to the ranks in which retired personnel may be recalled to active duty. As the bill passed the Senate, it required that they be recalled in their permanent grades, ranks, or ratings. The House amendment provides that they be recalled in the grades, ranks, or ratings with which they were retired or returned to inactive status unless other provisions of laws state that they are entitled to higher grades, ranks, or ratings.

Amendment No. 11: The Senate language provides that officers be retired on becoming 62 years of age with 75 percent of their active-duty pay, while the amendment of the House provides that the computation of retired pay shall be at the rate of 2½ percent per annum of the active-duty pay multiplied by the number of years of service. Under the House language it will require at least 30 years of service for an officer to be retired with 75 percent of the active-duty pay, while under the Senate version it would be possible for an officer with a shorter period of service to be entitled to the same retired pay.

CARL VINSON,
P. H. DREWRY,
W. STERLING COLE,

Manager on the Part of the House.

Mr. VINSON. Mr. Speaker, the report which has just been read clearly

sets forth the issues that the conferees had to deal with. Of course, you recognize the fact that this bill has application only to the officers of the Regular Navy and not to Reserve officers. It is what is classified as an involuntary method of retiring officers. When the bill was before the House, we thought that before an officer is retired at his temporary rank it should be passed on by a board appointed by the Secretary of the Navy. The Senate version was that it should be satisfactory to the Secretary of the Navy. The House conferees agreed to the Senate version. In every other respect the Senate conferees agreed to the position of the House. I think the statement is so clear that there is nothing I can add to it which has not already been submitted.

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

Mr. VINSON. I am glad to yield to the gentleman.

Mr. WADSWORTH. Will the gentleman explain the situation with reference to the rate of retirement pay?

Mr. VINSON. That is amendment No. 11. The Senate language provided that officers be retired on becoming 62 years of age with 75 percent of their active-duty pay, while the amendment of the House provides that the computation of the retired pay shall be at the rate of 2½ percent per annum of the active-duty pay multiplied by the number of years of service.

Mr. WADSWORTH. Which amendment prevailed?

Mr. VINSON. The House prevailed in its position.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT TO APPOINT REAR ADM. EARLE W. MILLS TO UNITED STATES MARITIME COMMISSION

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 300 to authorize the President to appoint Rear Adm. Earle W. Mills, United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration without affecting his naval status and perquisites.

The Clerk read the title of the joint resolution.

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

Mr. COLE of New York. Mr. Speaker, reserving the right to object, the gentleman will recall at the time this bill was before the committee no question was raised as to the effect this bill might have upon the complexion of the members of the Maritime Commission. Since the committee reported out this bill, that question has arisen. From a study of the bill it is apparent that there is some possibility the bill does upset the bipartisan nature of the Maritime Commission. I assume, and I am sure that

the chairman will agree, that the committee had no intention of disturbing the bipartisan nature of the Commission.

Mr. VINSON. The gentleman from New York is absolutely correct.

Mr. COLE of New York. Therefore, I assume the gentleman would have no objection to an amendment being offered which I intend to offer to this bill to make sure that the bipartisan nature of the Board is not changed in any way.

Mr. VINSON. We welcome it. The committee this morning acted favorably upon the suggestion that we put language in the bill so that there would be absolutely no doubt about preserving the bipartisan representation required by the statute in the personnel of the Shipping Board.

Mr. COLE of New York. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON].

Mr. CHURCH. Reserving the right to object, Mr. Speaker, I wonder if the gentleman will make a brief explanation of the bill.

Mr. VINSON. Yes. I intend to. I am trying to get unanimous consent now to consider the bill.

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

There being no objection, the Clerk read the resolution, as follows:

*Resolved, etc., That notwithstanding the provisions of the act of July 31, 1894 (28 Stat. 205), as amended (title 5, U. S. C., sec. 62), or any other provisions of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Rear Adm. Earle W. Mills, an officer in the United States Navy, to the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration, and the said Rear Admiral Mills' appointment to, acceptance of, and service in that office shall in no way affect any status, office, rank, or grade he may occupy or hold in the United States Navy or any component thereof, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of such status, office, rank, or grade: *Provided*, That so long as he holds the office of Chairman and member of the United States Maritime Commission Rear Admiral Mills shall have the rank and grade of rear admiral in the United States Navy or a higher rank and grade in the United States Navy, and he shall receive the pay and allowances payable to an officer serving on active duty with the rank and grade of rear admiral of the upper half in the United States Navy, or the pay and allowances of any higher rank which he may hold by reason of any promotion received prior to or subsequent to the date of approval of this act. In the event the salary prescribed by law for the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration exceeds his Navy pay and allowances, Rear Admiral Mills shall receive directly from the United States Maritime Commission the difference between his Navy pay and allowances and his salary as Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration.*

Sec. 2. In the performance of his duties as Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration, Rear Admiral Mills shall be subject to no supervision, control, restriction, or prohibition

(naval, military, or otherwise) other than would be operative with respect to him if he were in no way connected with the Navy Department, the Naval Establishment, or the United States Navy, or any component thereof.

Sec. 3. Appropriations made for the United States Maritime Commission and the War Shipping Administration shall be available for reimbursement to the Navy Department of all pay and allowances received by Rear Admiral Mills from the Navy Department or its agencies while he is serving in the office of Chairman and member of the United States Maritime Commission and Administrator of the War Shipping Administration.

Mr. VINSON. Mr. Speaker, I ask for recognition on the bill.

The SPEAKER. The gentleman from Georgia is recognized.

Mr. VINSON. Mr. Speaker, the purpose of this bill is to permit the President to appoint Vice Admiral Mills Chairman of the Maritime Commission, and at the same time permit the admiral to be carried on the regular list as an officer of the United States Navy, and to draw all the emoluments from his rank as vice admiral in the Navy, doing identically in this case what was done when we made General Bradley the head of the Veterans' Administration. That is the entire bill. Otherwise the President could not appoint Admiral Mills Chairman of the Maritime Commission unless the admiral resigned from the Navy. The admiral does not care to resign. The President does not desire him to resign. So the White House suggested that we pass this same kind of a bill.

An amendment will be offered which will preserve the bipartisan relationship on the Maritime Commission.

Mr. COLE of New York. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Strike out the period after the word "Administration", in line 2 on page 3, and insert the following:

"Provided further, That nothing in this joint resolution shall be construed to amend or alter in any manner section 1111 (a) of title 46 of the United States Code, which provides in part that not more than three of the members of the United States Maritime Commission shall be appointed from the same political party."

The amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FACT-FINDING BOARDS IN LABOR DISPUTES

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 500), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4908) to provide for the appointment of fact-finding boards to investigate labor disputes seriously affecting the national public interest, and for other purposes; that after general debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the

chairman and the ranking minority member of the Committee on Labor, the bill shall be read, and after the reading of the first section of such bill, it shall be in order to move to strike out all after the enacting clause and insert as a substitute the text of the bill H. R. 5262, and all points of order against such substitute are hereby waived; at the conclusion of the consideration of the bill H. R. 4908, 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, with or without instructions.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that the rule, which has just been reported, may be read so that the Members may understand what it is.

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

There was no objection.

The Clerk read the resolution as above set out.

REPORT BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H. R. 2764.

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

There was no objection.

EXTENSION OF REMARKS

Mr. FORAND asked and was given permission to extend his remarks and include a resolution; and also to extend his remarks by inserting an excellent address recently delivered by the gentleman from Massachusetts [Mr. McCORMACK].

Mr. DAVIS asked and was given permission to extend his remarks in the Appendix and include certain resolutions passed by the United States Conference of Mayors.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a telegram to the President of the United States and also a newspaper clipping.

Mr. JENNINGS asked and was given permission to extend his remarks in the RECORD and include therein an editorial from the New York Times of Wednesday, January 30.

Mr. GAMBLE asked and was given permission to extend his remarks on three topics and to include therein newspaper articles and editorials.

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

PERMISSION TO ADDRESS THE HOUSE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent that on Monday next I may address the House for 20 minutes following the special orders heretofore entered for that day.

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

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from

West Virginia [Mr. BAILEY] is recognized for 20 minutes.

TAXATION

Mr. BAILEY. Mr. Speaker, when one of the Nation's largest corporations has net earnings before payment of taxes of an amount in excess of \$50,000,000 in the taxable year 1945 and in addition draws \$34,980,000 in cash from the United States Treasury under the much "cussed" as well as discussed carry-back clause in our Federal Revenue Act, then gets by without paying a single dollar of Federal taxes for that same year, it is high time that some Member of Congress stand in the well of the House and demand a fair deal for the other 43,000,000 taxpayers who of necessity must carry the added load.

As 1 of only 10 Members of the House who voted against the amendments to the 1942 Revenue Act by the Seventy-ninth Congress I feel I am within my rights as well as consistent in urging immediate action on H. R. 5180 which seeks to repeal the so-called carry-back clause in the Revenue Act of 1945.

It is well to remember, in beginning this fight, that our revenue laws are an intricate and complicated affair. So intricate and complicated that it is the common practice of the House Ways and Means Committee to report tax legislation to the floor of the House under the well-known and much-abused "gag rule." They do this, so I am advised, on the ground that the average Congressman knows little or nothing about taxation and finance and should not be permitted to meddle with the committee's considered judgment in such matters.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

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

Mr. EDWIN ARTHUR HALL. The gentleman mentioned the gag rule a little while ago. I want to cite one case where a gag rule had an effect detrimental to the people as a whole, and that was in the case of the \$5 automobile use-tax stamp. Fortunately, the gag rule did not prevail this last time the bill was considered and the Congress was able to repeal that unpopular law.

Mr. BAILEY. I thank the gentleman for his comment.

I am not accusing anyone of undue connivance and not even with a lack of judgment, but I submit, Mr. Speaker, that when an important official such as the Treasurer of the United States appears before the House and Senate committees considering tax legislation, and asks for a retention of the carry-back clauses in the 1942 revenue act, this same official should be asked to explain to the American taxpayers just why this clause was so important at the time to warrant his personal attention.

The carry-back is a device that is used when a company's earnings fail to exceed the excess-profits credit. In that event, the unused portion of the credit can be applied to an earlier year and the excess-profits tax for that year is reduced.

When Congress repealed the excess-profits tax it continued the carry-back through 1946 to enable corporations to meet possibly heavy reconversion expenses with tax refunds. Now, losses

due to strikes could produce the same effect.

I hesitate to place in the RECORD any figure in an attempt to show just how much our Treasury has been raided through this loophole in our tax laws, until such figures can be verified from the official record. It is a well-known fact that both individual and corporate tax returns are guarded from the prying eyes of even a Congressman. It is a violation of Federal law for any Treasury official to divulge the details of such tax returns.

I insist that certain detail in relation to carry-back refunds and amortization grants be produced and made available to the House Ways and Means Committee. This is also a part of the law. This information is necessary before serious consideration can be given to the legislation I introduced this past week to strike from our revenue code this very dangerous and unfair clause relating to excess-profits taxes.

I would like to keep the House advised on the progress of this legislation. In this connection, I desire to read and have placed in the RECORD copies of correspondence I have had with the Ways and Means Committee on this matter:

JANUARY 23, 1946.

HON. ROBERT L. DOUGHTON,
Chairman, House Ways and Means Committee,
House Office Building, Washington, D. C.

DEAR MR. DOUGHTON: On Monday of this week I introduced in the House H. R. 5180, which proposed legislation seeks immediate repeal of the carry-back provisions of the 1945 Revenue Act, insofar as those carry-back or refund provisions apply to excess-profits taxes paid into the Treasury for the taxable years 1944-45.

I am sure your committee realizes the import of this legislation. Excess-profits tax in the amount of \$9,345,198,293.03 were paid into the United States Treasury for the taxable year 1944. This same total paid into the Treasury for taxable year 1945 was \$11,003,579,622.76, or a total for the 2-year period of \$20,348,777,915.79. All of this total is subject to refund under the carry-back provision should the company or companies that paid it in suffer an operating loss for the taxable year 1946.

It is my position that this carry-back provision should have been stricken from the last Revenue Act at the time Congress voted to do away with the excess-profits tax. If this provision is left in the law, and we should suffer an industrial tailspin or face a prolonged tie-up by strikes, this amount that the industries concerned could recover in the way of refund would make President Truman's budget item of \$31,500,000 of revenue receipts for 1946-47 not worth the paper written on.

I trust the committee will favor a hearing on this vital legislation at the earliest possible time. In the meantime, may I suggest that you submit a copy of H. R. 5180 to the Treasury Department and the Budget Office in an effort to ascertain their position on the proposed legislation.

Cordially yours,

CLEVELAND M. BAILEY,
Member of Congress.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D. C., January 23, 1946.

HON. CLEVELAND M. BAILEY,
House of Representatives,
Washington, D. C.

DEAR MR. BAILEY: Your letter of January 23, calling attention to your bill, H. R. 5180, seeking repeal of the carry-back provision of the

1945 Revenue Act with respect to taxable years beginning after December 31, 1945, has been received and given attention.

You may be assured that I sincerely appreciate your views on this bill, and in compliance with your request I am today requesting a report from the Treasury Department on H. R. 5180.

With best wishes, I am,
Very sincerely yours,

R. L. DOUGHTON.

JANUARY 24, 1946.

MY DEAR MR. CHAIRMAN: The Secretary has asked me to acknowledge your letter of January 23, 1946, enclosing two copies of H. R. 5180, to repeal the unused excess-profits credit carry-back from taxable years beginning after December 31, 1945, and requesting a statement of this Department's views on this proposed legislation.

This matter will have consideration and a report thereon will be submitted to your committee as soon as possible.

Sincerely yours,

JOSEPH J. O'CONNELL, JR.

JANUARY 26, 1946.

HON. ROBERT L. DOUGHTON,
Chairman, House Ways and Means Committee,
House Office Building,
Washington, D. C.

MY DEAR MR. DOUGHTON: In further reference to my previous correspondence calling attention to the imperative need for early action on H. R. 5180, legislation seeking repeal of the carry-back provision in the 1945 Revenue Act insofar as it applies to excess-profit tax, may I suggest the need for detailed information from the Treasury Department.

In this connection may I suggest:

(a) The amount of excess-profit tax paid in the taxable years of 1944 and 1945 by all corporations whose annual gross business exceeded \$1,000,000.

(b) A list of all corporations who claimed in their 1945 tax returns their right under the amortization clause in the 1942 Revenue Act and the amount of credits granted under this amortization clause.

(c) A list of all corporations whose gross annual business exceeded \$1,000,000 that claimed their rights under the 1942 Revenue Act for a refund of 10 percent of their excess-tax liability and the amount of refund granted each corporation on their tax return for 1945.

(d) A list of all corporations whose gross business exceeded \$1,000,000 that took advantage in their tax return for 1945 of the carry-back provision relating to excess-profit tax in the 1942 Revenue Act and the amount credited to such corporation in their 1945 tax return.

(e) A detail of cash refund paid to any corporation whose gross business exceeded \$1,000,000 in 1945 with a notation as to whether such cash refund was under the amortization clause, the refund clause on excess-profit taxes or the carry-back clause relating to excess-profit tax.

(f) A list of all corporations whose gross business exceeded \$1,000,000 in 1945 that were not required to pay income taxes for the taxable year 1945 together with a brief explanation as to whether such failure to pay taxes was due to their having claimed their rights under the amortization clause or the carry-back clause in the Revenue Act of 1942 relating to excess-profit tax.

(g) A list of all pending applications for refund not already acted on by the United States Treasury Department. This list should contain information showing whether refund requested is under amortization clause, refund of liability on excess taxes or carry-back provision in 1942 Revenue Code relating to excess-profit tax.

You are, of course, aware that this detailed information is not available to individual Members of Congress. It is available, how-

ever, through your committee. It is my considered opinion that no worth-while consideration of H. R. 5180 will be possible without having this information available in the committee file.

Again thanking you for past courtesies and looking to your further cooperation in this very important matter, I am,

Cordially yours,

CLEVELAND M. BAILEY,
Member of Congress.

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

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

Mr. HOOK. Does not the gentleman think that the adoption of his bill would go a long way toward helping to balance the budget?

Mr. BAILEY. I will come to that. I thank the gentleman for calling my attention to it. I will come to that a little further on. I am a firm believer in the old maxim, "Thrice armed is he whose cause is just." In this instance I feel my cause is just because it is the cause of every other American taxpayer who is entitled to equality in taxation both under our Constitution and under law. I much prefer to approach this subject from the standpoint of a safe and sane financial procedure, one that will make for a stable and dependable basis on which to budget the Nation's income and its expenditures. I submit, Mr. Speaker, Congress cannot afford to appropriate money that will never be in the Treasury nor can it afford to encumber money already in the Treasury when a sum five times greater than the present Treasury balance is subject to seizure by the Nation's corporations to cover their losses in the taxable year 1946.

The situation created by the retention of this carry-back clause in our tax laws is analogous to the case of a man who has, let us say, \$100,000 in a bank on checking account and to his surprise learns that some other person has a legal right to draw on his bank balance. He can no more maintain a correct balance than our Government can maintain a stable budget.

The allegation has been made that the refunds obtained under this carry-back clause will be used by a group of industrial tycoons to finance a series of long drawn-out strikes in an effort to crush organized labor. This allegation if true must be proven by access to the records. Even though it never is proven it is possible for just such a thing to be done so long as this clause is left in the law.

That our Nation is aroused in the fear that our Government will be made a silent partner in a scheme to enhance the power of a few industrial giants is proven by the widespread press, radio, and editorial comment from every section of our country. Here is what PM, one of the Nation's leading daily newspapers, has to say, editorially in its issue of January 23:

What is the carry-back? It was written into the 1942 excess profits tax law to protect businessmen against the uncertainties of the war-production program. (Never, to paraphrase Churchill, were so many safeguards established for so few uncertainties.)

The law provided in substance that if in any one war year a corporation's profits fell below its average prewar profits, the corporation could collect the difference from

the Treasury in the shape of a refund from the excess profits taxes the corporation had paid in the previous 2 years.

Last year Congress repealed the excess profits tax law. But it did not repeal the carry-back. This means that in 1946 businessmen no longer pay excess profits taxes. But they can draw on excess profits taxes paid by them in 1944 and 1945. These total \$20,000,000,000. The size of this profit backlog will be better appreciated if it is recalled that total net corporate earnings in 1929 were only \$9,000,000,000.

This is the \$20,000,000,000 kitty on which United States Steel and General Motors and other industrial recalcitrants can draw if they fail to make normal profits this year because of strikes. Under the circumstances, why should they be in any hurry to settle? They have a chance to break the labor movement at the Treasury's expense.

It should be understood that the Government was under no obligation to keep the carry-back provision in the law, whether the excess profits tax was repealed or not. No constitutional restrictions are involved; the ex post facto clause applies only to criminal law, not to tax measures. The excuse for retaining the carry-back after repealing the excess profits tax was that it would help American industry to meet legitimate costs of reconversion.

A strike precipitated by the refusal of United States Steel to accept the decision of a Presidential fact-finding board should hardly constitute a legitimate cost of reconversion. United States Steel does not have to accept that decision, we do not have compulsory arbitration. But there is no reason why its defiance of the White House should be subsidized by the Treasury at the expense of other taxpayers—for the rest of us will have to make up for the refunds United States Steel draws.

CARRY-BACK SHOULD BE REPEALED

Congressman BAILEY, of West Virginia, has introduced a bill in Congress to repeal the carry-back provision of the law. He told the House on Monday the carry-back makes the Treasury a silent partner in what appears to have all the earmarks of a conspiracy on the part of a few to destroy our economy in their frantic efforts to crush organized labor. BAILEY is no novice at tax questions. He was State director of the budget for 4 years in West Virginia.

PM believes it would be better to repeal the carry-back altogether than to permit its present abuse. PM believes it would be even better if the carry-back privilege were left available for companies genuinely hard-pressed by loyal efforts to abide by the decisions of Presidential fact-finding boards in labor disputes or in collective bargaining.

PM believes that adjustment in the higher wage levels so necessary to America's prosperity in the postwar period is a legitimate cost of reconversion. PM proposes that the carry-back provisions be amended. PM suggests that the carry-back be allowed only to companies which can show that wage increases justify their use of this tax privilege.

If Congress changed the tax law in this way, it would encourage industrial peace instead of industrial war. It would stimulate cooperation with the President's program instead of subsidizing economic sabotage.

The St. Louis Post-Dispatch in its editorial columns for January 24 comments on the discrimination in favor of corporations if the carry-back is not repealed. An excerpt from the editorial is:

But they should not have the refunds on the present terms, with no strings attached. For it cannot be doubted that the carry-back cushion sustains some managements in an all-out refusal to negotiate peace terms with labor. To that extent, the provision is grossly inequitable. Striking workers cannot draw unemployment compensation.

Farmers can benefit from Government price supports only by producing. Corporations alone—and among them only the firms whose earnings increased greatly during the war—can take a long holiday from production without substantial expense to themselves.

With good reason, many Americans are shocked by the great advantage the law has thus given management in labor disputes. Not only that, but the advantage is also one of corporations over the American people. To finance industrial war of attrition by tax refunds is to load the expense of management's war on taxpayers at large—the same hard-riden taxpayers who are already paying for industrial strife by being deprived of needed goods and by the back-door inflation of prices cause by scarcity of goods.

Thus prompt and vigorous action is strongly needed in the public interest. Reasoning citizens need not clamor unjustly and unwisely for outright repeal of the carry-back proviso. That act would be bad even if the administration were not throwing a certain weight on labor's side of the battle by leaving wages free to rise while it continues to hold price ceilings.

With Senator MONSE's moderate counsel, however, one may wholeheartedly concur: The Government should proceed to determine to what extent tax savings are being used to carry on an antilabor drive by big business. Then Congress and the President should move to bar such misuse of legitimate benefit.

The Chicago Daily Sun, in its editorial column of January 23, comments as follows:

A bill has been introduced by Representative BAILEY, Democrat, West Virginia, which might help check the tendency of some industrialists to reject conciliation, fact-finding reports and requests of the President regarding their labor disputes. The measure would deprive corporations of part of the advantages now granted them by the internal revenue laws, which virtually guarantee them a 1946 profit whether they produce or not.

The laws are those governing wartime excess profits taxes and particularly the "carry-back and carry-forward" provisions. Taxes on excess profits—those above a company's average prewar earnings—were imposed at a 95 percent level. But 10 percent was allowed as a prospective credit for the war's end, to cushion reconversion shocks. If a company's earnings this year should fall below its prewar average, it can make up at least part of the difference by claiming the 10 percent credit.

Union leaders have pointed out for weeks that this system protects industry against losses caused by labor disputes even if industry, rather than a union, is a blame for prolonging a strike. Mr. BAILEY's bill proposes to do something about this situation.

How does the excess-profits tax credit work in specific cases? According to a Bureau of Internal Revenue analysis reported by the United Press, a company which had normal prewar earnings of \$1,000,000, and dropped to \$750,000 this year, could claim the deficient \$250,000 as a credit. It could recalculate and reduce its excess-profits taxes for a previous year and pay only normal taxes on this year's earnings, including the \$250,000. Internal Revenue officials expect to refund billions of dollars in excess-profit credits in coming months.

Other legislation bearing on this very urgent matter has been or will be introduced. It is hoped that from these separate efforts a community of interests may be had that will mean an early victory. It is my intention to keep the Congress advised on the progress made and I will as soon as possible have available for the Record some rather startling

figures on the extent of past and possible "raids" on the Treasury.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

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

Mr. MURRAY of Wisconsin. Having heard what the gentleman has said and also having read what he has placed in the Record as to the \$20,000,000,000 that is available in that fund, may I ask if that is somewhere near correct or is that just a supposition?

Mr. BAILEY. I will answer the gentleman by saying those are the exact figures supplied me by the Treasury Department. The \$9,000,000,000 item was for the year 1944 and the \$11,300,000,000 item was for the year 1945. Those are the exact figures.

Mr. MURRAY of Wisconsin. As I read the Treasury's report the other day, it seems to take a little different position.

Mr. BAILEY. Let me say to the gentleman that they figure that they will not lose all of that money for, we will say, the taxable year 1946. Under the excess-profits tax law, the rate was 85.5. When that was stricken out by the Congress just prior to the Christmas holidays to become effective as of January 1, it did not mean that they are going to escape taxation to the full extent of the 85.5 percent, because when that money is freed from the excess-profits tax it still is subject to taxation under the surtax rate of 38 percent. It will not be excess-profits tax money, but it will be added surtax money, because they will have to pay on those excess earnings. That is where the gentleman is confused. The Treasury was using the added return they would get under the surtax to offset what they were losing on the excess-profits tax.

Mr. MURRAY of Wisconsin. I thank my colleague. I will admit that I am quite confused about this, but I am never confused after I can get the facts. My great trouble is getting the facts.

Mr. BAILEY. Well, that clears it up. The SPEAKER pro tempore (Mr. RESA). The time of the gentleman from West Virginia has expired.

(Mr. BAILEY asked and was given permission to revise and extend his remarks and include certain editorials.)

EXTENSION OF REMARKS

Mr. DWORSHAK asked and was given permission to include in the remarks he made in the Committee of the Whole this afternoon a table on civilian employment provided by the United States Civil Service Commission.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. MILLER] is recognized for 20 minutes.

A LEGISLATIVE REPORT TO THE SPEAKER AND MY CONSTITUENTS

Mr. MILLER of Nebraska. Mr. Speaker, it occurs to me that every Member of Congress should, yearly, make a report to the people they represent. We should take stock of what we believe in, and conduct a soul-searching investigation as to legislation and philosophies which we have not only opposed, but supported and advocated, in Congress. This would assist Members to more conscientiously

represent their district. Mr. Speaker, I now want to make such a report to you and to my district.

The Members of this Congress, made up as it is of 435 men and women representing all the various interests and groups of the United States, naturally do not agree upon all legislation. The textile workers of New York City have an entirely different interest than the folks in my Nebraska district. The businessmen living in small communities, our farmers, and cattlemen have an entirely different problem from the people in large cities and large manufacturing districts.

During the past 3 years, I have had the privilege of representing the Fourth District of Nebraska in Congress. I have gone along, during the war period, rather blindly supporting every measure that the President and the armed forces said were necessary to win the war. Many times I had grave doubts about some of the measures being entirely necessary, but, because of the war, it was necessary to resolve these doubts in favor of the experts who were presumed to have the answer.

The Congress felt food was an important factor in winning the war, and I did support every effort to increase the production of food. I urged the production of farm machinery and the protection of our farm-labor supply. I opposed the shipment of farm machinery, in excess, to foreign lands and the stripping of labor from the farms. I supported the Tydings amendment for the deferment of necessary farm labor and opposed the efforts of Selective Service to sabotage this act. During the past 3 years, I opposed the foolish regulations issued by Government agencies on beef, pork, sugar, and other foods, because I felt these regulations, issued by inexperienced theorists, would reduce the supply of these items at the time when they were most needed. I did oppose subsidies and the roll back, which was established on meat, and still feel they were ill-advised. I opposed subsidies because they add to the grocer's bill and to the debt of this Nation, which eventually must be paid, in taxes, by the returned soldier and their children. It seemed to me that many of the regulations adopted during wartime to control our domestic economy were unwise and I said so, repeatedly. It would seem to me that while some price control on certain items, which would seem to raise the cost of living, was necessary, it was not wise for the Government to attempt to control the price of more than 8,000,000 items ranging all the way from hula-hula pictures, to teething rings, bird cages, and man-hole covers.

The folks in my district are a part of America, they believe in free enterprise, in hard work and individual initiative. They feel that the rewards should come to individuals who must work hard to accomplish their aims and their desires. They are not people who want to be regulated and controlled by a paternalistic government in Washington. The cattle raisers, the farmers, and the businessmen are all red-blooded, patriotic American citizens. They work more than 8 hours a day or they never could

have had the record of production and getting things done, such as they have accomplished. The people of my district have accepted, during wartime, many of the Government regulations and have tried to abide by the intricate rules coming from Washington.

The OPA, whose objectives, in the main, are good, has not operated in the best interests of the people of my State. The OPA has been dictatorial and has used methods which were un-American. I honestly believe that it has been impossible for the average businessman to operate under all its rules and regulations without some technical violation. In my humble opinion, the principal bottleneck to production is the OPA's continuing policy of establishing prices by theory and formula without a sufficient knowledge of the true facts and costs. I believe unnecessary delays will continue to occur in all production until such time as changes are made in the OPA law or drastic changes in its administration.

Mr. Speaker, you will recall that I have supported, as a member of the Committee on Irrigation and Reclamation, all those measures designed for flood control, irrigation, and the development of all natural resources for the people. If you will check my record, you will know that I have attended all the meetings of the three committees to which I have been assigned. I missed few quorum or roll calls in the House. When your gavel falls at noon, you see me in attendance. It is my intention to be on the job, though sometimes it is most discouraging, because, as a member of the minority party, it has not been possible to get things done which I feel should be done. Your party, Mr. Speaker, controls all legislation; you have the chairmanship of the committees and a majority of members on the committees and in the House. I have often wished that my party could sit in the driver's seat or hold a few of the aces in this game of politics. There is much to be done and it is possible that my party, after a long drought, will be in control, come January 1947. It will give Republicans a chance to apply some needed remedies to an economically sick Nation.

I think I can hear you, Mr. Speaker, and other members of your party say, "Well, Doctor MILLER, what would you do if your party were in control of the House?" That, sir, is a fair question. I would like to answer it.

I would insist, as I have in the past, and I believe it would be accepted:

First. That deficit spending by Government be stopped. That the budget be definitely balanced.

Second. I would insist that at least 2,000,000 Federal employees be taken off the pay roll.

Third. I would insist that the Congress declare hostilities at an end. You remember I introduced a resolution on September 27, 1945, which, if passed by this House, would declare VJ-day September 2, 1945, as the end of the war. This would stop many Government agencies from continuing their emergency powers over the American people. It would permit the boys who have been drafted for the duration, plus 6 months,

the right to a discharge from the Army. This Government made a solemn contract with these men. It should be kept.

Fourth. I would insist, Mr. Speaker, that useless and duplicating agencies of the Government, which are now so greatly overstuffed, be eliminated.

Fifth. I would oppose the extension of Government controls and their interference in every walk of life.

Sixth. I would insist that our Federal debt, now \$273,000,000,000, be amortized, so that it could be paid off in the next 30 years. I believe this can be done, if we practice economy. Our Government's obligations now amount to twice the net worth of this country. We cannot stand much more New Deal philosophy.

Seventh. I would continue to support the expansion of rural electrification lines by the loaning of Federal funds to well-organized REA districts. This does not cost the taxpayers anything, because the interest and the principal are returned to the Federal Government. My party should insist, Mr. Speaker, that when these REA or other Government loans are paid off, the moneys so received should be used to retire the bonds of Government.

Eighth. My party would insist that moneys paid into the old-age security fund should not be used for current expenses of Government.

Ninth. I would want the farmers of this country to have a parity price for the things they raise. It must be in balance with the things they must buy.

Tenth. The rights of the veterans who fought this war should be protected. Their right to a job—their insurance—their benefit payments—their hospital rights. These should all receive thoughtful and considerate attention by a grateful Nation.

Eleventh. I would expect my party to take the lead in the present industrial unrest that has plagued our country, not only during the war, but ever since. I would want better collective bargaining laws. I do not believe it is possible to have true collective bargaining unless both parties to a bargain are made responsible for carrying out the terms of the agreements they make. I believe that labor organizations and their leaders should be held accountable for committing acts of violence in connection with a strike or on a picket line.

Twelfth. I would insist, Mr. Speaker, that the industry pay wages comparable to and in line with their production and profits which they make from it.

Thirteenth. I would insist, Mr. Speaker, that my party uphold the Constitution of the United States.

Fourteenth. I would insist on a clear-cut foreign policy instead of the obscure befuddled mess that we now have.

Fifteenth. I shall continue to demand, and expect my party to also assist, that the present waste, extravagance, and duplication in Government be eliminated.

Sixteenth. I feel we need more adequate old-age assistance. This can be done in cooperation with the States.

Seventeenth. I would insist that our country return to a sound economic system, based upon free enterprise and the right of the individual to work out his

destiny with as little interference from his Government as is possible.

I believe it is possible, Mr. Speaker, to have full production and full employment in this country. This equals prosperity for all of us. The people have money and want to buy everything from nylon hose to automobiles. They cannot buy when there is no production.

I am concerned, Mr. Speaker, about certain groups in labor and Government, who seem anxious for Government to take over and run business, in the name of the state. I oppose this, Mr. Speaker, because, to me it means the same type of government they have in Russia and have had in Germany. Government seizure of business property is not the answer to industrial health or recovery. The answer is true, honest, collective bargaining.

Mr. Speaker, I cannot support the President's request to Congress for a full-employment bill. I cannot support his unemployment compensation for war workers who are now out of a job and even giving them travel pay back home. I cannot support his idea of socialized and political medicine. I will not support his plan for universal compulsory military training. I cannot support the retention of the employment services in the Federal Government. I cannot support his request for a continuation of food subsidies. I will not support his request for extension and additional powers over our people. I cannot support his request for loans to Great Britain and other countries. It is my opinion that we cannot continue to wantonly waste the resources of this country without a promise of a fair return. Loans to all countries should be made through the Export-Import Bank or the Bretton Woods agreement and based upon a sound business approach.

Well, this is my report, Mr. Speaker, to you and to my constituents. What I have supported and my action in this House for the past 3 years is a matter of record. I have tried to tell you my feelings about the future. I am thoroughly convinced, Mr. Speaker, it is high time that this Congress take back some of the authority which has been given to the various Government agencies during wartime. We must do this if we are to maintain in America any constitutional rights for the individual. We cannot sit back and permit Government agencies to issue rules and regulations which have the full force and effect of law, without the approval of Congress.

If I return to Congress, I shall support the legislation which I have indicated in this report to you and I shall vigorously oppose that legislation which I do not feel is in the best interest of my Nation, my State, and my district.

AID TO THE PHYSICALLY HANDICAPPED

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. KELLEY] is recognized for 20 minutes.

Mr. KELLEY of Pennsylvania. Mr. Speaker, as chairman of the House Committee on Labor Subcommittee on Aid to the Physically Handicapped, I have had occasion to prepare for the Committee on Accounts a summary of the work already

done by our subcommittee and an outline of the work we propose to do in this session of the Congress. Our purpose is to serve the Congress and to provide it with recommendations for any necessary remedial legislation in aid to the physically handicapped. I should be pleased, and I am sure the Members who are serving with me on this subcommittee would be pleased, to receive any suggestions which may occur to others for improving the value of our work.

Work completed and published, March 26 to December 31, 1945:

Part 9. Monopolies and advertising affecting the welfare of physically handicapped.

Part 10. Philadelphia, Pa.

Part 11. Epilepsy.

Part 12. Accident prevention.

Part 13. Cancer.

Part 14. Tuberculosis.

Part 15. Amputees.

Part 15a. Supplement to part 15, hearings on amputations.

In the course of the work on amputees, the subcommittee called upon the Department of Justice and the Federal Trade Commission to investigate the artificial-limb industry and to insure that all Federal regulations applying to this industry were enforced. This has been carried out by these agencies with the result that a number of manufacturers were indicted by a Federal grand jury, and a code of trade practices was formulated for the industry. A further benefit derived from this work was the establishment of a better working relationship between the Department of Justice and the Federal Trade Commission, brought about through their joint efforts to clean up the artificial-limb industry. We were told that this had long been needed and that this case provided the opportunity for setting it up.

The subcommittee, in its preliminary report to the Congress, recommended that research on artificial limbs and sensory devices be not done by the Veterans' Administration, but by the Public Health Service. Subsequently, the new administrators of the Veterans' Administration were called before the subcommittee, and an informal agreement was reached by the members of the subcommittee not to implement its recommendation, but to encourage the new administrators to pursue with vigor the policy they had set for themselves.

Part 16. International activities relating to the physically handicapped.

Part 17. Aid rendered by the Library of Congress to the physically handicapped.

Part 18. Narcotics.

Part 19. Employment of the physically handicapped.

Part 20. Spastics.

WORK IN PROGRESS AND PROJECTED FOR 1946

Amputees: The subcommittee should keep itself informed of the progress of the research work on appliances. It should make sure that the excellent work being done on devices for the blind and the deaf, by the board for prosthetic and sensory devices, is not slighted in the transfer to the Veterans' Administration. This might happen because of the emphasis upon the amputee question in the

public mind. It would be a great waste to have this portion of the work dropped before concrete results are attained. This subcommittee has served as a focal point for the complaints of servicemen, veterans, and civilians dissatisfied with present prosthetic appliances. There is a need for the continuation of this function until the whole matter is greatly improved.

State laws: A digest of State laws relating to the physically handicapped has been compiled. The purpose of this work is to print a handbook which will supply to the civilian the same information about his legal rights and status that is supplied to the veteran in his Handbook of State laws. It also has the purpose of supplying the various State governments with a means to check the laws in force in their own States against those in force in other States. Such information has not been readily available to the States previously. The handbook also will provide Federal agencies, and the Members of Congress, with a background for planning and work in all fields related to the physically handicapped.

The research on this project is completed. The material must now be studied, indexed, a summary written, and the work prepared for printing. Ahead of its publication, some Federal and State agencies are already making use of the information in its incomplete form.

Rural physically handicapped: Many problems are peculiarly difficult for the physically handicapped rural citizen to solve. Hearings at the earliest possible date are planned to collect much-needed information on this subject. Some preliminary work has been done, and some figures collected.

Correlation of agencies: The subcommittee has collected written reports from some 40 Federal agencies. These have to be studied and summarized in some manner so that the information and facts may be readily available to the Members of Congress who desire to be informed of each agency's function and responsibility. Hearings and further testimony will be required to make the information complete.

Disability insurance: Letters requesting consideration of the possibility of insurance or pensions for the home-bound and severely disabled have come into the subcommittee. Material will need to be collected and testimony taken to support recommendations to the Congress on this question. Material has been requested from the files of the Social Security Board, and is being prepared.

Special education: A great mass of material has been compiled through questionnaires, through several witnesses at hearings already held, and through written statements submitted for the study of the subcommittee. This material is being prepared for printing and for the use of the subcommittee in preparing recommendations to the Congress. It will also serve as a guide to the several States in measuring the adequacy of facilities for the education provided for the blind, the deaf, the crippled, the home-bound, and otherwise physically handicapped student.

Arthritis: Testimony will need to be taken to establish whether or not this

group of the handicapped have problems not common to the general group, and what special provisions, if any, are needed to meet their requirements.

Cardiacs: Sufferers from heart trouble have been mentioned in a number of hearings on other subjects. The subcommittee needs to collect further facts about the need for rest homes and convalescent care for this group through additional hearings or correspondence with specialists. Further study of the problems of sheltered workshops would pertain to this group of the handicapped especially, and the two subjects may be brought together in one study.

Private agencies: The private agencies working in the field of health in this country number about 20,000. In 1945 they collected over \$48,000,000. More information is needed on the function of these agencies. Experts who have made a detailed study of them for private foundations must be consulted, and recommendations made by them must be studied, together with recommendations already submitted to the subcommittee by various witnesses appearing before it.

International: A search is still being made for an adequate source of information about the measures used by other nations in the care of the disabled. Denmark is reported to have especially fine systems in operation. Not much material on this subject has been translated. The ideal method would be to have our Members, or some of them at least, visit Denmark and observe the Invalidity Court and report on the subject. It has not been possible to plan this successfully, so an effort is being made to secure the information in other manners. Nothing satisfactory has yet been found.

England is said to have very fine and advanced laws safeguarding employment opportunities to the disabled. This should also be studied and observed.

Community level: In planning legislation to meet the needs of the physically handicapped throughout the country, there is no real substitute for observing the handicapped in his own environment and learning what problems he has to meet in his daily life, and what facilities are provided in his own community for meeting them. We should study at first-hand communities of various sizes, and various resources, scattered throughout the country. This would demand a staff of investigators and a much more ample budget than this committee has ever had provided for its use.

In view of the fact that travel and first-hand investigation have not been practical to the committee and its staff, we have undertaken to compile as much information by State and county as possible. This project is incomplete, but several States have been fairly well covered, and we hope to have the time and personnel to complete it. When finished, it will show at a glance all that we have been able to learn about the present facilities available in any section and subdivision of the country. This compilation of information is no more than an assembling of facts and data coming in to us for other purposes, but should prove of some value in ascertaining how adequate existing facilities are, and how

well diffused through the country they are. It should also prove of interest to various Members of the Congress, since it would inform them in some detail of the needs of their own districts.

The material thus compiled cannot be said to be a substitute for first-hand information and observation.

Final report: The subcommittee functioned briefly in the Seventy-eighth Congress, and covered the following subjects:

- Part 1. Aid to the blind.
- Part 2. Aid to victims of poliomyelitis.
- Part 3. Aid to the deaf and hard of hearing.
- Part 4. New York City.
- Part 5. Pittsburgh, Pa.
- Part 6. Detroit, Mich.
- Part 7. Federal aid to the physically handicapped.
- Part 8. Aid to victims of orthopedic impairments, to disabled seamen, and so forth.

The mass of material collected and still to be collected must be studied and reduced to definite recommendations to the Congress. We hope that this may be done in sufficient time to enable the Congress to take such action as it may desire to take during its present session.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that, after the disposition of other special orders today, I may address the House for 10 minutes.

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

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. JENKINS] is recognized for 10 minutes.

HOSPITALIZATION AND MEDICAL CARE OF WARTIME DISABLED VETERANS

Mr. JENKINS. Mr. Speaker, the Ohio Department of the Disabled American Veterans on January 24, 1946, adopted resolutions with reference to the hospitalization and medical care of wartime disabled veterans and with reference to the monetary benefits to which veterans are entitled under the law.

These resolutions are as follows:

Whereas under the current policy of the Veterans' Administration many wartime disabled veterans are neglected and fail to receive the service and care that should reasonably be expected under the laws enacted by Congress, and

Whereas continued publicity through the press, magazines and by radio of the wonderful care of this particular group of veterans is not substantiated by the facts, and

Whereas the Veterans' Administration hospitals in Ohio are inadequate and overcrowded conditions exist, with upwards of 1,500 wartime disabled veterans on the hospital waiting list and only strict medical emergency cases are accepted, and out-patient treatment for service-connected veterans is administered on a basis of considering the cost over and above sound medical judgment, and

Whereas at the offices of the Veterans' Administration in Ohio alone there are upwards of 40,000 claims for benefits on war-incurred disabilities not adjudicated and that thousands in this group are seeking medical treatment for combat wounds, tropical and other

conditions incurred in many parts of the world, three-fourths of these claims not having even been acknowledged, and in the meantime these veterans are not eligible to out-patient care, monetary allowances or vocational training to overcome physical handicaps, and

Whereas the impression that all wartime disabled men and women file claims at time of separation from service is entirely erroneous, there being a backlog of thousands of authorizations for physical examinations pending for many months and the load is increasing every day and the adjudication of these claims must wait, and

Whereas a directive issued by the Washington office of the Veterans' Administration directs that applications of the able-bodied veterans seeking education and other benefits have precedence and priority over the claims for disability and medical benefits of those disabled as a direct result of war service, and

Whereas the Disabled American Veterans, Department of Ohio, believes such directive is unfair and unwarranted, and that first things be done first for America's service disabled, that they should at least have an equal standing with the able-bodied veteran in connection with the application for benefits: Therefore be it

Resolved by the Ohio Department of the DAV that we recommend the following corrective measures:

1. That the press, magazines, all other publications, and radio stations give to the people the actual facts pertaining to the treatment and service extended to veterans who have been physically handicapped as a direct result of war service.

2. Extend or enlarge existing hospital facilities or immediately engage in the building of new institutions without further delay and without continued interference from political and pressure groups; that the Veterans' Administration arrange to accept the Army hospitals known as Fletcher General at Cambridge and Crile at Cleveland immediately upon their release by the service department.

3. That out-patient or home medical treatment be made available for wartime disabled veterans at established Veterans' Administration clinics and by fee-basis physicians on a more practical and humane basis.

4. That administrative action be instituted to handle out-patient physical examinations more promptly, which can be accomplished by requiring salaried and full-time physicians of the Veterans' Administration to put forth a full day's work, and to supplement this service by utilizing fee-basis physicians.

5. That the worn-out excuse of insufficient personnel and insufficient office space or the defeatist attitude with regard to the administration of the laws affecting benefits for the war's disabled be abandoned. At this time actual unemployment is prevalent throughout the country and sufficient office employees are available. This condition can and should be relieved by the slashing of civil-service red tape. Adequate office space can be procured by resorting to condemnation proceedings when necessary; authority for such action already being provided for in existing laws.

6. It is the opinion of the Ohio department of the DAV that the able-bodied veterans themselves do not desire this preferential or special treatment in the processing of their applications for benefits over the claims of those veterans who have been disabled as a direct result of war service. It is also the opinion of this department that the able-bodied veterans desire that this directive of the Washington office of the Veterans' Administration be canceled at once so that all claims may be considered at least on an equal basis.

Adopted by the executive committee of the Disabled American Veterans, Department of Ohio, 111 Wyandotte Building, Columbus, Ohio, January 24, 1946.

D. M. BROWN,
Commander, Department of Ohio, DAV.

Mr. Speaker, the Disabled American Veterans, commonly referred to as the DAV, is the only organization of its kind ever to receive a charter from the Congress of the United States, and is composed exclusively of those who have served our country in the several wars of the past, and who were wounded, gassed, injured, or disabled in some way as a direct result of their war service. The DAV, in Ohio, has rendered a most valuable service to this particular group of veterans and to the widows and orphans for more than 24 years. During the last fiscal year ending June 30, 1945, the representatives of this organization at the offices of the Veterans' Administration in Ohio, arranged for 2,020 hospitalizations, obtained 3,992 physical examinations, received 25,900 letters from veterans regarding their claims, addressed 27,273 letters to veterans regarding their claims, personally interviewed 18,463 claimants, made 4,993 personal appearances before the rating boards of the Veterans' Administration for veterans, and reviewed 25,833 claims files.

The Ohio department of the DAV is leading all States in membership in the organization for the eighth consecutive year, has more members than the combined total of 24 other States, and more chapters than the combined total of 19 other States. Approximately 70 percent of the entire membership in the DAV in Ohio are either part paid or fully paid life members. About 45 percent of the entire membership in the organization in the State are fully paid life members. This is a record that is unequalled by any State organization of any kind in the United States.

Mr. David M. Brown, the present State commander of the DAV, in Ohio, is a successful businessman of the city of Akron, and has been an outstanding leader among the wars' disabled of the State for a number of years.

I have had particular opportunity to observe the work of Senator Albert L. Daniels, who is the adjutant-treasurer for the Ohio DAV. Senator Daniels is an able and forceful speaker, and has given of his time and energies for a number of years in speaking all over Ohio and in other States in behalf of the wartime disabled veterans and the widows and orphans. He is at present a member of the Veterans Program Commission of Ohio. Likewise I have observed the activities of Mr. W. K. Adams, of Portsmouth, Ohio, who has been the legislative chairman for the Ohio organization for a number of years. Bill Adams has always been ready to do his part in behalf of those disabled in war service.

I want also to compliment Mr. John D. Thomas, of Pomeroy, Ohio, who is a member of the executive committee of the Ohio organization, and who is now serving his second term as commander of the fine chapter at Pomeroy. Mr. Thomas is a veteran of World War II with a fine service record, and lost a leg in Africa. I can pay worthy compli-

ments to other members of the State organization, including Frank B. Brown, former State commander, and Clinton Kramer, of Zanesville, who is known to all wartime disabled veterans of the State, but the three above named come from my section of the State of Ohio, where I have had a chance to observe personally their very effective and devoted service.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. RICHARDS] is recognized for 10 minutes.

AMERICA DEALING WITH SPAIN

Mr. RICHARDS. Mr. Speaker, I rise to reply to certain accusations made yesterday on the floor by the gentleman from Washington [Mr. SAVAGE].

The gentleman charged in speaking on the subject of relations of the United States with Franco Spain that, first:

We ship two boatloads of machine guns and ammunition to Spain;

Second:

and now the State Department confirms a story that we have sold Spain airplanes, bulldozers, power shovels, scrapers, and other heavy machinery.

Third, quoting the gentleman:

I call the attention of the House not only to this historic action but also to the declaration of the French Foreign Minister, Georges Bidault, that France by this vote was merely carrying into effect the pledge made by the democracies during the Yalta Conference—the pledge that all of the nations represented at the Yalta Conference would break diplomatic and commercial relations with the Nazi-Falange regime of Spain.

Upon hearing these very serious charges I contacted the Secretary of State this morning to inquire as to their validity. Secretary Byrnes replied to the effect that there is not a word of truth in the assertion that we shipped two boatloads of machine guns and ammunition to Spain. He further stated that the following press release was being issued today on the subject:

The Department has carefully investigated the charge and has received from Barcelona, Rome, and Caserta categorical denials. A search of the records at Caserta indicates: First, That no sale of arms to Spain has been authorized; second, that no transportation of arms to Spain has been authorized; third, during hostilities no visits were made from Italy to Spain by War Shipping Administration merchant vessels; and fourth, a search of the records since VE-day shows that no United States vessel carried shipments of arms to Spain from Italy or elsewhere.

As to the charge of the gentleman from Washington that the United Nations at the Yalta Conference had agreed that all relations with Franco Spain would be severed, and quoting Mr. Bidault of France in that connection, I convey to the House Secretary Byrnes' reply:

Neither Mr. Bidault nor any representative of France was at Yalta. There was no agreement at Yalta that the three governments there represented—the United Kingdom, the U. S. S. R. and the United States—would break diplomatic relations with Spain.

That answer is just as plain as the nose on your face; and the charges made by the gentleman from Washington were

ill-considered and simply will not hold water.

The third charge as to selling to the Spanish Government certain planes and materials, the Secretary of State enlightened me to this extent:

The facts are that no combat planes have been sold to Spain. Commercial airports in Spain are of importance to the United States for air travel. There is no reason why we should refuse to carry out an agreement made with Spain in 1944 as a result of the Chicago Air Conference.

The Secretary, further, sent me a memorandum setting forth the facts in regard to the commercial aircraft transaction with Spain.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks a statement from the Secretary of State concerning the plane transaction I have spoken of.

The SPEAKER pro tempore (Mr. REEA). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. The memorandum referred to follows:

The background of the sales of aircraft to Spain is this:

At the Chicago Air Conference in November 1944, one of the American delegates made a statement to the effect that the United States Government was prepared to make available, on nondiscriminatory terms, civil air transport planes to those countries which recognized the principles which we believed should govern international air transport. Soon after, on December 2, 1944, we signed with the Spanish Government a civil air agreement embodying on a reciprocal basis the five freedoms of the air. Incidentally, Spain was the first country with which we were able to conclude such an agreement.

The subsequent sale of aircraft and airport construction equipment was not directly related to the air agreement, but, in view of the statement made above, and our obvious interest in seeing the airports improved, as rapidly as possible, it was in the national interest to approve the sales in question.

A total of 15 planes plus 4 for spare parts have been approved for sale to Spain as follows:

Three C-47 transport planes, force-landed on Spanish territory and interned during the war;

Four DC-3's from Army stocks sold about a year ago;

Five C-47's from surplus Army stocks, the sale of which in Paris has recently been approved;

Three DC-4's from new production in this country, for which export licenses have been approved, but which have not yet been delivered;

Four C-47's, the sale of which from surplus stocks in Europe was recently approved with the stipulation that they be used only as a source for spare parts.

These are all transport aircraft, which have, of course, been used by the United States Army during the war, but we are satisfied that they are intended for use in Spain for commercial air services and that American interests are served by the approval of these sales. The sale of airport construction equipment from new production and from surplus Army stocks has been approved because without American equipment the airfields could not be put in shape promptly for use by our biggest four-engine planes.

No tactical aircraft whatever have been sold to Spain.

Mr. Speaker, may I say in closing that I regret that the gentleman from Wash-

ington is not present to hear this reply to his charges. I informed the gentleman that I intended to get time this afternoon to answer him.

SMALLER WAR PLANTS CORPORATION

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KEFAUVER. Mr. Speaker, during this past week, as a member of the Small Business Committee of the House, I have heard testimony concerning the announced plans of Mr. Snyder and the Budget Bureau for a division of the functions of the Smaller War Plants Corporation between the Reconstruction Finance Corporation and the Department of Commerce. The Executive order transferring these functions became effective day before yesterday.

The testimony was alarming in its implications. It showed how easily the Budget Bureau can nullify the intent of Congress on a matter of such vital concern to us as small business.

In 1942 Congress created the Smaller War Plants Corporation as a separate agency whose sole responsibility was to aggressively assist the small plants of this country. Subsequently, the War Mobilization and Reconversion Act and the Surplus Property Act conferred additional responsibilities on this separate agency, responsibilities which were expected to continue through the reconversion period.

The war is over and there are perhaps some who feel that the need for a Government program of assistance to small business disappeared on VJ-day. Those who take this position must, I submit, show that the problems facing small business, of which this Congress has been keenly aware, likewise disappeared on VJ-day.

What are some of these problems which are threatening the competitive position of small business?

I do not need to emphasize for any of the Members of the House that small business is at a distinct disadvantage in dealing with the regulatory agencies of the Federal Government. This is not to say that those agencies either in their regulations or their operations deliberately discriminate against small business. It is merely the old story of the big company having the staff and resources to be able to cope effectively with Government regulations. When a Government regulation works to the disadvantage of a large business the company's representatives are storming the offices of the Government agency and are able to present forcefully and clearly the ways in which the regulation needs changing. When small businesses are inadvertently and unnecessarily hurt they need assistance in showing the head officials of the Government agency the need for changes.

I need not remind anyone that even though the war is over the economic consequences of the war are still with us and will be with us for months to come. We must face squarely the problems confronting small business which are created

by the economic consequences of the war just as we sought to face the problems of small business during the war.

It is quite proper at this time that we should still have a Civilian Production Administration allocating scarce materials and rendering priority assistance to break bottlenecks. We need an Office of Price Administration to hold down inflation which is an even more dangerous threat now than it was during the war. We need a War Assets Corporation to distribute quickly and equitably the huge stocks of Government surpluses. These facts are part of what might be called the short-run problems facing small business.

Time and the reconversion process will liquidate these problems but while they are still with us what are we going to do to make sure that small business gets a fair break? Who is going to represent small business effectively in the policy deliberations of these reconversion agencies? Who is going to assist individual small businesses to get a priority for material to enable their plants to keep going or to secure a necessary price adjustment, or to obtain the surplus machine tools which are the key to the modernization of the small plants of this country?

It is easy and convenient to say that the will of Congress toward small business will be taken into account by the regulatory agencies and that they will show special consideration of the needs of small business. Experience of the past 4 years demonstrates convincingly that Government itself must have a group in the executive branch, in the field as well as in Washington, which can effectively assist small business both on a general policy basis and on an individual case basis.

What are some of the long-run problems facing small business? Without trying to list them in their order of importance, the ones that come immediately to my mind are those in connection with monopoly and unfair competition, the need for adequate access to financing, a tax system which does not deter the expansion of small businesses, access to marketing and technical information.

There is disagreement as to how far Government should go to assist small business in connection with these longer-run problems. However, this much is obvious: Government itself must take steps to continually inform itself about the problems of small business and the changes which should be made to allow small business to grow and prosper. I, for one, do not know how government can adequately find out the changing problems of small business in our complex economic society unless the executive branch maintains a staff of qualified people whose particular interest it is to keep in touch with these matters.

This function as I see it is not one of compiling in Washington a lot of statistics about small-business failures. If the executive branch and the Congress itself sincerely want to be kept informed as to the needs of small business, whatever group is charged with this responsibility, whether it be the Department of Commerce or some other agency, must

have an adequate field organization which can be in close touch with the small businesses themselves.

There is also the further question as to how much assistance in individual cases the Federal Government should undertake to render to small business. I should like to illustrate the problem by giving one example. Every small businessman knows that when the reconversion period is over he will be faced with a buyer's market; that his biggest single problem will be that of selling effectively against much bigger competitors.

Should government give small business any help on their marketing problems? Actually, the Government has been helping business on marketing problems for many years. The publications of the Census Bureau are the basis for most market research and analysis by private industry. But who gets the benefit of the millions of dollars which government has spent to compile and publish this information? It is the big companies who have trained staffs to take the vast mass of figures and adapt them to their own needs. The small man has neither the staff nor the knowledge to make use of these invaluable sources of marketing knowledge. He needs a Government field office reasonably close to his place of business which can make this information accessible to him in usable form. The question is really whether the Government considers the problem important enough to make it possible for all business, small as well as large, to get the benefit of the tax dollars which they have spent on such Government information.

This brings me back to the hearings which the House Small Business Committee held last week. By Executive order part of the functions of the Smaller War Plants Corporation are to be transferred to RFC and the remaining functions to the Department of Commerce. We heard the testimony of representatives of the Budget Bureau as to their reasons for the issuance of the order and for the steps which the Budget Bureau proposes to carry out under the order. We also heard testimony from representatives of RFC, the Department of Commerce, and SWPC.

It is with genuine regret that I have to report to the House that our committee is alarmed at the present plans of the Budget Bureau which were developed under the direction of Mr. Snyder.

In my opinion, the most dangerous part of the plan is that they have transferred to the Department of Commerce the basic responsibility of being the champion of small business both in Washington and in the field, yet have transferred to RFC the best tools which SWPC had for accomplishing these objectives. Here is what they have done. They have transferred to RFC all of the 100 district offices which SWPC had. These district offices are staffed for the most part by engineers and businessmen who have developed over a period of the war years truly valuable information concerning both the problems of small business and the manner in which small business can be most effectively helped. The Budget

Bureau proposes to transfer such personnel to the clerical function of certifying veterans' applications for surplus property. At the same time the Budget Bureau has recommended that the Department of Commerce be authorized to set up 75 district offices as of July 1, and to staff those offices with personnel qualified to assist small business. What a waste of personnel and Government funds. And what a disservice to the small businesses of this country.

One might well say in connection with this order that what the Budget Bureau hath given it can take away. For example, the Executive order gave to the Department of Commerce the general responsibility for helping small business secure an equitable share of surplus property. Now, all of you gentlemen know from your own experience that small business has not been getting an equitable share of surplus property. My own opinion is that the situation would have been much worse than it already is if SWPC had not been given by Congress a priority right which it could exercise in favor of small business. What do the Budget Bureau and Mr. Snyder propose to do about this protection which Congress gave to small business? They are transferring this power to the Reconstruction Finance Corporation. Now RFC has some very able men, but I have never known anyone who would accuse the RFC of burning zeal for assisting small business. Nevertheless, the Budget Bureau transferred SWPC's priority purchase right to RFC. I assume the Budget Bureau expects RFC to exercise this priority purchase right against its own subsidiary, War Assets Corporation, thus becoming the champion of the interests of small business.

There are some other points in connection with the transfer which was carried out Monday which the committee also felt needed immediate correction, but I shall not take the time of the Members to discuss these points.

The Smaller War Plants Corporation ceased to exist day before yesterday. It performed a great service to small business even though it failed in certain respects to accomplish all the things for small business which we might have hoped for. Perhaps its greatest contribution is that it served as a continuous warning to big business and big government that Congress intended that small business should get a fair break. The experience of the SWPC, and particularly the experience of its field personnel, can and should be the foundation for a more effective and continuing program of Government assistance to small business.

We on the Small Business Committee agree with the testimony of Mr. Wallace and the other witnesses that this is the year of decision so far as small business is concerned, but the manner in which the functions of SWPC are being transferred will mean that small business can expect from its Government little better than a token service during this year of decision.

It is my earnest hope, as well as the unanimous recommendation of the Small Business Committee, that Mr. Snyder will immediately arrange for a

revision of the Executive order. If he chooses to disregard or delay on our recommendations, I see no alternative other than for the House to adopt legislation which will clearly and unequivocally express the intent of Congress for the preservation and strengthening of small business. I am prepared to introduce such a measure in case that action becomes necessary.

The letter of the Small Business Committee to Mr. Snyder is as follows:

JANUARY 25, 1946.

HON. JOHN W. SNYDER,
Director, Office of War Mobilization
and Reconversion,
The White House,
Washington, D. C.

Re Executive Order 9665, December 27, 1945.

DEAR MR. SNYDER: In submitting this letter to you, I am acting upon the unanimous instructions of the House Committee on Small Business, which has completed public hearings today on the subject of the manner in which the Bureau of the Budget is performing its assignment under the terms of said order and other matters.

In coming to the conclusions which are recorded in this letter, the committee did so only after hearing testimony on the subject from the following witnesses: Secretary of Commerce Henry A. Wallace; Under Secretary of Commerce Alfred Schindler; Mr. Evert L. Stancliff, Director of Field Operations, Department of Commerce; Mr. Wilford L. White, Acting Chief, Division of Small Business, Department of Commerce; Mr. Frank Cawley, Budget Officer, Department of Commerce; Chairman Charles B. Henderson, of the Reconstruction Finance Corporation; Mr. John D. Goodloe, General Counsel, Reconstruction Finance Corporation; Mr. Arthur J. Fushman, President, War Assets Corporation; Mr. W. E. Willett, Assistant Chief, Examining Division, Reconstruction Finance Corporation; Mr. Frank Prince, Chief, Small Business Section, Reconstruction Finance Corporation; Mr. Robert J. Hays, Vice President, War Assets Corporation; and 17 regional directors, district managers, and officials of the Washington office of the Smaller War Plants Corporation, including the General Council and Mr. Elmer B. Staats, Chief Budget Examiner, Bureau of the Budget, who was accompanied to the hearings by Mr. Robert W. Zehring and Mr. Robert C. Bast, also of the Bureau of the Budget.

This letter is being directed to you because testimony given at the hearings indicated that the Executive order in question was issued at the suggestion of a committee of which you acted as chairman, the other members of which were Judge Rosenman and Mr. Smith, Director of the Bureau of the Budget.

I shall try to make this letter as brief as possible, summarizing our findings and recommendations with explanatory comment rather than to go into great detail as to the testimony of each individual witness. A transcript of the testimony will be supplied you if you desire it.

Because, under the terms of the Executive order, the functions, personnel, and funds of the Smaller War Plants Corporation are to be distributed among various branches and divisions of the Commerce Department and the Reconstruction Finance Corporation as of January 28, 1946, the committee feels that you should be supplied with its findings immediately.

Because the merger is being effected under the terms of the First War Powers Act, instead of being proposed under the recently adopted Reorganization Act which would have provided the Congress with a reasonable period of time in which to pass upon the plan, immediate consideration of the

matter seemed necessary. In like manner the committee feels that immediate consideration of its findings and recommendations by the executive branch at the proper level is also in order.

The committee's findings may be summarized as follows:

1. We have no opposition to any merger plan which consolidates the functions, funds, and personnel of the Smaller War Plants Corporation with those of other agencies in the interests of economy and increased administrative efficiency, provided that the continuity of service by the Federal Government to small businesses at the Washington, regional, and district-office levels is not disturbed and the standard of the service is not reduced.

2. We regret to state, however, that we find no evidence that the merger will result in economy or increased administrative efficiency.

3. We further find that the measures and dispositions which have been determined by the Director of the Bureau of the Budget as being necessary to effectuate the transfers provided for in the Executive order under the authority granted to the Director under section 4 of the order will seriously interfere with the continuity of service by the Federal Government to small businesses and will reduce the standard of service heretofore rendered by Smaller War Plants Corporation both in quality and in scope.

4. We have no opposition to the transfer of the small business loan function to the Reconstruction Finance Corporation.

5. We have no opposition to the transfer of such functions as it is proposed to transfer to the Department of Commerce.

6. We are vigorously opposed to the transfer of the personnel and funds of the field or district offices (other than those of the Loan Bureau) to the Reconstruction Finance Corporation. We feel strongly that those funds and personnel should be transferred to the Commerce Department as have been the funds and personnel of the regional offices.

7. We oppose the transfer of the small business surplus property priority purchase right to the Reconstruction Finance Corporation. Testimony demonstrated that this function is not sought by RFC. In granting RFC the sole right to thus police itself in the matter of surplus disposals for small firms, we believe that the intent of Congress in adopting section 18 (e) of the Surplus Property Act is being disregarded. We believe that this function should be transferred to the Department of Commerce.

8. We find that certification of veterans' priorities in the matter of surplus disposal is primarily a clerical job, not one requiring the services of trained engineers who it is felt have performed more important services for small business in the SWPC field offices and would be more efficiently employed in the field organization of Commerce Department than in the surplus disposal organization of RFC. Additional clerical personnel could and should be secured from other sources to do veterans' certification work instead of imposing that task upon men trained professionally to render assistance in the small business field on problems requiring superior engineering and management knowledge.

9. We fail to understand why the procurement and subcontracting functions originally assigned to Smaller War Plants Corporation under section 4 (f) of Public Law 603 are assigned to RFC instead of the Commerce Department. To us, these functions seem to be an integral part of any small business assistance program such as that otherwise assigned to Commerce Department under the order.

10. We are not entirely satisfied with the general outlines of the small business assistance programs of both the Department of Commerce and the Reconstruction Finance Corporation as they were submitted to us by the officials of these agencies during

our hearings. We feel, however, that such deficiencies in these programs which we have observed may best be corrected through conference with the heads of those agencies than by other means at this time, provided that certain modifications in the terms of the Executive order and the measures now authorized thereunder can be promptly arranged, as follows:

Recommendations: A. The Executive Order 9665 be amended as follows:

(a) Transfer to the RFC all the loan functions of Smaller War Plants Corporation heretofore carried out under section 4 (f) and section 6 of the act of June 11, 1942 (56 Stat. 351), and loan functions carried out under section 18 (f) of the Surplus Property Act of 1944 (58 Stat. 765), and loan functions carried out under the Contract Settlement Act of 1944 (58 Stat. 649). All personnel, property, records, assets, and liabilities of the Corporation directly involved in the making of loans are likewise to be transferred to RFC, together with the loan functions of the Board of Directors of the Corporation.

(b) Transfer to Commerce Department all other functions heretofore carried on by Smaller War Plants Corporation. All personnel not directly engaged in loan activities are to be transferred to the Department of Commerce. This includes personnel employed by SWPC but paid out of funds furnished by Surplus Property Administration.

(NOTE.—This includes specific authorization that all field-office functions, personnel, and funds of SWPC shall be transferred to Commerce Department, employees, functions, and funds of the Loan Bureau to be excluded from this provision, however.)

B. The committee recommends that the President shall be requested to make said amendment before January 28, 1946, the effective date of Order 9665.

C. The committee recommends that the function of certifying veterans for surplus property be handled either by the Veterans' Administration or by installing War Assets Corporation representatives in the local veterans information centers. In the time necessary to effect a transfer, additional positions should be authorized by the Bureau of the Budget and additional personnel temporarily assigned by War Assets Corporation to carry on this work in the SWPC district offices. As the certification function is taken over by Veterans' Administration or by the veterans information centers, such additional personnel can be assigned to the new offices.

In submitting this letter to you, the committee feels obliged to express its keen disappointment in the manner in which the assignment given to the Bureau of the Budget under this order has been handled. It is clear that full consideration was not given by that Bureau to the importance of maintaining a continuity of service to small business by the Government right at this critical time. The testimony of Under Secretary of Commerce Schindler was clear and positive on this point. From his testimony and from the views expressed by other competent witnesses, it is clear that the Department of Commerce would not be placed in a position, under the terms of this order or under the measures determined by the Bureau of the Budget, to render anything but a token service to small business for a period of at least 6 months and probably longer. Under the program presently planned Commerce Department could not hope to render small business service and assistance of a standard or a scope such as that previously rendered by Smaller War Plant Corporation for many months to come.

It is the committee's sincerely expressed hope that it will be possible for your office to make the necessary arrangements to comply with the suggested changes in the order and the other collateral directives which would be required before the effective date of the order which is January 28, 1946.

It is regretted that these views must be submitted to you on such short notice. In view of the fact that this merger is not being handled under the provisions of the Reorganization Act, no other course seemed feasible than for us to have held the hearings in question and to have supplied you with our findings promptly in this fashion.

The committee is fully aware of the extra burden which this letter imposes on you in view of the many difficult assignments that you are handling at this time. It feels, however, that a proper evaluation of the role which small business plays in our national life, particularly at this difficult reconversion time, justifies its placing this letter before you with a request that it be given your immediate official attention.

With kindest personal regards,

Sincerely yours,

J. W. ROBINSON,

Member of Congress, for the Committee.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter from the Small Business Committee to Mr. Snyder, Director of the Office of War Mobilization and Reconversion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

W. STUART SYMINGTON

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, I understand that Mr. Symington, the Director of the Surplus Property Administration, is leaving his job today to go with the War Department as Assistant Secretary of War. I am sure he will be a lot happier in his new position. When Mr. Symington was named to the position of Surplus Property Administrator, all of us were delighted. I knew we could expect a fine performance from him. However, I am sure that he has been handicapped because of the faulty structure of the Surplus Property Administration and because of the actual disposal of surplus property being turned over to a number of agencies, thereby preventing proper coordination. As a matter of fact, it is my opinion that no job has been bungled more. It is a crying shame that we have divided that responsibility, and that authority had not been centered, as it should have been, in the man that the country expected to do the job.

I am sure if Mr. Symington had had the authority to do the selling as well as to form policies we would have actually disposed of most of the surplus.

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

Mr. BENDER. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. I am very much interested in the observation of the gentleman. I am inclined to agree with most of the conclusions he has reached. There is one problem that has been called to the attention of every Member of Congress, I am sure, and that is that veterans had an idea that they were going to have a chance to get surplus property. They have been issued prior-

ity certificates, but when they get the certificates they cannot find the property. They are run from one place to another. Certainly, I hope the gentleman will make some observations about the poor plight of veterans under the present set-up. I hope that in the rearrangement of the Surplus Property Administration the veterans may be given a chance, which they have not had up to date.

Mr. BENDER. I think the gentleman's observation is most timely. I happen to be a member of the Committee on Expenditures in the Executive Departments, which recommended the legislation that created the Surplus Property Board. We were informed by Mr. Symington some months ago that he would come before us with additional legislation, but the administration has not permitted him to present legislation. I am sure I am correct in that statement. He has been stymied all along the line.

The observation the gentleman from Tennessee makes regarding veterans is wholly in order. Not only the veterans but everybody find themselves pretty much in a dilemma because of the indecision and the lack of coordination on the part of the persons charged with the responsibility of disposal. I think about the worst performance in connection with surplus-property disposal is that of the Reconstruction Finance Corporation. That is a lending agency and has never been in the selling game. They do not know what to do. They do not know whether they are afoot or horseback.

Mr. KEFAUVER. I am sure the gentleman heard my statement about the transfer of the lending functions of the Smaller War Plants Corporation to the Reconstruction Finance Corporation. The gentleman will be interested in knowing that along with that transfer went the power of the Smaller War Plants Corporation under 18 (c) or (e) of the Surplus Property Act to authorize the SWPC to purchase products in quantity under a priority and then divide them among veterans and small businesses later.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio be permitted to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KEFAUVER. I think one of the most confusing situations is that now the Reconstruction Finance Corporation has taken that purchase priority power which the SWPC had for small business and for veterans, and the RFC holds the whole power itself, so that there is nobody to have a check over the Reconstruction Finance Corporation to see that the little fellow and the veterans get an opportunity.

Mr. BENDER. As a result of the gentleman's statement, to which I listened very attentively, I asked for this time, because I agree with the gentleman, and especially agree with his observations regarding the transfer of these functions

to the Reconstruction Finance Corporation. I think the performance of the RFC in connection with the disposal of surplus property is nothing short of a calamity. I do not know whether the President has anyone in mind to fill Mr. Symington's shoes, but Mr. Symington, I am sure from my own observation, although he has not told me this, has been handicapped and stymied by the administration in the performance of his job. Because these various agencies have been given power of disposal of this property rather than Mr. Symington's being given that power, and because Mr. Symington has not been permitted to make recommendations so that functions are coordinated under one head, we find ourselves in this predicament. I sincerely hope that the Congress will direct its attention toward a proper disposal of the billions of dollars in surplus property. Unless we take some action immediately, our whole economy will be disturbed as a result of it. I know something about retail merchandising. I spent most of my life in the department store business. I know how many items you have to deal with. I know how important it is to watch every detail. But this Government, in connection with its handling of surplus property, is proceeding in exactly the same way as it has in so many other instances. You do not know from one day to the next just where you are going or where you are going to land. The people, in endeavoring to purchase surplus properties, are tired out because they are run from pillar to post. They do not know where to go next.

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

Mr. BENDER. I yield.

Mr. CHURCH. The gentleman now speaking and the gentleman from Illinois now occupying the chair as Speaker pro tempore and I are members of the committee which the gentleman has just spoken of, the Committee on Executive Expenditures. Certainly the bill pending there is of vital importance. The gentleman from Tennessee should be invited to appear. That to me is one of the most vital pieces of legislation. It ought to be acted on soon in order that we cut the red tape so that returning veterans receive the surplus properties that they are trying to get today. They are today involved in an immense detail of red tape and delay. I think that is one of the most vital things which we should take up immediately. We should take up that bill before any other bill is taken up in the committee. I hope that the committee will meet soon. I have spoken to the chairman, the gentleman from Alabama [Mr. MANASCO]. I think he intends to take up that bill first before all other bills.

Mr. BENDER. I share the gentleman's views. Here you have the biggest business in the world, the United States Government. If a little haberdashery store were to carry on in the manner in which this Government is carrying on in this surplus property business, it would go broke in no time.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. ROBSION of Kentucky. I have had similar experience to that which has been detailed by the gentleman speaking as well as the gentleman from Illinois and others. We have made a special effort to try to get surplus property for the returning veterans, I mean men who have the money and the credit and the business ability as well as the experience to construct roads and other things. Of course, it is just an endless chase trying to find the fellow who has the say in the matter. A person is sent from this fellow to that fellow and so forth. Finally, after you have found the man, he says, "Well, you can get this property anywhere that you can find it." And a person may ask, "Well, where can I find it?" And the answer is, "Down in Virginia and other places." I believe in practically every instance many soldiers have not yet been able to locate the property or get the property. They are just worn out. They give up in disgust and despair.

Mr. BENDER. That is exactly what I am saying. The gentleman from Kentucky is correct. We have 3,700,000 civilian employees and nothing is being done to lessen that number. We have about a million and a half surplus civilian employees on the pay roll. These pap suckers ought to be removed from the pay roll. Then you would not have to make 17 calls for a veteran in order for him to get in touch with the proper individual whom he is trying to contact in order to get his hands on some of the surplus property.

Perhaps we would not have to see more than four or five. However, it is a crying shame that these Federal employees, especially in the surplus property division, particularly in the Reconstruction Finance Corporation, are not conversant with the fact that the war is over, and that we now owe almost \$300,000,000,000 and it is high time that they got down to business.

I hope with Mr. Symington's leaving we will not find further confusion, and that some recommendation will come here from the Administration that we will understand. It reminds me of the full employment bill. They have a sleight-of-hand performance for that. One bill is introduced. Then, another bill is presented, and finally the bill is passed. Then the conference committee meets, and you do not know what in the world they are driving at. They want something. It seems to me all they want is to pass a law that has no effect and that does not make sense, and that they themselves do not know where they are going.

Mr. ROBSION of Kentucky. The gentleman misinterprets the action. Perhaps it is to fool a lot of American people who really think we are going to get something through that beautiful and opti-

mistic thing called full employment. It fools a lot of folks.

Mr. BENDER. I am afraid the gentleman is right on the basis of the performance of the majority in this body and in the other body as well. I am sorry to say that we are getting nowhere fast. When the gentleman finds the report of the conference committee he will wonder what in the world it is all about, unless I am sadly mistaken, and I hope I am.

I have taken more time than I had anticipated. I just want to emphasize the fact that we have billions of dollars in surplus property that is not being disposed of; that we have to do something about immediately.

Mr. BENDER. I would like to conclude my remarks with an editorial from the January 22 issue of the Daily Metal Reporter. It is as follows:

SYMINGTON'S PROMOTION TO WAR DEPARTMENT
A BLOW TO WAR SURPLUS DISPOSAL

W. Stuart Symington has resigned as Surplus Property Administrator and President Truman has nominated him as Assistant Secretary of War for Air. Mr. Symington's resignation is to be deplored because he has been handling one of the country's most difficult tasks in a most efficient and business-like manner.

In disposing of its billions of dollars' worth of surplus war materials, the Government has become the largest merchandiser in the world of all sorts of materials ranging from battleships to shoelaces. This gigantic merchandising task has been forced on the Government as a result of the war. The manner in which this task is handled may well determine the future economy of the Nation. Whether industry is to be fully engaged in producing commodities needed for civilian consumption or whether plants are to be idle will depend largely on what is done with Government-owned war plants and with the surplus material that the Government owns.

Few businessmen have realized the immensity of the task facing the Government in disposing of its war surpluses. It was only after the surplus-disposal program was badly bungled and mishandled that Symington was called to assume the post of Administrator. Being a practical businessman, he realized the gravity of the problem facing the Government and proceeded to tackle it in a manner that won the approval of Congressmen and Senators and of businessmen throughout the country. That in itself is an unusual achievement.

As Administrator, Mr. Symington formulated policies for the SPA that counteracted the many weaknesses of the Surplus Property Act. It was under his able administration that the disposal program really got under way but the surface of the disposal job has hardly been scratched and that is why it is regrettable that Mr. Symington is leaving his post.

There is no doubt that Mr. Symington will make a good Assistant Secretary of War. Perhaps his organizing ability and far-sighted policies are needed in the War Department. In our humble judgment, however, his services are more urgently needed in directing the Government's disposal of the heterogeneous mass of surplus materials with which it finds itself saddled.

Mr. Symington suggested to the President that the Surplus Property Administration be consolidated with the War Assets Corporation and the President will no doubt heed Mr. Symington's advice. Mr. Symington's successor may do as good a job as he did in this most difficult post but it is doubtful whether there are many who are endowed with his enthusiasm, his ability, his di-

plomacy and his vision, all of which are needed in tackling this job.

President Truman in accepting Mr. Symington's resignation, praised him for his most "splendid service." That praise was well deserved but we doubt the wisdom of having permitted him to resign. Mr. Symington should have been drafted to continue as Administrator and finish the job.

Of course the country is fortunate in retaining Mr. Symington's services as Assistant Secretary of War but it would have been still more fortunate had he remained as Surplus Property Administrator.

Mr. ROBSION of Kentucky. I think the gentleman has brought some very helpful information to the House and to the country.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

EXTENSION OF REMARKS

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include an article from Liberty magazine.

ADJOURNMENT

Mr. ROONEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 13 minutes p. m.), the House adjourned until tomorrow, Thursday, January 31, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Securities Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. on Thursday, January 31, 1946, to continue hearings in its study of operations pursuant to the Public Utility Holding Company Act of 1935, in room 1304, House Office Building.

COMMITTEE ON BANKING AND CURRENCY

There will be a meeting of the Committee on Banking and Currency at 10:30 a. m. on Thursday, January 31, 1946, to continue housing.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Thursday, January 31, 1946, at 10:30 a. m., to consider H. R. 5186, authorizing certain administrative expenses in the Post Office Department, and for other purposes.

COMMITTEE ON THE CENSUS

The Committee on the Census will hold hearings on H. R. 4781, on Friday morning, February 1, at 10 a. m. in room 1012.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will hold a hearing on Monday, February 4, 1946, on the bill (H. R. 5023) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto. The hearing will begin at 10 a. m., and will be held in the Judiciary Committee room, 346 House Office Building.

Subcommittee No. 1 of the Committee on the Judiciary will hold a hearing on Wednesday, February 6, 1946, on the bill (H. R. 5089) to amend the First War Powers Act, 1941. The hearing will begin at 10 a. m., and will be held in the Judiciary Committee room, 346 House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

996. A letter from the Archivist of the United States, transmitting a report on records disposed of under the provisions of section 10 of the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); to the Joint Committee on the Disposition of Executive Papers.

997. A letter from the Archivist of the United States, transmitting the information that no records have been authorized for disposal during the calendar year 1945 under the provisions of section 7 of the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); to the Joint Committee on the Disposition of Executive Papers.

998. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill to provide basic authority for the performance of certain functions and activities of the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

999. A letter from the Secretary of the Navy, transmitting a copy of the Joint Chiefs of Staff report on H. R. 3603 to the Committee on the Merchant Marine and Fisheries.

1000. A letter from the president, Capital Transit Co., transmitting a report covering the operations of Capital Transit Co. for the calendar year 1945, with balance sheet as of December 31, 1945; to the Committee on the District of Columbia.

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. RANDOLPH: Committee on the Civil Service. House Report No. 1349 (pt. II). Supplemental report to accompany S. 102, an act to amend section 2 (b) of the act entitled "An act extending the classified executive civil service of the United States," approved November 26, 1940, so as to provide for counting military service of certain employees of the legislative branch in determining the eligibility of such employees for civil-service status under such act. Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. House Resolution 20. Resolution submitting report on investigations of the national war effort (Rept. No. 1510). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. Resolution disposing of sundry papers (Rept. No. 1511). Ordered to be printed.

Mr. BOYKIN: Committee on Patents. H. R. 5258. A bill granting a renewal of Patent No. 113,244, dated February 7, 1939, relating to the flag of the Church of God; without amendment (Rept. No. 1512). Referred to the Committee of the Whole House.

Mr. CLARK: Committee on Rules. House Resolution 500. Resolution providing for the consideration of H. R. 4908, to provide for the appointment of fact-finding boards to investigate labor disputes seriously affecting the national public interest, and for other purposes; without amendment (Rept. No. 1513). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. EBERHARTER:

H. R. 5293. A bill to revise the individual and corporation income tax so as to offer incentive to business enterprise; to the Committee on Ways and Means.

By Mr. GEELAN:

H. R. 5294. A bill to provide that one-half of the interest on loans guaranteed or insured under the Servicemen's Readjustment Act of 1944, as amended, be paid by the Administrator of Veterans' Affairs; to the Committee on World War Veterans' Legislation.

By Mr. HENDRICKS:

H. R. 5295. A bill to broaden the scope and raise the rank of the veterans' preference provided for in the Surplus Property Act of 1944; to the Committee on Expenditures in the Executive Departments.

By Mrs. LUCE:

H. R. 5296. A bill to amend the Internal Revenue Code, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. PACE:

H. R. 5297. A bill to broaden the scope and raise the rank of the veterans' preference provided for in the Surplus Property Act of 1944; to the Committee on Expenditures in the Executive Departments.

By Mr. SAVAGE:

H. R. 5298. A bill to grant to veterans of World War II a temporary exclusion from gross income; to the Committee on Ways and Means.

By Mr. STEVENSON:

H. R. 5299. A bill to provide for a preliminary examination and survey of the Peconica River with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. WALTER:

H. R. 5300. A bill relating to the time of taking effect of the rules of criminal procedure reported to Congress at the beginning of the first regular session of the Seventy-ninth Congress; to the Committee on the Judiciary.

By Mr. HARE:

H. R. 5301. A bill to prohibit the use of force, violence, intimidation, or coercion to prevent any individual from accepting or performing work when and where offered; to the Committee on Labor.

By Mr. SPENCE:

H. J. Res. 311. Joint resolution to further implement the purposes of the Bretton Woods Agreement Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes; to the Committee on Banking and Currency.

By Mr. BURGIN:

H. Con. Res. 124. Concurrent resolution providing for the discontinuance of the manufacture of atomic bombs until further action by the Congress; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. WEST:

H. R. 5302. A bill authorizing Gus A. Guerra, his successors and assigns, to construct, maintain, and operate a bridge across

the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES J. DELANEY:

H. R. 5303. A bill to authorize the reinstatement of Anthony P. Campanella as a teacher in the high schools of the District of Columbia; to the Committee on the District of Columbia.

By Mr. DURHAM:

H. R. 5304. A bill for the relief of Pearson Remedy Co.; to the Committee on Claims.

By Mr. PFEIFER:

H. R. 5305. A bill for the relief of Joseph Scotto; to the Committee on Immigration and Naturalization.

By Mr. SPRINGER:

H. R. 5306. A bill to extend Letters Patent No. 1,734,445; to the Committee on Patents.

By Mr. WEST:

H. R. 5307. A bill for the relief of Ben V. King; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII:

1507. Mr. CLASON presented a petition of Royal G. Daniels and others, World War II veterans employed at Westinghouse Electric Corp., at Springfield, Mass., urging repeal of provisions in the GI bill of rights restricting payment of benefits to veterans while strikes are in progress, and for other purposes, which was referred to the Committee on World War Veterans' Legislation.

SENATE

THURSDAY, JANUARY 31, 1946

(Legislative day of Friday, January 18, 1946)

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

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

Lord God Almighty, who amidst the shifting sands of time standest sure, like men who turn from dusty toil to crystal streams, so we lift our soiled faces to Thee from the perplexities and the imperfections which crowd the common days. As we pause in reverent silence, let this high place, so great a factor in tomorrow's pattern for all men, become the audience chamber of Thy presence. Because there is no solution of the world's ills save as it springs from the hearts of men, we pray for ourselves: Cleanse Thou our hearts by Thy grace, feed our minds with Thy truth, guide our feet in Thy paths. For Thy name's sake. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States 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. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 5158) reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. BILBO obtained the floor.

Mr. WHERRY and Mr. RUSSELL addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. BILBO. I promised to yield first to the Senator from Georgia.

Mr. RUSSELL. Mr. President, I merely wish to do the customary thing of asking unanimous consent that a quorum be called without prejudicing the rights of the Senator from Mississippi to the floor.

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

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

Alken	Gurney	Myers
Austin	Hart	O'Daniel
Bailey	Hatch	Pepper
Bankhead	Hawkes	Reed
Barkley	Hayden	Revercomb
Bilbo	Hickenlooper	Robertson
Brewster	Hill	Russell
Briggs	Hoey	Saltonstall
Buck	Huffman	Shipstead
Bushfield	Johnson, Colo.	Smith
Butler	Johnston, S. C.	Stanfill
Byrd	Kilgore	Stewart
Capewhart	La Follette	Taylor
Capper	Langer	Thomas, Okla.
Chavez	Lucas	Thomas, Utah
Cordon	McCarran	Tobey
Donnell	McClellan	Tydings
Downey	McFarland	Walsh
East and	McKellar	Wheeler
Ellender	McMahon	Wherry
Ferguson	Maybank	White
Fulbright	Mead	Wiley
George	Millikin	Willis
Gerry	Morse	Wilson
Gossett	Murdock	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Louisiana [Mr. OVERTON], and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Washington [Mr. MITCHELL] is absent on official business.

The Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

The Senator from Delaware [Mr. TUNNELL] is absent on official business as a member of the Mead committee.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a representative of the United States attending the first session of the General Assembly of the United Nations, now being held in London.

The Senator from Minnesota [Mr. BALL] is absent because of illness.

The Senator from California [Mr. KNOWLAND] is absent on official business as a member of the Mead committee.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. BROOKS], the Senator from Oklahoma [Mr. MOORE], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

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

TWENTY-FIRST REPORT TO CONGRESS ON LEND-LEASE OPERATIONS—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore. Before the Senator from Mississippi starts his remarks the Chair desires to lay before the Senate a message from the President of the United States on the twenty-first report to Congress on lend-lease operations for the period ended September 30, 1945. The message is short, and, without objection, it will be read at this time.

(For President's message, see p. 661 of the House proceedings of today's RECORD.)

The PRESIDENT pro tempore. The message and report will be referred to the Committee on Foreign Relations.

LOAN TO GREAT BRITAIN—JOINT RESOLUTION INTRODUCED

Mr. BILBO. Mr. President, there are several of my colleagues who wish to present matters to be printed in the RECORD, and I shall be glad to yield to each of them, without losing the floor. I first yield to my beloved leader, who wishes to return to his committee work.

Mr. BARKLEY. I thank the Senator. I ask unanimous consent to introduce a joint resolution, to be referred to the Committee on Banking and Currency.

The PRESIDENT pro tempore. Without objection, the joint resolution will be received and referred to the Committee on Banking and Currency.

The joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

Mr. BARKLEY. Mr. President, I ask also to have printed at this point in my remarks a press release with respect to the joint resolution I have just introduced.

The PRESIDENT pro tempore. Is there objection?

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

The President has now transmitted to the Congress the financial agreement with the United Kingdom with the request that the Congress take appropriate steps to implement it. I have, consequently, introduced a joint resolution for this purpose.

The financial agreement with Britain is a necessary and integral part of the international economic program of the United States, which is designed to promote the peace and prosperity of the world. This program has two broad objectives. The first is to eliminate discriminatory and restrictive trade practices and to prevent the development of conflicting economic blocs. The second is to create through international cooperation the conditions necessary for an expansion of world trade in which all coun-