

82. By Mr. STALKER: Petition of Mrs. W. W. Root and 200 other residents of Slaterville Springs, N.Y., urging the support of the stop-alien-representation amendment to the United States Constitution to cut out aliens and count only American citizens when making future apportionments for congressional districts; to the Committee on the Judiciary.

## SENATE

MONDAY, MARCH 20, 1933

(Legislative day of Monday, Mar. 13, 1933)

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

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the joint resolution (S.J.Res. 14) authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain non-intoxicating liquor, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. CULLEN, Mr. McCORMACK, Mr. TREADWAY, and Mr. WATSON were appointed managers on the part of the House at the conference.

### ENROLLED BILLS SIGNED

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

- S. 148. An act for the relief of Agnes M. Angle;
  - S. 149. An act for the relief of Daisy Anderson;
  - S. 150. An act for the relief of W. H. Hendrickson;
  - S. 151. An act for the relief of the Holy Family Hospital, St. Ignatius, Mont.;
  - S. 152. An act to authorize the Secretary of War to grant a right of way to the Alameda Belt Line across the Benton Field Military Reservation, Alameda, Calif.;
  - S. 153. An act to convey certain land in the county of Los Angeles, State of California;
  - S. 154. An act confirming the claim of Francis R. Sanchez, and for other purposes;
  - S. 155. An act for the relief of A. Y. Martin;
  - S. 156. An act providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes; and
- H.R. 2820. An act to maintain the credit of the United States Government.

### THE JOURNAL

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that the Journal for the calendar days of Wednesday and Thursday, March 15 and 16, 1933, be approved.

The VICE PRESIDENT. Is there objection? The Chair hears none.

### RELIEF OF EARTHQUAKE SUFFERERS IN CALIFORNIA

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S.J.Res. 14) authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933.

Mr. GLASS. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon,

and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. GLASS, Mr. McKELLAR, Mr. KENDRICK, Mr. HALE, and Mr. KEYES conferees on the part of the Senate.

### AMENDMENT OF THE VOLSTEAD ACT

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain non-intoxicating liquor, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HARRISON. I move that the Senate insist upon its amendments to the bill, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. HARRISON, Mr. KING, Mr. WALSH, Mr. REED, and Mr. COUZENS conferees on the part of the Senate.

### SENATOR FROM MONTANA

Mr. WHEELER. Mr. President, the credentials of the Senator-designate from Montana, Hon. JOHN E. ERICKSON, are on file, and he is present and ready to take the oath. I ask that he may be sworn in at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator-designate will present himself at the desk to receive the oath.

Mr. ERICKSON, escorted by Mr. WHEELER, advanced to the Vice President's desk; and the oath prescribed by law having been administered to him by the Vice President, he took his seat in the Senate.

### PUBLIC BUILDINGS COMMISSION

The VICE PRESIDENT. Under authority of section 1 of chapter 1 of title 40 of the United States Code, the Chair appoints the Senator from New Hampshire [Mr. KEYES] as a member of the Public Buildings Commission to fill the vacancy caused by the expiration of the term of service as Senator of Hon. Reed Smoot.

### BOARD OF VISITORS TO THE NAVAL ACADEMY

The VICE PRESIDENT. On February 28 last the Senator from Virginia, Mr. Swanson, resigned as a member of the Board of Visitors to the United States Naval Academy, and the junior Senator from Florida [Mr. TRAMMELL] was appointed to fill the vacancy. The Senator from Florida was subsequently appointed chairman of the Committee on Naval Affairs, thereby becoming an ex-officio member of the board, leaving a vacancy to be filled by the appointment of the Vice President. The Chair now appoints the junior Senator from Virginia [Mr. BYRD] to fill the vacancy.

### ANNIVERSARY OF BIRTH OF NEAL DOW—WORLD PEACE, TOTAL ABSTINENCE, AND PROHIBITION CONFERENCE IN CHICAGO

Mr. FRAZIER. Mr. President, today is the anniversary of the birth of Gen. Neal Dow, the father of prohibition. He was born March 20, 1804. It seems quite fitting that some mention should be made of the anniversary day in these times when the repeal of the eighteenth amendment is being agitated and a bill for the legalization of beer is being considered by the Congress. I ask unanimous consent to have read at the desk a message from the Neal Dow Association for World Peace and Prohibition. This association was organized 10 years ago today.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as directed.

The Chief Clerk read as follows:

#### A MESSAGE TO ALL NATIONS

"And like a bell, with solemn, sweet vibrations,  
I hear once more the voice of Christ say, 'Peace!'

"Peace! and no longer from its brazen portals  
The blast of war's great organ shakes the skies!  
But beautiful as songs of the immortals,  
The holy melodies of love arise."

—Longfellow.

Call for a world peace, total abstinence, and prohibition conference at the Century of Progress Exposition, Chicago, July 4, August 4, September 4, and October 4, 1933, these dates to suit the convenience of the largest number of those interested

Whereas war and the liquor traffic are two of the deadliest and most senseless enemies of mankind; and

Whereas an incredible number of honest and well-meaning as well as selfish and unscrupulous individuals and interests of high and low degree in many lands are persistently and relentlessly seeking to perpetuate and profit by these gigantic and merciless evils; and

Whereas a great international exposition is to be held in Chicago during the summer of 1933 to celebrate a century of progress, which will be attended by thousands of representative citizens from all nations of the world: Now therefore

A world peace, total abstinence, and prohibition conference is hereby called to meet at the Century of Progress Exposition in Chicago on July 4, August 4, September 4, and October 4, and to continue from each of these dates for such period or periods as the conference may determine; to receive reports from and to plan action in all States and Nations; to consider a century of progress toward peace, total abstinence, and prohibition; and ways and means for the abolition and permanent elimination by all nations of war and the liquor traffic as the two most outstanding, barbaric, colossal, monstrous, and unnecessary evils of the century.

All persons, churches, and other organizations in sympathy with these purposes are urged to be present at one or more sessions in person, or by typewritten communications for publication or radio broadcast, and to sign this call and mail to

THE NEAL DOW ASSOCIATION FOR WORLD PEACE AND PROHIBITION,  
ARTHUR CHARLES JACKSON, *President, Washington, D.C.*

"Were half the power that fills the world with terror,  
Were half the wealth bestowed on camps and courts,  
Given to redeem the human mind from error,  
There were no need of arsenals or forts.

"The warrior's name would be a name abhorred!  
And every nation, that should lift again  
Its hand against a brother, on its forehead  
Would wear forevermore the curse of Cain!"  
—*Longfellow.*

#### RESOLUTION OF NATIONAL DEFENSE CONFERENCE

Mr. REED. Mr. President, in January last at the National Defense Conference held here in Washington there was a considerable number of delegates from Pennsylvania. The Pennsylvania delegates met and adopted a resolution which I should like to have embodied in the CONGRESSIONAL RECORD and appropriately referred. I ask unanimous consent that that may be done.

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

[National Defense Conference, January 1933]

Whereas the following resolution was introduced into the Senate of the General Assembly of the Commonwealth of Pennsylvania under date of January 11 and was unanimously passed by that body under date of January 16 and was concurred in by the house of representatives of the general assembly with but one dissenting vote on January 16, 1933:

"Whereas the present Congress of the United States is considering under the guise of economy the radical cutting of appropriations for the support of the Army, Navy, and Marine Corps of the United States and of the National Guard of the several States; and

"Whereas, the Army is at present pitifully insufficient for the defense of our mainland without regard for our insular possessions; and

"Whereas the Navy is far below the standard decided upon as necessary for the safety of the United States and agreed to by the powers in a far less settled time; and

"Whereas the Marine Corps, although small, has proven for more than a century the most mobile and effective police force in any national or international emergency this Nation has ever had; and

"Whereas through Federal aid and supervision the National Guard has risen to a point of efficiency heretofore unknown; and

"Whereas no reasoning person can believe in pacific safety in the face of existing facts—every peace pact, treaty, or League of Nations action has proven and is at present proving futile and useless to turn any nation from a policy of aggrandizement; and

"Whereas events within the last 20 years have proven the futility of preserving the neutrality of the United States in the event of a major conflict; and

"Whereas the existing national and international debts are the result of past unpreparedness and the existing brawl over the collection thereof the result of present unpreparedness; and

"Whereas the voice of the United States in the interests of universal peace is respected only in proportion to its existing and active power; and

"Whereas the effects of the present economic chaos on the governments of the world have conclusively proven that only strong, well-sustained governments can survive: Therefore be it

"Resolved (if the house of representatives concur), That the senate and the House of representatives of the 1933 session of the General Assembly of the Commonwealth of Pennsylvania hereby memorializes the present Congress of the United States to refrain from taking any action for the purpose of economy or other purposes that will further decrease the strength and effectiveness of the armed forces of the United States and the several States thereof; and be it further

"Resolved, That a copy of this resolution be forwarded by the secretary of the Commonwealth to the Senate and the House of Representatives of the Congress of the United States and to each Senator and Representative from the Commonwealth of Pennsylvania therein"; and

Whereas his excellency the Governor of the Commonwealth of Pennsylvania, despite the fact that he has heretofore from time to time approved such concurrent resolutions memorializing Federal officers and Congress to do or refrain from doing certain things; and despite the fact that by the opinion of a prior attorney general and by decisions of the Supreme Court of this Commonwealth, such resolutions were held not to require the approval or disapproval of the Governor, has seen fit to disapprove such resolution as follows:

"To the Honorable the Senate of the Commonwealth of Pennsylvania:

"I return herewith, without my approval, senate resolution of January 11, 1933.

"This resolution memorializes the Congress of the United States to refrain from taking immediate action for the purpose of economy or for any other purpose which will further decrease the strength and effectiveness of the armed forces of the United States and the several States thereof.

"It is no more appropriate for the Legislature of Pennsylvania to take action upon questions which are distinctively Federal than it would be for the Congress of the United States to attempt to advise the Legislature of Pennsylvania what measures it should pass and what measures it should reject.

"For this reason the resolution is not approved."

Now, therefore, be it

Resolved, That the delegations from the Commonwealth of Pennsylvania to the National Defense Conference view with regret the unwarranted action of his excellency the Governor of Pennsylvania on said resolution and express it as their firm conviction that the resolution as passed by both houses of the General Assembly of the Commonwealth of Pennsylvania truly reflects the desires, opinions, and beliefs of the citizenry of that Commonwealth.

#### SENATOR FROM MONTANA

The VICE PRESIDENT. The Chair lays before the Senate a communication from a citizen of Montana addressed to the Senate. The Chair thinks the communication should be read.

The Chief Clerk read the communication, as follows:

HELENA, MONT., *March 15, 1933.*

To the honorable SENATE AND SENATORS OF THE UNITED STATES,  
*Washington, D.C.*

SENATORS: In this petition, protest, and address to you, my first observation is that in common with all persons I have the right which may be a duty to communicate information of grave import which otherwise might escape you, to the end that serious wrongs against the people may not be furthered by your innocent agency.

It is true I am a Federal judge, incumbent of no mean office; but it is no less true that long before I assumed that office I was a citizen of Montana and the Nation, and for long after I cease judicial service I expect to continue such citizen. Moreover, my right and duty of citizenship inspiring this communication are diminished none by my official position.

Briefly, Senators, I advise you that soon you will be requested to admit to your membership and to the vacant seat of the worthy and lamented Walsh, one whose claim of title thereto has no other foundation than purchase.

That is to say, ERICKSON, Governor of Montana, and Cooney, Lieutenant governor, mutually offered, accepted, conspired, confederated, and agreed that the former would resign as governor, and the latter ipso facto succeeding, would appoint the former to fill the senatorial vacancy aforesaid—the resignation the consideration for the appointment; the appointment the consideration for the resignation. And this huckstering, horse-trading, barter, and sale of great public offices (the chief executive of a sovereign State, and membership in the greatest legislative body of the Nation), despite due warning has been consummated by these men to their large personal advantage and financial profit, contrary though it be to good morals, sound public policy, common and statute law, yea, contrary to the very State constitution they took oath to uphold.

Not only does the thing speak for itself, Senators, but so publicly and brazenly was the transaction conducted, it is within the direct personal knowledge of scores, understood by thousands, admitted and not denied by the principals themselves.

Insofar as the law is concerned, to say naught of morals and common sense, which law not always is, that it condemns and even penalizes the bargain is too clear for argument, even to convince those "who can a hair divide betwixt the north and northeast side." Furthermore, time permits none by me, and no more than the following citations:

Montana Constitution, article 5, section 42; Montana Revised Codes, sections 10713, No. 6, 10823, 10824, 10830, 10842; 1 Russell, Crimes, 619; *People v. Pearson* (200 N.Y. 60; *State v. Huff* (Ind.) 87 N.E. 144), a case of comment upon corrupt resignations. The resignation void because corrupt created no vacancy in the governorship. In consequence Cooney's assumption of the office and appointment of Erickson to the senatorship are likewise void.

It is not enough, Senators, to relegate the matter to prosecution by the State. In Cato's famous aphorism might be immunity. Be that as it may, however, I submit to you whether it is not better for State and Nation, for the Senate itself, that the latter's doors be barred against those who traffic in public office, that the fruits of his illegal bargain be denied the purchaser.

You are to be solicited, Senators, to sanction the evil methods aforesaid, to confirm the sale, to vest the buyer with title to the vacant seat of one who contributed no little to the luster and fame of your august body.

In behalf of Montana, its people and honor, in behalf of Nation and Senate, confidence that you will not comply is surely justified. And with that, Senators, I have done.

GEO. M. BOURQUIN.

Mr. GEORGE. Mr. President, I ask that the communication may be referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GEORGE. Mr. President, may I take this occasion to say that in the Smith and Vare cases, which have occurred within the recent history of the Senate, a preliminary investigation had been made prior to the presentation of the credentials in the Senate by a special committee of the Senate. The other direct precedent that has a bearing on this matter is that of the Senator from Maine, Mr. Gould.

When his credentials were presented, charges which, if they had been supported, would have gone to his fitness to take a seat in the body were brought to the attention of the Senate; but in that case the Senate, by a unanimous vote, as I recall, directed the oath to be administered and that the Senator-elect be allowed to assume the duties of his office. Therefore I move that this communication be referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. The communication will be so referred.

Mr. WHEELER. Mr. President, with reference to the communication that was received by the Senate from George M. Bourquin, I desire to say that, in my opinion, there is not a scintilla of truth in it; I myself resent it; and I am sure the people of Montana, who have honored Governor ERICKSON on three different occasions by electing him Governor of that State by an overwhelming majority, will likewise resent the statements made by this judge.

This morning I received a telegram from E. B. Collidge, who signs himself as chairman of the Progressive Republican Ayers for Congress Club, of Great Falls, Mont., touching upon this subject, and I am going to ask that it may be inserted in the RECORD as a part of my remarks, and referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegram is as follows:

GREAT FALLS, MONT., March 19, 1933.

THE SENATE COMMITTEE ON ELECTIONS,  
United States Senate, Washington, D.C.:

George M. Bourquin, professedly in the capacity of a private citizen, though he happens to occupy the position of Federal judge, has preferred charges with your committee to the effect that the Hon. JOHN E. ERICKSON, thrice elected Governor of Montana, in resigning to become United States Senator by appointment of his successor was and is guilty of corruption. The people of Montana demand a show-down on these charges. Call on Judge Bourquin to divest himself of his office, which is supposed to be free from partisanship and divorced from politics, and to assume in fact his character as a private citizen and prosecute his charges. All Montana people welcome a full, fair, free investigation prosecuted by Bourquin, provided he does so in the capacity of an ordinary citizen without benefit of protection accrued from his Federal office.

PROGRESSIVE REPUBLICAN AYERS FOR CONGRESS CLUB,  
By E. B. COLLIDGE, Chairman.

Mr. WHEELER. The State statute in Montana provides that in case of a vacancy in the office of Senator the Governor of the State shall have power to make temporary appointment to fill such vacancy; and in this instance the only thing that happened was that the Governor resigned

and the new Governor appointed JOHN E. ERICKSON to fill the vacancy in accordance with the law.

It is generally recognized in Montana that the gentleman who signed this letter at the time he retires from the bench himself intends to become a candidate for the Senate; and the thing, in my judgment, that inspired this letter was simply the fact that he was seeking the limelight and desired to help his own candidacy, if possible. I am sure, however, that the reaction in Montana will be quite contrary to what he has expected.

I think it is not necessary for me to add anything either with reference to the qualifications of the Senator-elect or with reference to his honesty and integrity, because his sterling traits of character are so well known in Montana and in neighboring States that any statement from me on the subject at this time would seem to me to be out of place and quite unnecessary.

Mr. BORAH. Mr. President, I was unable to hear the Senator from Georgia [Mr. GEORGE]. Did I understand the Senator from Georgia to say that the charges which have been made would be investigated by the committee?

Mr. GEORGE. They were referred to the Committee on Privileges and Elections.

Mr. BORAH. And I assume a report will finally be made on them?

Mr. GEORGE. Yes.

THE LATE SENATOR HOWELL, OF NEBRASKA

The VICE PRESIDENT laid before the Senate resolutions adopted by the Senate of the State of Nebraska as a tribute to the memory of Hon. Robert Beecher Howell, late a Senator from the State of Nebraska, which were ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution in memory of United States Senator Robert Beecher Howell (introduced by Senators Hawxby, Warner, and Van Kirk)

Again we are informed that the messenger of death has taken from our midst another great statesman and national character in the person of United States Senator Robert Beecher Howell, who has so ably represented Nebraska in the United States Senate for many years; and

Whereas it is conceded that United States Senator R. B. Howell has been the persistent and faithful champion of the agricultural interests of this State for many years in the United States Senate; and

Whereas the city of Omaha, the metropolis of our State, is greatly indebted to Senator Howell because of his services in behalf of the public ownership of utilities in that city; and

Whereas he has at all times given of his talent and energy and his services so unsparingly to promote the interests of the great State of Nebraska in the United States Senate; and

Whereas for many years he has been an outstanding figure in the councils of the Nation, and especially because of his persistent and continuous efforts to promote the agrarian interests of the Central West: Therefore be it

Resolved, That the State of Nebraska has lost one of its greatest statesmen and the outstanding champion of the agricultural interests and the Nation has lost one of its most cultured and useful statesmen: be it further

Resolved, That the Senate of the State of Nebraska joins with the Nation in mourning the loss of our United States Senator, who has given his life in the service of the Nation; and be it further

Resolved, That the Lieutenant Governor be authorized to appoint Senator Frank McCarter, president pro tempore of the State Senate of Nebraska, to accompany the Lieutenant Governor to represent this body at the funeral of United States Senator Howell, and that a copy of these resolutions be mailed to the United States Senate and to the family of the deceased Senator.

Introduced March 15, 1933.

Adopted March 15, 1933.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Agriculture and Forestry:

House Joint Memorial 3 (by Representatives Hallen, Wilson, Childress, and Johns)

A memorial regarding grazing fees on national forest reserves

Whereas the livestock men of the Western States are in dire financial distress caused by the necessity of selling their livestock during the past 4 years far below the cost of production; and

Whereas it is almost impossible for any of our livestock men to borrow money for current expenses, and entirely impossible for a still greater number of such livestock men to obtain any loans at all; and

Whereas the livestock interest in normal times is one of the largest assets of the western country, and it is imperative to

preserve this great industry and to stop the depletion of the herds: Now, therefore, be it

*Resolved by the House of Representatives of the Twenty-ninth General Assembly of the State of Colorado (the senate concurring therein),* That it respectfully petitions and memorializes the Congress of the United States to pass enabling legislation authorizing the Secretary of Agriculture to put into effect for the year 1933, and all the year 1934, the same order which prevailed during 1932, viz, the waiving of the first payment on grazing fees on national-forest reserves for the year 1933, and collecting the second payment only; and be it further

*Resolved,* That copies of this memorial be forwarded to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, the Honorable Henry A. Wallace, Secretary of Agriculture, and to each of the Representatives and Senators from Colorado in said Congress.

RAY H. TALBOT,  
President of the Senate.  
BYRON W. ROGERS,  
Speaker of the House of Representatives.  
JAMES H. CARR,  
Chief Clerk.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Finance:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 12, enacted by the twenty-second session of the Legislature of the State of Idaho, and filed in this office the 13th day of March, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 13th day of March A.D. 1933.

[SEAL]

FRANKLIN GIRARD,  
Secretary of State.

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial No. 12 (by State affairs committee), a joint memorial to the honorable Senate and House of Representatives of the United States of America in Congress assembled.

Received and filed March 13, 1933.

FRANKLIN GIRARD, Secretary of State.

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 12 (by State affairs committee)

*To the honorable Senate and House of Representatives of the United States of America in Congress assembled:*

Whereas the Yellowstone National Park was created and the boundaries thereof were defined by act of Congress dated March 1, 1872, as amended by act of Congress dated May 7, 1894, and as so created and established includes within its boundaries areas of the States of Wyoming, Montana, and Idaho; and

Whereas in the act creating Yellowstone National Park and providing rules and regulations therefor no special provision has been made authorizing the assessment and collection of taxes upon property in private ownership included within the boundaries of said park; and

Whereas there now exists in private ownership a large amount of property situated within the boundaries of said Yellowstone National Park aggregating millions of dollars in value, the taxation of which would greatly benefit said States of Wyoming, Montana, and Idaho; and

Whereas the various acts of Congress establishing the several national parks, including Glacier National Park, Sequoia National Park, Yosemite National Park, Mount Rainier National Park, and Rocky Mountain National Park, each expressly authorizes the taxation of property in private ownership situated within the boundaries thereof, and no good reason exists why such law should not be applied to the Yellowstone National Park; and

Whereas there is now pending in the Senate of the United States a bill known as S. 1043, to confer upon the States of Montana, Wyoming, and Idaho the right to tax, for State and county purposes, persons, copartnerships, and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States: Therefore be it

*Resolved by the House of Representatives of the State of Idaho (the senate concurring),* That we most respectfully urge upon the Congress of the United States to enact into law the pending measure, S. 1043; be it further

*Resolved,* That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to immediately forward certified copies of this memorial to the Senate and the House of Representatives of the United States of America and to the Senators and the Representatives in Congress from this State.

This house joint memorial passed the house on the 27th day of February 1933.

ROBERT COULTER,  
Speaker of the House of Representatives.

This house joint memorial passed the senate on the 1st day of March 1933.

E. G. VAN HOESEN,  
President of the Senate pro tempore.

I hereby certify that the within House Joint Memorial No. 12 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,  
Chief Clerk of the House of Representatives.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was ordered to lie on the table:

STATE OF MINNESOTA,  
DEPARTMENT OF STATE.

I, Mike Holm, secretary of state of the State of Minnesota, do hereby certify that I have compared the annexed copy with record of the original instrument in my office of House file no. 1475, being Resolution No. 11, Laws of Minnesota for 1933, and that said copy is a true and correct transcript of said instrument and of the whole thereof.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State, at the capitol, in St. Paul, this 16th day of March A.D. 1933.

[SEAL]

MIKE HOLM, Secretary of State.

Resolution 11

A concurrent resolution memorializing the Congress of the United States and the President of the United States to the end that the Federal Government may continue to discharge its obligations to the men and women who have defended this Nation in time of war

Whereas it has come to our attention that the National Economy League, the Chamber of Commerce of the United States, and some other organizations have taken a decided stand against pending veterans' legislation, including pension to Spanish-American war veterans' disability compensation to World War veterans for service-connected injuries, disability allowance to World War veterans' service-connected proof not established, insurance benefits bought and paid for out of the World War veterans' pay, administration expenses for veterans of all wars, hospitalization of the veterans of all wars; and

Whereas we feel that such stand on the part of the National Economy League, the Chamber of Commerce of the United States is improper, unfair, and contrary to the better judgment of the rank and file of the American people, and that such propaganda is taking an unfair and arbitrary advantage of the men and women who rendered service to their country in times of national peril, many, and most of whom, served for \$1 per day, out of which was paid their insurance, Liberty bond payments, and other deductible items; and

Whereas we feel the stand taken by the United States Chamber of Commerce and so-called "Economy League" is un-American and unreservedly disapprove of such a step, which in its final analysis is propaganda put out by capital, a large portion of which was created and made during the period of World War, and as a direct result of the war; and

Whereas that to encourage and approve of such an attitude as proposed and sponsored by the Chamber of Commerce of the United States of America, and the so-called "Economy League", is outright renunciation of the responsibility and duty which is justly owing to ex-service men and women and their dependents; and

Whereas should the benefits now given veterans and their dependents in the State of Minnesota be taken away, the expenses for the care of these disabled service men and women and for the maintenance of domiciliary quarter for these veterans and their dependents, would fall upon the taxpayers of the State, when it is in truth a Federal obligation: Therefore, be it

*Resolved by the House of Representatives of the State of Minnesota (the Senate of the State of Minnesota concurring),* That we earnestly memorialize the Congress of the United States and the President of the United States to the end that the Federal Government may continue to discharge its honest obligation to the men and women who offered their service to the said Government in time of national peril; be it further

*Resolved,* That this resolution be forwarded at once to Washington and spread upon the records of this house.

CHAS. MUNN,  
Speaker of the House of Representatives.  
K. K. SOLBERG,  
President of the Senate.

Passed the house of representatives the 13th day of March 1933.

FRANK T. STARKEY,  
Chief Clerk House of Representatives.

Passed the senate the 14th day of March 1933.

G. H. SPAETH, Secretary of the Senate.

Approved March 15, 1933.

FLOYD B. OLSON,  
Governor of the State of Minnesota.

Filed March 16, 1933.

MIKE HOLM,  
Secretary of the State of Minnesota.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Civil Service:

STATE OF TENNESSEE,  
DEPARTMENT OF STATE.

To all to whom these presents shall come, greeting:

I, Ernest N. Haston, secretary of state of the State of Tennessee, do hereby certify that the annexed is a true copy of Senate Joint Resolution No. 31, acts of 1933, the original of which is now on file and a matter of record in this office.

In testimony whereof I have hereunto subscribed my official signature and by order of the governor affixed the great seal of the State of Tennessee at the department in the city of Nashville, this 16th day of March A.D. 1933.

[SEAL]

ERNEST N. HASTON,  
Secretary of State.

Senate Joint Resolution 31 (Denning)

Whereas William L. Covington is a native of Williamson County, Tenn., a lifelong Democrat, a graduate of the academic and law departments of Vanderbilt University, and has been for 16 years a member of the Nashville bar and a resident of Davidson County until a few years ago when he moved to Washington, D.C., as a member of the legal staff of the United States Civil Service Commission, in which capacity he is now serving; and

Whereas he served with distinction in the military forces of the United States during the World War and has since his discharge from active service continued as an officer in the reserve branch of the Army, for the past 7 years as major of Cavalry, and is an active member of Nashville Post, No. 5, of the American Legion; and

Whereas he is now a candidate for appointment as United States Civil Service Commissioner, and it does not appear that there is any other Tennessee man of the Democratic Party that is a candidate for this office, and Tennessee has never been represented on the commission throughout the 50 years of its existence; and

Whereas his candidacy has the endorsement and support of the Nashville Post, No. 5, of the American Legion, and other posts of the Legion in Tennessee, as well as the endorsement and support of numerous individuals who are personally acquainted with him; and

Whereas he is eminently fitted to serve the State of Tennessee and the United States as a member of the United States Civil Service Commission by reason of his acquaintance with its rules and regulations through his service on the legal staff thereof, as well as by reason of his education, training, and experience, and his appointment to membership on the commission would reflect honor and credit to the State of Tennessee: Now, therefore, be it

*Resolved by the Senate of the Sixty-eighth General Assembly of the State of Tennessee (the house concurring),* That the General Assembly of the State of Tennessee favors and recommends the appointment of the said William L. Covington as a member of the United States Civil Service Commission, and respectfully solicits his excellency, Franklin D. Roosevelt, President of the United States, to make such appointment; and be it further

*Resolved,* That this resolution be spread upon the journals of each house and that copies thereof be forwarded by the secretary of state to his excellency, Franklin D. Roosevelt, President of the United States, and to the clerk of the United States Senate, and to the Honorable NATHAN BACHMAN and the Honorable KENNETH D. MCKELLAR, at Washington, D.C., to the end that the President and the Senate may have before them this expression of the attitude of the general assembly of this State with respect to this appointment.

Adopted March 14, 1933.

A. F. OFFICER,  
Speaker of the Senate.  
FRANK W. MOORE,  
Speaker of the House of Representatives.

Approved, March 16, 1933.

HILL McALISTER,  
Governor.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Washington, which was referred to the Committee on Indian Affairs:

STATE OF WASHINGTON,  
DEPARTMENT OF STATE.

To all to whom these presents shall come:

I, Ernest N. Hutchinson, secretary of state of the State of Washington and custodian of the seal of said State, do hereby certify that the annexed is a true and correct copy of House Joint Memorial No. 17, as received and filed in this office on the 8th day of March, 1933.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Washington. Done at the capitol, at Olympia, this 11th day of March A.D. 1933.

[SEAL]

ERNEST N. HUTCHINSON,  
Secretary of State.

By A. M. KITTS,  
Assistant Secretary of State.

House Joint Memorial 17

To the Honorable the Senate and the House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the House of Representatives of the State of Washington, in legislative session assembled, respectfully represents and petitions your honorable bodies as follows:

Whereas we think you should know that during the coming administration of Mr. Roosevelt it is likely many changes will be made in administration of affairs of the Indians all over the United States. Reform in administration of Indian affairs has been indicated as desirable for many years, and there appears to be a growing sentiment for change for the benefit of the Indian.

Whereas as one instance of what we deem mismanagement of the business of the Indians there is paid from the Government and tribal funds \$72,000 annually for salaries in administration of the Colville Reservation. Balancing this is the \$10 per-capita allotment given to the Indians this year, totaling less than \$35,000 for this reservation.

Therefore, on behalf of the Indians of the Colville Reservation, in Ferry County, State of Washington, we ask your aid in expediting relief action for these 3,500 wards of the Federal Government, who face a serious situation at this time in the winter through lack of funds. We urge that you investigate the plight of the Colville Tribe, with the view of authorizing speedy and sufficient relief to prevent further suffering and present starvation. The Colville Reservation has suffered from drought since 1907, and the majority of the Indians who farm have been unable to raise sufficient crops for their own needs. Streams have dried up; the Rock Island Dam in the Columbia has checked our salmon runs and virtually no fishing remains; hunting has been ruined; and sheepgrazing has spoiled our berry-picking. The Indians are virtually dependent on the Federal Government for subsistence. In 1912 and 1913 the tribe received \$1,500,000 from the sale of the north half of the reservation. Since then the tribe has received 3 allotments from the Indian Bureau, 1 for \$20 per capita, 1 for \$15 per capita, and 1 last year for \$20 per capita. This year we are to get an allotment of \$10 per capita, which is all the money the tribal members can hope to receive from the Government unless some relief action is applied. The Indian faces a dreary prospect in planning his budget for the year with \$10 capital. Conditions on the reservation are growing steadily worse. Serious suffering, especially among the older members of the tribe, is inevitable unless something is quickly done: Now, therefore, be it

*Resolved,* That your memorialists, the House of Representatives of the State of Washington, now in session, do respectfully urge upon Congress that something must be done in taking care of the Indians of the Colville Reservation; be it further

*Resolved,* That a copy of this memorial be forthwith transmitted to the Senate and House of Representatives at Washington, D.C., and to each Member of Congress from the State of Washington.

Passed the house February 27, 1933.

GEO. F. YANTIS,  
Speaker of the House.

Passed the senate March 6, 1933.

VICTOR A. MEYERS,  
President of the Senate.

Filed March 8, 1933, 12.05 a.m.

ERNEST N. HUTCHINSON,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

STATE OF WISCONSIN.

Joint resolution expressing confidence in, and support of, the measures taken by President Roosevelt and the national administration in the present banking crisis

Whereas since President Roosevelt assumed office he has acted promptly and energetically to end the banking crises and restore normal business activity, and in his message to Congress outlined an intelligent program to this end; and

Whereas it is manifest that only through united action can confidence be restored in the safety of deposits in banks, without which it is not possible to resume normal business activity: Therefore be it

*Resolved by the senate (the assembly concurring),* That the Legislature of Wisconsin hereby expresses its confidence in, and support of, President Roosevelt and the national administration in the measures which they have taken to end the present banking crisis and assures the President that this State and its people will cooperate whole-heartedly with the national administration in the present difficulties; be it further

*Resolved,* That this legislature urges all depositors in banks to remain calm and to have confidence in the measures taken by the President and the Congress of the United States, and calls their attention to the fact that these measures, while causing temporary inconvenience, are designed to protect their interests in banks hereafter; be it further

*Resolved,* That properly attested copies of this resolution be sent to President Roosevelt, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

THOMAS J. O'MALLEY,  
President of the Senate.

R. A. COBBAN,  
Chief Clerk of the Senate.

C. T. YOUNG,  
Speaker of the Assembly.

JOHN J. SLOCUM,  
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Public Buildings and Grounds:

## STATE OF WISCONSIN.

Joint resolution relating to the use of Wisconsin granite in Federal construction

Whereas Wisconsin is one of the leading granite-producing States; and

Whereas granite is the most suitable material to insure durability, dignity, and beauty of permanent public buildings; and

Whereas it is apparent from its general use in recent Federal construction that Indiana limestone has been unduly favored; and

Whereas it is neither desirable nor proper for a substantial portion of the benefits of Federal construction to be confined to one State when superior materials are readily available in many other States: Therefore be it

*Resolved by the assembly (the senate concurring),* That United States Senators and Congressmen from this State be, and are hereby, urged to secure proper consideration for granite in Federal construction in this and other States; be it further

*Resolved,* That properly attested copies of this resolution be sent to each United States Senator and Congressman from Wisconsin.

THOMAS J. O'MALLEY,  
*President of the Senate.*  
R. A. COBBAN,  
*Chief Clerk of the Senate.*  
C. T. YOUNG,  
*Speaker of the Assembly.*  
JOHN J. SLOCUM,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate a memorial of the House of Representatives of the State of Colorado, concerning social economic planning with regard to emergency-relief measures, which was referred to the Committee on Education and Labor.

(See memorial printed in full when presented today by Mr. COSTIGAN.)

He also laid before the Senate a resolution adopted by the City Council of Minneapolis, Minn., favoring the passage of legislation increasing the Federal-aid appropriation for public works by an issuance of \$7,000,000,000 in bonds, the same to be loaned to cities, counties, and States for financing public works, etc., for unemployment relief, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the City Council of Lynwood, Calif., endorsing a resolution of the board of supervisors of Los Angeles County, favoring amendment of the Reconstruction Finance Corporation Act providing for the use of money from that source for the relief of the southern California area stricken by earthquake, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Democratic Precinct Club of the sixteenth precinct, fourth representative district, Territory of Hawaii, endorsing Ralph Julian MacBryne for appointment as Collector of Customs at Honolulu, Hawaii, which was referred to the Committee on Finance.

He also laid before the Senate a letter from Frank I. Hogan, Esq., of Cleveland, Ohio, making certain suggestions relative to banking, the liquor traffic, moratoriums, etc., which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the City Council of Cambridge, Mass., commending the President of the United States for his prompt action in the economic emergency and urging the Senate to accept his proposals immediately and without modification, which were ordered to lie on the table.

Mr. CAPPER presented a petition of sundry citizens of Reno County, Kans., praying for the passage of farm legislation embodying the domestic-allotment plan, or a similar plan, making the tariff effective on that part of farm production domestically consumed, which was referred to the Committee on Agriculture and Forestry.

Mr. ROBINSON of Arkansas presented a paper in the nature of a petition of the Bible class of the Presbyterian Church of Helena, Ark., praying for the passage of legislation to prohibit the exportation of arms or munitions of

war under certain conditions, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented the petition of members of Glasva Grange, No. 393, in the State of Maryland, praying for the passage of legislation to discontinue the issuance of tax-exempt bonds, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Baltimore, Md., praying for the passage of legislation to reevaluate the gold ounce, which were referred to the Committee on Banking and Currency.

Mr. COPELAND presented resolutions adopted by the Kiwanis Club of Gloversville, N.Y., favoring the regulation of trucks, busses, and intercoastal transportation, and the balancing of the Budget, which were referred to the Committee on Interstate Commerce.

He also presented the petition of members of the Dobbs Ferry Woman's Club, Inc., of Dobbs Ferry-on-the-Hudson, N.Y., praying for Federal regulation of the motion-picture industry, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of the State of New York praying for the enactment of legislation to prohibit the exportation of arms or munitions of war, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Chambers of Commerce of Waddington and Carthage and the Board of Trade of Cape Vincent, in the State of New York, favoring the ratification of the Great Lakes-St. Lawrence seaway treaty with Canada, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the West Side Association of Commerce in the City of New York, Inc., remonstrating against the ratification of the Great Lakes-St. Lawrence seaway treaty, which was referred to the Committee on Foreign Relations.

He also presented resolution adopted by Otego-Susquehanna Valley Grange, no. 1417, of Otego, N.Y., remonstrating against any curtailment in rural-mail delivery service, which was referred to the Committee on Post Offices and Post Roads.

He also presented the petition of William E. Lockner, of Lockport, N.Y., attorney for the Tuscarora Nation of Indians, of New York State, supplementing a petition presented in the Seventy-second Congress, second session, praying for the placing of the Tuscarora Indian Reservation and residents thereon under the protection of the general laws of the State of New York, with exemption from taxation, which was referred to the Committee on Indian Affairs.

He also presented a petition and resolution adopted at a mass meeting of homeowners at Long Island City, N.Y., praying for the enactment of legislation to modify certain contractual rights, to prohibit the foreclosure of mortgages on small homes, and that mortgage-interest payments above 4 percent and amortization payments be waived and deficiency judgments be abrogated, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by First Sergt. Charles H. Adrean, Distinguished Service Cross Post, No. 368, Veterans of Foreign Wars, of Utica, N.Y., remonstrating against any reductions in pensions, compensation, or disability allowances to veterans, which was ordered to lie on the table.

He also presented resolutions of Far Rockaway (N.Y.) American Legion Auxiliary, No. 423, and of the Eighth Woman's Patriotic Conference on National Defense, Albany, N.Y., favoring the maintenance of the land, sea, and air defense forces and the carrying out of the provisions of the National Defense Act, which were ordered to lie on the table.

He also presented resolutions adopted by veterans' and other organizations of the State of New York urging the support of the President of the United States in his efforts to balance the Budget and to provide for the economic ad-

justment and recovery of the Nation, which were ordered to lie on the table.

He also presented memorials of sundry citizens of Wyoming County, N.Y., remonstrating against the holding of State conventions for the repeal of the eighteenth amendment to the Constitution, which were ordered to lie on the table.

FARM RELIEF BILL—MEMORIALS

Mr. WALSH. Mr. President, I present certain telegrams referring to the farm relief bill, which I ask may be treated as in the nature of memorials and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegrams in the nature of memorials were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

[Telegram]

BOSTON, MASS., March 17, 1933.

Hon. DAVID I. WALSH,

United States Senate, Washington, D.C.:

Refer my letter 15th. Believe farm relief bill impossible of equitable enforcement, and section 9 entirely unworkable. Based upon retail prices advertised today's Boston papers tax to be imposed indicates increased cost consumer pork products 60 percent, beef and mutton 33, flour 60, butter 100, bread 20 to 30, milk 15 to 20 percent. Sales tax proposed year ago averaged 2 percent and excluded all foodstuffs. With millions unemployed and their dependents with reduced incomes all around, with universal clamor for reduced taxation imposition of such increased cost of living unjustifiable.

BERNARD J. ROTHWELL.

[Telegram]

BOSTON, MASS., March 20, 1933.

Hon. DAVID I. WALSH,

United States Senate:

Have read administration farm relief bill. It gives most arbitrary power to Secretary of Agriculture to practically control cotton mills. I question advisability of such dictatorship. Hope you will give the bill your most careful consideration. We need farm relief, but I object to Government control of business.

FRANKLIN W. HOBBS.

[Telegram]

SALEM, MASS., March 20, 1933.

Senator DAVID I. WALSH,

United States Senate:

As president National Association of Cotton Manufacturers urge modification of farm relief bill as it relates to cotton. Advocate adoption Smith plan for relief of cotton farmer for this year. Protest inclusion domestic allotment plan and fear the results of unlimited dictatorial powers given Secretary of Agriculture.

ERNEST N. HOOD, President.

[Telegram]

EAST BOSTON, MASS., March 20, 1933.

Hon. DAVID I. WALSH,

United States Senate:

Urge you oppose agricultural relief bill because authority given Secretary of Agriculture too broad empowering him to direct operations of Massachusetts cotton mills. Also processing tax of domestic-allotment plan is discriminatory sales tax which can not fail to decrease cotton consumption, employment of labor, and ultimate return to grower.

MAVERICK MILLS.

[Telegram]

BOSTON, MASS., March 20, 1933.

Hon. DAVID I. WALSH,

Senate Office Building:

Strongly opposed to any artificial farm-relief legislation, especially allotment plan. We believe for cotton Smith-George bill by far the best proposal yet made, and if any compromise necessary strongly urge that you work for this.

PACIFIC MILLS.

SPECIAL AND ECONOMIC PLANNING IN EMERGENCY RELIEF

Mr. COSTIGAN. Mr. President, the House of Representatives of the Legislature of the State of Colorado recently adopted a thoughtful and suggestive memorial, sponsored by Representatives Vincent, Aspinall, and Brownlow, addressed to this body on the subject of social and economic planning with regard to emergency-relief measures. I ask that this memorial may be incorporated in the RECORD and appropriately referred.

The memorial was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

House Memorial 5, concerning social economic planning with regard to emergency relief measures (by Representatives Vincent, Aspinall, and Brownlow).

Whereas unemployment, caused almost entirely by displacement of several millions of man and women by labor-saving machines and devices, and by new scientific methods and processes of production, has left in its wake social disaster and business paralysis; and

Whereas a general resumption of production in all fields and a restoration of markets for farm and factory products depend largely upon rebuilding and spreading purchasing power among workers—among the employable who are now unemployed, and among the employed whose wage incomes are too low to permit them to purchase supplies of commodities adequate for their needs; and

Whereas experience emphatically answers that the understanding and initiative of industrial management and financiers cannot be relied upon to voluntarily formulate and put into operation plans to so distribute the national work and income that the purchasing power of our people will be gradually built up to the point of ability to purchase production, stabilize values, and maintain economically sound and healthful living standards; and

Whereas it is now a self-evident fact that the several branches of Government—National, State, and local—must be relied upon to furnish social-economic planning, which will reestablish and maintain desirable living standards in which all of our people can share; and

Whereas the Government is already providing money for self-liquidating projects, through the Reconstruction Finance Corporation; and

Whereas this furnishes precedent for a comprehensive national housing program; and

Whereas an equally comprehensive public-works program is being considered and urged; and

Whereas emergency relief, which should take forms consistent with long-range plans, must be speedily provided for present intolerable conditions; and

Whereas such emergency-relief measures now planned or considered furnish an opportunity for the exercise of governmental powers which can pave the way to a permanent plan and system in which public welfare will ultimately find security; and

Whereas a failure to utilize such measures in a manner to assist permanent economic and social gains will result in an indefensible waste of money and leave the Government's final responsibility untouched: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-ninth General Assembly of the State of Colorado, That it respectfully memorializes the Congress of the United States of America to enact such enabling legislation as will provide the necessary authority and machinery for applying the following principles to emergency-relief measures:

First. That the contract method be abolished and that Government construction work be done by direct Government management, which includes direct employment of labor and purchase of materials.

Second. That the Government find and establish the minimum income necessary to comfortable living standards for workers, technicians, directors, and supervisors of work, in each field of employment in which the Government is directly engaged; establish living standards in each field of work or employment in which the Government purchases materials; and in each field, business or industry, in which the Government makes Reconstruction Finance Corporation loans for self-liquidating projects or loans for other forms of financial relief. That such standards be made the basis for fixing wages, salaries, and period of employment in Government construction work to yield the amount of money or income required to meet the living standards set up.

Third. That shorter work hours and week days be established (such, for example, as the 6-hour day and 5-day week) to more widely spread work and income, basing wage and salary income, however, upon the living-standard requirements set up as indicated in the second paragraph.

Fourth. That it be made a condition of all purchases of materials for use in Government construction that the manufacture, sale, and distribution of such materials shall be upon, or not below, the standards of living, wages, salaries, hours, and days of work so established by the Government in those particular fields of employment.

Fifth. That it be made a condition of Reconstruction Finance Corporation relief loans that those concerns (banks, railroads, insurance companies, building-and-loan associations, and others) applying for and obtaining such relief shall adopt and maintain in their business operations the living, work, wage, and salary standards found and set up by the Government in each such field of business and work.

Sixth. That the executive department of Government be authorized to exercise the powers required to put into effect such proposed measures; and be it further

Resolved, That copies of this memorial be sent to the President of the Senate, the Speaker of the House of Representatives, and to the Senators and Representatives of Colorado in Congress.

BYRON G. ROGERS,

Speaker of the House of Representatives.

JAMES H. CARR,

Chief Clerk.

## FLOOD CONTROL AFFECTING DRY CIMARRON RIVER, OKLA.-N.MEX.

Mr. THOMAS of Oklahoma. Mr. President, I present a memorial from the State Legislature of Oklahoma asking that the Dry Cimarron River be considered in connection with any flood-control program adopted by the Congress. I ask that the memorial be printed in the RECORD and referred to the appropriate committee.

The memorial was referred to the Committee on Commerce and ordered to be printed in the RECORD as follows:

STATE OF OKLAHOMA,  
DEPARTMENT OF STATE.

To all to whom these presents shall come, greeting:

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of enrolled house Concurrent Resolution No. 13, by Cox and Williams, of the House, and Johnston, of the Senate, a resolution memorializing the Congress of the United States to include in the plan for an adequate flood control of the Mississippi River area the construction of flood-control reservoirs of the Dry Cimarron River within the State of Oklahoma and State of New Mexico, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of state. Done at the city of Oklahoma City this 15th day of March A.D. 1933.

[SEAL] R. A. SNEED, Secretary of State.

House Concurrent Resolution 13 (by Cox and Williams, of the House, and Johnston, of the Senate)

A resolution memorializing the Congress of the United States to include in the plan for an adequate flood control of the Mississippi River area the construction of flood-control reservoirs on the Dry Cimarron River within the State of Oklahoma and State of New Mexico

Whereas the Congress of the United States on May 15, 1928, passed a flood control act for the purpose of controlling the devastating floods in the lower Mississippi River; and

Whereas stream control, not only in the lower Mississippi Valley but throughout the watershed of the entire Mississippi River, is necessarily part of an adequate plan to solve this situation; and

Whereas control by reservoirs of tributary streams for the purpose of withholding and controlling flood and waste water as well as for irrigation and other beneficial uses is a necessary part of any adequate plan for the control of the Mississippi Valley; and

Whereas the Dry Cimarron River in the States of New Mexico and Oklahoma is a tributary of the Mississippi River and annually contributes large and disastrous amounts of water to the Mississippi River under flood conditions; and

Whereas the hydrographic survey of the Dry Cimarron River in New Mexico, made by the State of New Mexico, shows three dam sites for flood-control reservoirs, which are sufficient and adequate for the control of water arising in New Mexico; and

Whereas it is a matter of common knowledge that dam sites might be with propriety constructed on the Dry Cimarron River in Oklahoma, which would have for their purposes the control of flood waters, and it is further apparent that such flood-control reservoirs would be sufficient and adequate for the control of water arising in both the States of New Mexico and Oklahoma which finds its way to the Mississippi River: Now, therefore, be it

Resolved by the Fourteenth Legislature of the State of Oklahoma, That—

SECTION 1. The State of Oklahoma does hereby request the Congress of the United States and all bureaus and departments of the Federal Government connected with flood control to include in the plans for Mississippi Valley flood control the construction of adequate flood-control reservoirs on the Dry Cimarron River in the States of New Mexico and Oklahoma; and be it further

Resolved, That a copy of this resolution be forwarded to the representatives of Oklahoma in the National Congress.

Adopted by the house of representatives the 3d day of February 1933.

JULIUS W. COX,

Acting Speaker of the House of Representatives.

Adopted by the senate the 1st day of March 1933.

J. C. NANCE,

Acting President of the Senate.

Correctly enrolled.

JULIUS W. COX,

Acting Chairman Committee on Enrolled and Engrossed Bills.

## WORLD COURT

Mr. BARBOUR. Mr. President, I ask consent for the printing in full in the RECORD and appropriate reference of a resolution adopted by the New Jersey State Legislature memorializing the Senate to ratify the treaties relating to the adherence of the United States to the World Court.

The joint resolution of the General Assembly of New Jersey was referred to the Committee on Foreign Relations

and, under the rule, ordered to be printed in the RECORD, as follows:

## STATE OF NEW JERSEY.

## Joint Resolution 4, laws of 1933

A joint resolution memorializing the Senate of the United States to ratify the treaties now pending before it relating to the adherence of the United States to the World Court

Whereas the present economic disturbance in this country and throughout the rest of the world is directly related to the late war and to the present lack of international confidence; and

Whereas the completion of the adherence of the United States to the World Court, as one practicable substitute for war, would be a stabilizing influence in world affairs; and

Whereas the United States is in good faith bound to make effective in the resolution passed by the United States Senate 7 years ago, in 1926, by a vote of 76 to 17, providing for the entry of this country into the Court if five conditions were met; and

Whereas in the view of the Department of State, the American Bar Association, and the New Jersey Bar Association, these five conditions are entirely met by the three World Court treaties now on the United States Senate's Executive Calendar; and

Whereas to subject to further postponement a question which is of first importance and which has already been before the Senate and the country in some form for 10 years is a contradiction of sound legislative procedure: Be it

Resolved by the Senate and General Assembly of the State of New Jersey:

1. That the Legislature of the State of New Jersey respectfully urges the Senate of the United States speedily to ratify the three pending World Court treaties, thus completing the adherence of the United States to the World Court.

2. That copies of this resolution be transmitted to the Honorable HAMILTON F. KEAN and the Honorable W. WARREN BARBOUR, the representatives of this State in the United States Senate.

3. This joint resolution shall take effect immediately.

Approved March 14, 1933.

STATE OF NEW JERSEY,  
DEPARTMENT OF STATE.

I, Thomas A. Mathis, secretary of state of the State of New Jersey, do hereby certify that the foregoing is a true copy of an act passed by the legislature of this State, and approved by the Governor, the 14th day of March A.D. 1933, as taken from and compared with the original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed my official seal at Trenton, this 16th day of March 1933.

[SEAL]

THOMAS A. MATHIS,  
Secretary of State.

## PREFERRED STOCK IN BANKING

Mr. CLARK. Mr. President, I ask to have read at the desk a telegram from the commissioner of finance of Missouri, and ask that it be considered as a petition and referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read as follows:

JEFFERSON CITY, Mo., March 17, 1933.

Senator BENNETT CLARK,

Washington, D.C.:

Provision for preferred stock to be taken by Reconstruction Finance Corporation of no practical benefit to Missouri, as constitution requires consent of all stockholders to issue preferred stock. This in most cases impossible to obtain on account of death, pledges, widely scattered ownership, etc. Suggest provision in pending amendment to banking bill permitting banks in States where double liability exists to issue demand notes and debentures for sale to Reconstruction Finance Corporation to improve capital structure be further amended to include those States where constitution requires unanimous consent of all stockholders for preferred stock. Otherwise State banks in several States will be denied benefit of bank legislation intended to cover all.

O. H. MOBERLY,

Commissioner of Finance.

The VICE PRESIDENT. The telegram in the nature of a petition will be referred to the Committee on Banking and Currency.

## TAX ON ISSUANCE OF SCRIP

Mr. BLACK. Mr. President, I send to the desk and ask to have read an exceedingly brief house joint resolution passed by the Legislature of the State of Alabama, and when read I ask that the joint resolution may be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Is there objection? The Chair hears none and the clerk will read, as requested.

The joint resolution was read and referred to the Committee on Banking and Currency, as follows:



## House joint resolution

Whereas under the Ogden bank bill, approved March 9, 1933, authority is given, by and with the approval of the State banking department, to issue scrip by employers for salaries and wages due their employees; and

Whereas many employers of labor in Alabama desire to issue such scrip for the convenience of their employees during the period of the banking crisis: Now, therefore, be it

*Resolved by the House of Representatives of Alabama (the senate concurring),* That Congress be requested to suspend all laws levying a Federal tax on such scrip for the period of the present emergency created by the banking crisis; be it further

*Resolved,* That a copy of this resolution, certified by the secretary of state, be sent to the Senators and Congressmen of Alabama with the request that they take steps immediately to suspend all Federal laws taxing scrip of the kind heretofore mentioned.

Approved March 15, 1933.

THE STATE OF ALABAMA,  
DEPARTMENT OF STATE.

I, Pete B. Jarman, Jr., secretary of state of the State of Alabama, do hereby certify that the pages hereto attached contain a true, accurate, and literal copy of House Joint Resolution 82, by Allen, approved March 15, 1933, as the same appears on file and of record in this office.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State at the capitol, in the city of Montgomery, this 18th day of March 1933.

[SEAL]

PETE B. JARMAN, JR.,  
Secretary of State.

## ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, March 20, 1933, that committee presented to the President of the United States the following enrolled bills:

- S. 148. An act for the relief of Agnes M. Angle;
- S. 149. An act for the relief of Daisy Anderson;
- S. 150. An act for the relief of W. H. Hendrickson;
- S. 151. An act for the relief of the Holy Family Hospital, St. Ignatius, Mont.;
- S. 152. An act to authorize the Secretary of War to grant a right of way to the Alameda Belt Line across the Benton Field Military Reservation, Alameda, Calif.;
- S. 153. An act to convey certain land in the county of Los Angeles, State of California;
- S. 154. An act confirming the claim of Francis R. Sanchez, and for other purposes;
- S. 155. An act for the relief of A. Y. Martin; and
- S. 156. An act providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes.

## REPORTS FROM COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report nine resolutions and ask unanimous consent for their consideration at this time.

The VICE PRESIDENT. The Senator from South Carolina asks unanimous consent for the present consideration of the resolutions reported by him. Is there objection? The Chair hears none, and the clerk will state the resolutions in their order.

## HEARINGS BEFORE COMMITTEE ON EDUCATION AND LABOR

The resolution (S.Res. 19) submitted by Mr. WALSH on the 11th instant and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized, during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE THE COMMITTEE ON IRRIGATION AND RECLAMATION

The resolution (S.Res. 27) submitted by Mr. BRATTON on the 14th instant and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent

Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Irrigation and Reclamation, or any subcommittee thereof, is authorized during the Seventy-third Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE THE INTERSTATE COMMERCE COMMITTEE

The resolution (S.Res. 28) submitted by Mr. DILL on the 15th instant and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Interstate Commerce, or any subcommittee thereof, is authorized, during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the session or recesses of the Senate.

## HEARINGS BEFORE THE COMMITTEE ON PATENTS

The resolution (S.Res. 31) submitted by Mr. WAGNER on the 16th instant and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Patents, or any subcommittee thereof, is authorized, during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## TEMPORARY EMPLOYMENT OF MAIL CARRIERS

The resolution (S.Res. 32) submitted by Mr. McKELLAR on the 16th instant and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Sergeant at Arms hereby is authorized and directed to employ six mail carriers for service in the Senate post office for 7 days to be paid from the contingent fund of the Senate at the rate of \$1,620 each per annum.

## HEARINGS BEFORE THE COMMITTEE ON AGRICULTURE AND FORESTRY

The resolution (S.Res. 33) submitted by Mr. SMITH on the 16th instant, and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized during the Seventy-third Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE THE COMMITTEE ON APPROPRIATIONS

The resolution (S.Res. 17) submitted by Mr. GLASS on the 11th instant, and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved,* That the Committee on Appropriations, or any subcommittee thereof, is authorized, during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

## HEARINGS BEFORE THE COMMITTEE ON MILITARY AFFAIRS

The resolution (S.Res. 25) submitted by Mr. SHEPPARD on the 13th instant, and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the Committee on Military Affairs, or any subcommittee thereof, is authorized, during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

## EXPENSES OF IMPEACHMENT TRIAL

The resolution (S.Res. 14) submitted by Mr. ASHURST on the 10th instant, and this day reported by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That not to exceed \$5,000 is authorized to be expended from the appropriation for miscellaneous items, contingent expenses of the Senate, for the fiscal year 1932, to defray the expenses of the Senate in the impeachment trial of Harold Louderback.

## BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. WAGNER:

A bill (S. 509) to amend the Emergency Relief and Construction Act of 1932; to the Committee on Banking and Currency.

A bill (S. 510) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes; to the Committee on Education and Labor.

By Mr. COSTIGAN:

A bill (S. 511) providing for the suspension of annual assessment work on mining claims held on location in the United States and Alaska; to the Committee on Mines and Mining.

By Mr. WHEELER:

A bill (S. 512) for the relief of Peter Pierre; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 513) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Lillian Stecher Waldecker, formerly Lillian A. Stecher; to the Committee on Claims.

A bill (S. 514) authorizing the President to order Maj. E. P. Duvall before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 515) to amend section 113 of the Judicial Code, as amended, with respect to the southern judicial district in the State of West Virginia; to the Committee on the Judiciary.

A bill (S. 516) for the relief of Clay W. Leps; to the Committee on Claims.

A bill (S. 517) for the relief of Emma Susan McMurdo; to the Committee on Finance.

A bill (S. 518) granting a pension to Fred Starling;

A bill (S. 519) granting an increase of pension to Fred Cook; and

A bill (S. 520) granting an increase of pension to Frank Spradling; to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 521) for the relief of Henry Poole; and

A bill (S. 522) for the relief of Patrick J. Sullivan; to the Committee on Military Affairs.

A bill (S. 523) for the relief of Grant MacInnes; and

A bill (S. 524) for the relief of Napoleon Moran; to the Committee on Naval Affairs.

By Mr. FRAZIER:

A bill (S. 525) to restore to national farm-loan associations commissions illegally withheld by Federal land banks and to assure payment of such commissions hereafter; and

A bill (S. 526) to reimburse national farm-loan associations for losses sustained on account of illegal denial of the privilege of obtaining their funds in the form of farm-loan bonds instead of cash; to the Committee on Banking and Currency.

A bill (S. 527) for the relief of Lillian Morden; to the Committee on Claims.

A bill (S. 528) relating to the removal of certain employees in the Indian Service; and

A bill (S. 529) authorizing the creation of Indian tribal councils, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 530) for the relief of Mary L. Crowell;

A bill (S. 531) for the relief of Dan Davis;

A bill (S. 532) for the relief of Harvey R. King; and

A bill (S. 533) for the relief of Charles F. Poitra; to the Committee on Military Affairs.

A bill (S. 534) granting a pension to Nellie Gates;

A bill (S. 535) granting a pension to Patsy Dennis Johnson;

A bill (S. 536) granting a pension to Rosalia Lange;

A bill (S. 537) granting a pension to Margaret M. Miller;

A bill (S. 538) granting a pension to Mary Perry;

A bill (S. 539) granting a pension to Edwin K. Williams;

A bill (S. 540) granting an increase of pension to Sarah J. Carpenter; and

A bill (S. 541) granting an increase of pension to Orpha D. Bell King; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 542) for the relief of William J. Ewing;

A bill (S. 543) for the relief of Kate Hatton; and

A bill (S. 544) for the relief of Theodor Knudson; to the Committee on Claims.

A bill (S. 545) to authorize the Secretary of the Navy to make a long-term contract for a supply of water to the United States naval station at Guantanamo Bay, Cuba; to the Committee on Naval Affairs.

A bill (S. 546) granting a pension to Edith Corbit;

A bill (S. 547) granting a pension to Edwin C. Derrick; and

A bill (S. 548) granting a pension to Thomas A. Rinehart; to the Committee on Pensions.

A bill (S. 549) to provide for the acquisition of certain timberlands and the sale thereof to the State of Oregon for recreational and scenic purposes; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

A bill (S. 550) for the relief of Beryl Elliott;

A bill (S. 551) for the relief of A. W. Holland;

A bill (S. 552) for the relief of Manuel Merritt;

A bill (S. 553) for the relief of William Sheldon; and

A bill (S. 554) providing for per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury; to the Committee on Claims.

A bill (S. 555) to authorize the acquisition by the United States of the land upon which the Seneca Indian School, Wyandotte, Okla., is located; to the Committee on Indian Affairs.

A bill (S. 556) for the relief of Sidney M. Blackburn;

A bill (S. 557) for the relief of John Ernst; and

A bill (S. 558) for the relief of Beryl M. McHam; to the Committee on Military Affairs.

A bill (S. 559) for the relief of Joseph Thompson; to the Committee on Naval Affairs.

A bill (S. 560) granting a pension to Minnie Cantlon; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 561) for the creation of a Housing Board and authorizing the incorporation of limited-dividend housing corporations in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 562) relating to the prescribing of medicinal liquors; to the Committee on the Judiciary.

A bill (S. 563) for the relief of Elizabeth Bolger;  
 A bill (S. 564) for the relief of G. Elias & Bro., Inc.;  
 A bill (S. 565) for the relief of G. Elias & Bro., Inc.;  
 A bill (S. 566) for the relief of James Elliott & Co., Inc.;  
 A bill (S. 567) for the relief of J. A. Finn & Co., Inc.; and  
 A bill (S. 568) for the relief of Winifred Meagher; to the Committee on Claims.

A bill (S. 569) granting a pension to Anna McNamara;  
 A bill (S. 570) granting a pension to Joseph F. Sourek;  
 A bill (S. 571) granting a pension to Carl M. Toepper; and  
 A bill (S. 572) granting a pension to Samuel Herkowitz; to the Committee on Pensions.

A bill (S. 573) to repeal the act entitled "An act to authorize the acquisition for military purposes of land in Orange County, N.Y., for use as an addition to the West Point Military Reservation," approved March 3, 1931; to the Committee on Military Affairs.

By Mr. METCALF:

A bill (S. 574) for the relief of Lillian G. Frost; to the Committee on Claims.

A bill (S. 575) for the relief of Maurice M. Keleher; to the Committee on Naval Affairs.

A bill (S. 576) granting an increase of pension to Lena Hook;

A bill (S. 577) granting an increase of pension to Martha W. Howland;

A bill (S. 578) granting an increase of pension to Lillian M. Hoxie;

A bill (S. 579) granting an increase of pension to Louise M. Ide; and

A bill (S. 580) granting an increase of pension to Annie Monkhouse; to the Committee on Pensions.

By Mr. KING:

A bill (S. 581) to provide for the protection of watersheds in and adjacent to national forests; to the Committee on Agriculture and Forestry.

A bill (S. 582) to secure greater economy and efficiency in the disbursement of public money, and for other purposes; to the Committee on Appropriations.

A bill (S. 583) relating to the classified civil service; to the Committee on Civil Service.

A bill (S. 584) to extend the powers of the Commissioners of the District of Columbia;

A bill (S. 585) relating to the release of real-estate mortgages and deeds of trust in the District of Columbia;

A bill (S. 586) to regulate foreclosure of mortgages and deeds of trust in the District of Columbia; and

A bill (S. 587) to amend section 1180 of the Code of Law for the District of Columbia with respect to usury; to the Committee on the District of Columbia.

A bill (S. 588) to amend the Judicial Code by adding a new section to be numbered 274D; to the Committee on the Judiciary.

A bill (S. 589) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

A bill (S. 590) to amend the act approved March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes"; to the Committee on Pensions.

A bill (S. 591) granting certain lands to Salt Lake City, Utah; and

A bill (S. 592) granting certain lands to the State of Utah for use and benefit of the Utah State Agricultural College; to the Committee on Public Lands and Surveys.

By Mr. REED:

A bill (S. 593) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States," approved June 21, 1930, so as to give class B officers of the Army benefits of such act; to the Committee on Military Affairs.

By Mr. WAGNER:

A joint resolution (S.J.Res. 26) to promote the establishment of unemployment insurance systems and wage reserves, and for other purposes; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

A joint resolution (S.J.Res. 27) to provide protection and relief to farmers by aiding them to conserve and liquefy their mineral rights through recognized and established co-operative agencies engaged in the pooling of mineral rights underlying farm lands; to the Committee on Banking and Currency.

By Mr. WALSH:

A joint resolution (S.J.Res. 28) directing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

#### HEARINGS BEFORE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. KING submitted the following resolution (S.Res. 34), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on the District of Columbia, or any subcommittee thereof, is hereby authorized during the Seventy-third Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

#### HEARINGS BEFORE COMMITTEE ON POST OFFICES AND POST ROADS

Mr. MCKELLAR submitted the following resolution (S.Res. 35), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Post Offices and Post Roads, or any subcommittee thereof, is hereby authorized during the Seventy-third Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### EXECUTIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### SHIPPING BOARD

Mr. STEPHENS. From the Committee on Commerce I report three nominations of members of the Shipping Board, and ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read the nominations.

The Chief Clerk read the name of Hutch I. Cone, of Florida, to be a member of the United States Shipping Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the name of Gatewood S. Lincoln, of California, to be a member of the United States Shipping Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the name of David W. Todd, of New York, to be a member of the United States Shipping Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. FLETCHER. Mr. President, I ask unanimous consent that the President may be notified of the confirmation of these nominations.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

#### EUGENE O. SYKES

Mr. ROBINSON of Arkansas. Mr. President, last Thursday the Senate confirmed the nomination of Judge Eugene

O. Sykes to be a member of the Radio Commission. I ask unanimous consent that the President may be notified of that action.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

The Senate resumed legislative business.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had appointed Mr. RAGON a manager on the part of the House at the conference of the two Houses on the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, vice Mr. DOUGHTON, resigned.

#### RECESS

Mr. ROBINSON of Arkansas. Mr. President, there is no unfinished business before the Senate. It is expected that an amendment to the Emergency Banking Act will be sent to the Senate this afternoon and that an opportunity may be afforded for its consideration or reference and that a conference report may be submitted during the day. For these reasons I move that the Senate take a recess until 3 o'clock p. m.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 12 o'clock and 26 minutes p.m.) the Senate took a recess until 3 o'clock p.m.

#### AFTER RECESS

At the expiration of the recess the Senate reassembled, and the Vice President resumed the chair.

#### MESSAGES FROM THE PRESIDENT

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

#### AMENDMENT OF VOLSTEAD ACT—CONFERENCE REPORT

Mr. HARRISON. Mr. President, I submit to the Senate the conference report on the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, and ask for its immediate consideration.

Mr. McNARY. Mr. President, does not the Senator think we should have a quorum call?

Mr. HARRISON. I think it would be well to do so.

Mr. LEWIS. Mr. President, I suggest the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Costigan	La Follette	Reynolds
Ashurst	Couzens	Lewis	Robinson, Ark.
Austin	Dickinson	Logan	Robinson, Ind.
Barbour	Dieterich	Loneragan	Russell
Barkley	Dill	Long	Sheppard
Black	Duffy	McAdoo	Shipstead
Bone	Erickson	McCarran	Smith
Borah	Fess	McGill	Stelwer
Bratton	Fletcher	McKellar	Stephens
Brown	Frazier	McNary	Thomas, Okla.
Bulkley	George	Metcalf	Thomas, Utah
Bulow	Glass	Murphy	Townsend
Byrd	Gore	Neely	Trammell
Byrnes	Hale	Norbeck	Tydings
Capper	Harrison	Norris	Vandenberg
Caraway	Hatfield	Nye	Van Nuys
Carey	Hayden	Overton	Wagner
Clark	Hebert	Patterson	Walcott
Connally	Johnson	Pittman	Walsh
Coolidge	Keyes	Pope	Wheeler
Copeland	King	Reed	White

Mr. REED. I desire to announce that my colleague the junior Senator from Pennsylvania [Mr. DAVIS] is necessarily detained from the Senate by illness.

Mr. HEBERT. I desire to announce the necessary absence of the following Senators: Mr. DALE, Mr. GOLDSBOROUGH, Mr. HASTINGS, Mr. CUTTING, Mr. SHIPSTEAD, Mr. KEAN, and Mr. SCHALL.

Mr. LEWIS. I announce the absence of the junior Senator from Tennessee [Mr. BACHMAN], who for the moment is indisposed at his home; and the absence of the Senator

from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], and the Senator from Wyoming [Mr. KENDRICK], they being detained on official matters at the present moment but hope to be in the Chamber a little later in the day.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present.

Mr. HARRISON. Mr. President, I move the adoption of the conference report.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, 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 Senate recede from its amendments numbered 2, 5, 8, 10, 13, 17, 26, 27, 31, 33, 37, 40, 41, 42, and 43.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 7, 9, 11, 12, 14, 15, 16, 18, 19, 20, 21, 24, 25, 28, 29, 30, 32, 34, 35, 36, 38, and 39, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Strike out the figures "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Strike out the figures "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: Strike out the figure "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

PAT HARRISON,  
WILLIAM H. KING,  
DAVID I. WALSH,  
DAVID A. REED,  
JAMES COUZENS,

*Managers on the part of the Senate.*

HEARTSILL RAGON,  
THOMAS H. CULLEN,  
JOHN W. MCCORMACK,  
ALLEN T. TREADWAY,  
HENRY W. WATSON,

*Managers on the part of the House.*

Mr. HARRISON. Mr. President, there were three questions in disagreement between the House and the Senate. One was the alcoholic content, the Senate standing on 3.05 and the House on 3.2. The second was the so-called "Borah amendment", prohibiting the giving away or sale of enumerated beverages to anyone under 16 years of age. The third was the inclusion of the Senate amendment relating to wine and fruit juices. The Senate receded on the so-called "Borah amendment" and receded on the 3.05 amendment and agreed to the House provision for 3.2, while the House receded and accepted the Senate amendment with reference to wine and fruit juices. The matter is before us in that form.

Mr. BORAH. Mr. President I suppose it is the desire of the Senator to take up the report immediately?

Mr. HARRISON. Yes. I have moved the adoption of the report.

Mr. BORAH. Of course, under the rule, it would have to go over on request, but I do not know that anything is to be gained by having it go over.

I understand that the amendment prohibiting the sale of the enumerated beverages to anyone under 16 years of age was eliminated because it was in the nature of or supposed

to be an admission that they are intoxicating. I do not know how much information anyone is entitled to have from the conferees, but that is my understanding. The newspapers have reported that the House leaders were particularly insistent that the antimino amendment should go out of the bill. The whole theory of their support of 3.2 or 3.05 percent beer, so they claim, is that it is a nonintoxicating beverage, and they said the inclusion of an amendment barring sale to minors would be a prima-facie admission that something was wrong with the beverage.

Mr. President, it does not seem to me that can be urged as to this bill with any degree of consistency. There is a frank, unquestioned admission in the bill that the beverage is intoxicating if we are to consider it in the light of all the terms of the bill; that is to say, if we take the terms of the bill as a whole, there is unquestionably an admission in the bill that this beer is intoxicating. We have put in the bill the Webb-Kenyon Act. It can have no place in the bill except upon the theory that we are dealing with an intoxicating beverage to which dry States object. We have prohibited the beverage from being exported into dry States or into States where it is prohibited.

Now, upon what possible theory can we exclude beverages from interstate commerce except upon the theory that they are intoxicating? We could not exclude from interstate commerce nonintoxicating beverage or a nondeleterious and nonharmful commodity. We could not exclude meat if it were not diseased meat. We could not, in my judgment, exclude bread from interstate commerce. We can only exclude from interstate commerce that which is harmful to society, which is hurtful in some way, which is dangerous to society. The sole foundation upon which this provision of the bill rests is the theory that it is in some way harmful to the people of the States into which it might be exported. If it is nonintoxicating, then what is the difference between a dry State and a wet State? If it is not harmful, if it is a nonintoxicating wholesome drink, then by what authority under the Constitution do we deny the right of anyone to ship it in interstate commerce? The Webb-Kenyon law was enacted to deal with intoxicating beverages. It would have been clearly unconstitutional had it attempted to deal with nonintoxicating beverages. It is said in this bill:

SEC. 7. Whoever orders, purchases, or causes beer, ale, porter, wine, similar fermented malt or vinous liquor, or fruit juice, containing 3.2 percent or less of alcohol by weight, to be transported in interstate commerce, except for scientific, sacramental, medicinal, or mechanical purposes, into any State, Territory, or the District of Columbia, the laws of which State, Territory, or District prohibit the manufacture or sale therein of such fermented malt or vinous liquor or fruit juice for beverage purposes, shall be fined not more than \$1,000—

And so forth. That is the principle of the Webb-Kenyon Act. Taken together with the preceding section, it is the Webb-Kenyon Act. The Webb-Kenyon Act was sustained solely upon the ground that the Government had a right to exclude from channels of interstate trade a commodity such as intoxicating liquor because it was deemed harmful to society.

Mr. BARKLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Kentucky?

Mr. BORAH. I yield.

Mr. BARKLEY. I should like to inquire of the Senator from Idaho whether he thinks the reenactment of the Webb-Kenyon law in this bill is based upon the theory that the beverage is intoxicating, or is it based upon the fact that it may violate some State law that fixes a smaller alcoholic content in the beverage permitted, even though it might not be intoxicating? For instance, if, instead of fixing 3.2 percent, we had fixed 2 percent as the alcoholic content of this beverage, we still probably might have been under the obligation of protecting any State that insisted on one half of 1 percent from the importation of the liquor from the outside in violation of its own law, and yet beverages of both percentages might be nonintoxicating. Has the Senator thought about that phase of it?

Mr. BORAH. Yes; I have thought about that phase of it. Mr. President, a State cannot prohibit so as to exclude the exercise of the power of Congress over the interstate channels of commerce; it cannot prohibit an article which is not in some way regarded as detrimental or injurious to the community. In other words, the ipse dixit of a State or the judgment of a State alone would not control Congress and could not control Congress as to what should come over the line in interstate commerce. For instance, if the State should see fit to prohibit the shipment of certain kinds of meats into the States, such a law would not be sustained unless it were shown that the meat was diseased or something of that kind, and then Congress might approve. Congress alone must determine what shall be shipped in interstate commerce. It may do this, as in the Webb-Kenyon law where the commodity or article is deemed hurtful, but in my judgment neither Congress nor the Congress and the State combined can exclude from interstate commerce a useful, harmless, nondeleterious commodity or beverage.

Mr. BARKLEY. Mr. President, I understand that, but in dealing with this subject many of the States, operating under their own constitutional amendments, or in harmony with the Volstead Act which we passed subsequent to the eighteenth amendment fixed one half of 1 percent as the legal alcoholic content. The Webb-Kenyon Act prohibited the shipment of any liquor into any State in violation of the law of that State, or—

Mr. BORAH. Any intoxicating liquor.

Mr. BARKLEY. It made it subject to the law of the State after it arrived in the State. Cannot Congress take notice of the laws of any State on the subject so as to prevent the shipment of a beverage into a State in violation of the State law, even though, as a matter of fact, it is not intoxicating?

Mr. BORAH. No, Mr. President. That would give the States control over interstate commerce.

Mr. BARKLEY. Not necessarily; it would not give them control unless Congress saw fit to enact a law making an article in interstate commerce subject to the law of the State.

Mr. BORAH. I beg the Senator's pardon. The Supreme Court has held of late years that the failure of Congress to act upon the question does not give a State any control whatsoever in excluding an article from interstate commerce. If Congress fails to act, then that is construed as the desire of Congress that the subject shall be free of legislation.

Mr. BARKLEY. I understand that; I am not contending that it does; but where Congress does act in recognition of some State law to prevent the shipment into that State of something regarded in the State as harmful, whether it be an intoxicating liquor or something else—and that is as far as we have gone so far—that is quite a different proposition from where Congress simply remains silent and allows the legislature to act as it may see fit.

Mr. BORAH. If the Congress remains silent, the fact that Congress does remain silent is an indication conclusive that the Congress desires the subject to be free from legislation. That was decided by the Supreme Court a number of years ago. The only reason for excluding liquor from interstate commerce at that time was based upon the fact that it was intoxicating, and therefore, as the court said, harmful to society, and the State would be given permission to protect itself and the health of its citizens against such liquor by consent of Congress. It will be remembered that when the Webb-Kenyon Act was passed, the Attorney General rendered an opinion that it was unconstitutional, basing his view upon the proposition that the commodity was entitled to enter the channels of interstate trade; that it was a commodity; that there was a right to sell it and to ship it. Mr. Taft, who was afterwards Chief Justice, vetoed the bill on that ground. The Supreme Court finally sustained the law by a divided court. I read from the syllabus:

The power, in the case of intoxicants, because of their character, extends to the total prohibition of their transport in interstate commerce.

Now, we are considering a beverage which, it is contended, is nonintoxicating; that it is not harmful to society; that it is not hurtful to the health of the community; and it is sought to exclude it from interstate commerce. I venture to say that it cannot be excluded from interstate commerce under the decision of the Supreme Court unless it is found to be hurtful, or, in other words, is found to be intoxicating.

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

Mr. BORAH. I yield.

Mr. BARKLEY. Let us assume that under the law of Massachusetts alcoholic content may be 1 percent, that under the law of Missouri it may be 1½ percent, and that under the law of Nebraska it may be 2 percent, so as to make the question of intoxicating character a matter of legal decision by the legislature of each State, with no uniformity at all. Does the Senator contend that Congress could not pass an act making it unlawful to ship liquor to any and all those States in violation of the State law as to the alcoholic content of the liquor or that Congress could not make the liquor subject to the law of the State after it arrived within the confines of the State?

Mr. BORAH. The test is not what the State has legislated, but it is the character of the commodity which it is sought to exclude.

Mr. BARKLEY. The Court at that time in passing upon the Webb-Kenyon Act did prescribe as the test whether the article was intoxicating in fact, but, as I understand, there has been no such test applied in any decision by the Supreme Court to the question involved in this proposed law.

Mr. PITTMAN. Mr. President, I think the principle stated by the Senator from Idaho is correct under the decision of the Supreme Court; but, on the other hand, while Congress under the Constitution is vested with the power to control interstate commerce, it has power to waive that control, has it not?

Mr. BORAH. It has power to waive that control according to the particular character of the commodity over which the waiver is asked, but it cannot take it out of interstate commerce unless the article or commodity is in some way deemed hurtful. That was decided in the *Child Labor case*, where the Court decided that Congress could not take an article out of interstate commerce except on the ground that it was in some way deleterious.

Mr. PITTMAN. Now, let us see whether Congress has not attempted to waive its rights under the interstate-commerce clause. Take, for instance, prison-made goods; there is no distinction between prison-made goods and any other goods, so far as the eye can determine or the effect on the wearer is concerned; and yet Congress has waived its jurisdiction over prison-made goods to the extent of allowing such goods when entering a State to be subjected to the laws of the State. In that case there is a distinction; the goods are not deleterious in themselves. In the child-labor case the Supreme Court held that Congress could not prevent the introduction of goods into a State because they were made by child labor if the goods in themselves were not deleterious; but Congress in that instance attempted to prevent them from going in. Now, in the case of prison-made goods it was just the opposite. As in the case of goods made by child labor, they were not in themselves deleterious, and, therefore, Congress could not stop them from going into a State, but in the case of prison-made goods the Congress waived its control to the extent that they said, "We will not enforce the power against you by compelling you to receive these goods, but we will only compel you to receive them subject to the laws of your own State." It seems to me that is what we are doing in this case.

Mr. BORAH. Mr. President, as I understand the decisions of the Supreme Court, the Congress, by reason of the interstate-commerce clause of the Constitution, cannot legislate to take out of interstate commerce any commodity unless that commodity is adjudged or deemed to be in some way injurious to the public health or contrary to what is deemed the welfare of the State.

Mr. LOGAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Kentucky?

Mr. BORAH. I yield.

Mr. LOGAN. I ask the Senator, according to his expressed view, if the beverage allowed by this bill is not intoxicating, is not the provision prohibiting shipments into States that prohibit the use or sale of such beverage violative of the commerce clause of the Constitution?

Mr. BORAH. I think so.

Mr. LOGAN. On the other hand, if that provision is valid and Congress may prohibit the shipment into dry States upon the ground that that is an intoxicating beverage, then the bill violates the eighteenth amendment, does it not? So we do admit that it is an intoxicating beverage when we prohibit the shipment into certain States. Is that the Senator's view?

Mr. BORAH. That is my position, well stated.

Mr. LOGAN. That view seems to be backed up by the Supreme Court of the United States in every case, so far as I know, that has been decided.

Mr. BORAH. Mr. President, I now wish to call attention—

Mr. BLACK. Mr. President, will the Senator from Idaho yield on the point he has been discussing? I merely wish to get his view on another phase of it.

Mr. BORAH. I yield.

Mr. BLACK. The Supreme Court has held, has it not, that under the eighteenth amendment Congress can not only prohibit the sale of that which is intoxicating but that which may not be intoxicating in order to aid to protect the law of a State prohibiting the sale of intoxicants? In other words, the Supreme Court has held, as I understand, that Congress may prohibit the sale of that which is not intoxicating in order to help enforce the law of the State against the sale of that which is intoxicating. If that be true, I would be interested to hear the Senator discuss why, if the eighteenth amendment would authorize preventing the sale of that which is not intoxicating, Congress would be precluded from attempting to aid a State to enforce that provision of its law which is admittedly valid under the eighteenth amendment.

Mr. BORAH. Mr. President, I will discuss that question as I proceed. Let us refer for a moment to what is known as the child-labor decision. In that case the Court says:

But it is insisted that adjudged cases in this Court establish the doctrine that the power to regulate given to Congress incidentally includes the authority to prohibit the movement of ordinary commodities, and therefore that the subject is not open for discussion.

It was contended in that case that the goods being shipped in interstate commerce could be prohibited although they were not tainted and although they were in no sense injurious to the public, for the reason that it was within the power of Congress to prohibit the shipment of any commodity that it saw fit, in interstate commerce.

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

Mr. BORAH. Let me finish the quotation:

The cases demonstrate the contrary—

That is, Congress cannot prohibit just any commodity that it sees fit to prohibit—

The cases demonstrate the contrary. They rest upon the character of the particular subjects dealt with and the fact that the scope of governmental authority, State or national, possessed over them is such that the authority to prohibit is as to them but the exertion of the power to regulate.

I now yield.

Mr. BARKLEY. Mr. President, it seems to me that there is quite a difference between the decision of the court in the *Child Labor* case and the situation we now have before us. There Congress was seeking to set up a national standard in the case of the manufacture of goods by children. It would have been quite different if Congress had passed a law preventing the shipment of such goods into a State where the

State law prohibited the manufacture of goods as a result of child labor.

Mr. BORAH. No; under the decision of the Supreme Court that would make no difference whatever, because such a decision would give over to the State the control of interstate commerce. The State might pass a law prohibiting this or that; but simply because the State had passed that kind of a law, could it be said that the Congress must yield upon the proposition and that it would leave to the States to say what shall be shipped in interstate commerce and what shall not? The Court has settled that question in several cases.

In Clark Distilling Co. against Western Maryland Railroad Co., Two Hundred and Forty-second United States Reports, page 311, the power of Congress over the transportation of intoxicating liquor was sustained. In the course of the opinion it was said:

The power conferred is to regulate, and the very terms of the grant would seem to repel the contention that only prohibition of movement in interstate commerce was embraced.

And, concluding the discussion which sustained the authority of the Government to prohibit the transportation of liquor in interstate commerce, the Court said:

The exceptional nature of the subject here regulated is the basis upon which the exceptional power exerted must rest—

That is, prohibiting it—

and affords no ground for any fear that such power may be constitutionally extended to things which it may not consistently with the guarantee of the Constitution embrace.

In other words, the Supreme Court said that by reason of the fact that the beverage was intoxicating, and by reason of the fact that the courts had held in numerous cases that intoxicating liquor was hurtful and that a State might, by reason of that fact, act upon it, Congress consented to waive its power to control interstate commerce in that particular commodity to prohibit its going into the State.

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

Mr. BORAH. I yield.

Mr. BARKLEY. In what instance prior to the passage of the Webb-Kenyon Act has Congress ever attempted to regulate commerce, or the transportation of any commodity into a State, based upon the laws of that State?

Mr. BORAH. I think the case of Leisy against Hardin settled that matter.

Mr. BARKLEY. I know; but that was not the result of an act of Congress undertaking to limit interstate commerce so that it would be governed by the laws of the State. I realize that the courts have frequently held that no State, by its regulations or by its laws, can prevent the importation of anything from another State, but I do not recall that prior to the Webb-Kenyon Act Congress ever passed a law making any article of interstate commerce subject to the State law after it arrived in the State.

Mr. BORAH. I do not know that it did, but it dealt with that proposition in the Webb-Kenyon decision.

Mr. BARKLEY. So that that question was not passed upon by the Supreme Court.

Mr. BORAH. That identical question was passed on by the Supreme Court. It said, in passing upon the Webb-Kenyon Act, that the sole authority which it had for keeping the beverage out of interstate commerce, and permitting the State to deal with it, was because it was an intoxicating beverage, which settled the same question we are discussing here.

Take the lottery case. In the lottery case the act was sustained by the court, but the court held that the lottery was a gambling device, hurtful to society, and therefore that the shipment in interstate commerce of the instruments representing the gambling device could be prevented. There is no case that I have been able to find in which the Court has intimated that there was any power to exclude a commodity from interstate commerce, either by act of Congress or by the combined act of Congress and of the State, unless

the commodity was deemed to be in some way injurious to the public.

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

Mr. BORAH. I yield.

Mr. WAGNER. Of course, I disagree with the Senator that Congress does not find as a matter of fact that the limit prescribed in the pending statute provides for a nonintoxicant. Otherwise, we would not in the same act permit its sale. That would be a violation of the eighteenth amendment. Nevertheless, we leave to the State—do we not?—the determination of the question as to whether it will permit the sale of a beverage having an alcoholic content of 3.2 percent. And the State may reduce that down to one half of 1 percent, or 1 percent, or whatever, in the judgment of the legislative authority, it deems wise. The State having enacted that particular law as it deems necessary to enforce the eighteenth amendment, have we not the right under those circumstances to divest the particular commodity of its interstate character when it is attempted to be imported into a State that has that limitation?

Mr. BORAH. I do not think so. The Congress must always determine its power, and that is determined by the character of the commodity.

Mr. WAGNER. Personally, I do not think there is any question about it.

Mr. BARKLEY. Mr. President—

Mr. BORAH. Mr. President, let us assume that this case should go to the Supreme Court. The first question which the Supreme Court would be called upon to determine would be whether this beer is intoxicating.

If it decides that it is intoxicating, of course this statute falls. Suppose the court decides that it is not intoxicating; that it is noninjurious as an intoxicating beverage. Then the court has before it the second proposition, that we have undertaken to prohibit the shipment in interstate commerce of a harmless beverage, just the same as soda water, near-beer, cider, Coca-Cola, or anything else. We have undertaken, they will say, to prohibit the entry into interstate trade of a harmless commodity, a nonintoxicating beverage, and we have undertaken to prohibit interstate commerce from entertaining in its channels that kind of beverage. We have the naked question then as to whether Congress has the power to take out of interstate commerce a commodity or a beverage which the Supreme Court holds is nonintoxicating and nonhurtful to society.

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

Mr. BORAH. I yield.

Mr. BARKLEY. I think we cannot overlook the fact that the eighteenth amendment confers as much power on the State legislature within its jurisdiction as it does on the Congress of the United States. It confers upon every State legislature in this country concurrent power to enact such legislation as may be necessary to enforce the eighteenth amendment within its confines. Now, if in the exercise of that concurrent power, which within the confines of the State is as great as the power of Congress, a legislature sees fit to make unlawful the sale of a beverage not actually intoxicating, but the prohibition of which is made necessary in order to enforce the eighteenth amendment, does the Senator contend that we cannot protect that State in the enforcement of that law?

Mr. BORAH. I contend that the eighteenth amendment did not modify in the slightest degree the provision of the Constitution with reference to interstate commerce. It did not give the States any more power to deal with a commodity in interstate commerce than before the eighteenth amendment was passed. It gave them power to deal with liquor under the eighteenth amendment, to enforce the eighteenth amendment; but it modified and changed in no respect the terms and implications of the interstate commerce clause.

Mr. BLACK. Mr. President, will the Senator yield there?

Mr. BORAH. In just a moment.

Mr. BLACK. I desire to ask a question on that point.

Mr. BORAH. Very well; I yield.

Mr. BLACK. As I understand, the present Volstead law prohibits the shipment in interstate commerce of any beverage containing more than one half of 1 percent of alcohol. Of course, I do not think anyone has claimed that a beverage containing one half of 1 percent of alcohol is intoxicating. Under the Senator's argument, would not that part of the Volstead law be stricken down, because it now prohibits the shipment in interstate commerce of anything containing more than one half of 1 percent of alcohol?

Mr. BORAH. No; but Congress had declared that that content was intoxicating, and the Supreme Court had held that it was within the discretion of the Congress, within reason, to declare what was intoxicating.

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

Mr. BORAH. I will.

Mr. WAGNER. In one of the cases before the United States Supreme Court, involving the definition of one half of 1 percent, it was conceded on the record that a beverage containing one half of 1 percent of alcohol was nonintoxicating. Nevertheless, the Supreme Court said that the Congress had the power to define the beverage, and as long as it was not an unreasonable exercise of that power it was sustained.

Mr. BORAH. That is repeating what I said, that the Court had held that it was within the discretion of Congress to establish a certain percentage, and that while it was within reason the Court would not disturb the law; but they accepted it in Congress as intoxicating.

Mr. WAGNER. But we did prohibit that nonintoxicant from being imported.

Mr. BORAH. And the Supreme Court held that we had the power within certain limits to do that, and that the Court would accept the judgment of Congress as to what was intoxicating; but the decision of the Court turned upon the fact that it was intoxicating in the view of Congress. The Court accepted the declaration of Congress that it was intoxicating and rendered its opinion based upon that assumption.

Mr. LEWIS. Mr. President, may I offer to the Senator from Idaho the remainder of that definition?

The Supreme Court of the United States, if I recall correctly, had accepted the definition of Congress "if not arbitrary." Those were the words of the Court, as I recall. Am I not right?

Mr. BORAH. I think the Senator is correct in principle. I do not know that they used that language, but I think he is correct in principle.

Mr. WAGNER. Mr. President, in my last interruption the point I was trying to make was that on the record in this particular case before the United States Supreme Court it was conceded that a beverage containing one half of 1 percent of alcohol was nonintoxicating.

Mr. BORAH. I do not know whether it was conceded or not; but I know the Court said that whether it was nonintoxicating or not, Congress had a wide discretion in determining what was intoxicating, and that if it were not an arbitrary figure or content the Court would accept the decision of the Congress as to what was intoxicating. Therefore the case turned upon the question after the Court had settled that it was intoxicating because Congress had said so.

Again, the Supreme Court says in this case that I was reading from (*Hammer v. Dagenhart*, 247 U.S. 251):

In each of these instances—

That is, the lottery case, the distillery case, and the White Slave Act—

In each of these instances the use of interstate transportation was necessary to the accomplishment of harmful results. In other words, although the power over interstate transportation was to regulate, that could only be accomplished by prohibiting the use of the facilities of interstate commerce to effect the evil intended.

This element is wanting in the present case. The thing intended to be accomplished by this statute is the denial of the facilities of interstate commerce to those manufacturers in the States who

employ children within the prohibited ages. The act in its effect does not regulate transportation among the States, but aims to standardize the ages at which children may be employed in mining and manufacturing within the States. The goods shipped are of themselves harmless.

Therefore the Court held that the act of Congress was void. If the Court determines that this beer is harmless, as the Senator says, and is nonintoxicating, we will have the exact case which the Court passed upon, and from which I have just been reading.

Mr. President, I say that it does not seem to me that this amendment was taken out of the bill because it was a tacit admission that the beverage was intoxicating. We had that settled before we got to the children. I believe that this beverage is intoxicating; but I would have offered this amendment even if I had believed otherwise, because I am satisfied, under the overpowering weight of opinion, that while it might be nonintoxicating and be conceded to be as to adults, it is not as to children under 16 years of age; and that distinction has been made over and over again continuously by the experts. I was seeking to protect those where the overwhelming opinion is to the effect that as to them it was intoxicating; that it was appetite-breeding, and therefore harmful to them. I would have offered the amendment had I been of a different opinion, because I felt that they should be protected against it.

But, Mr. President, there is another proposition. Let me read a statement which was made yesterday by a gentleman in New York by the name of Liebmann, who represented the brewers. He said that the Brewers' Board of Trade was not concerned over the fate of legislation before Congress. They regarded the beer being provided for, having either 3.2 or 3.05 percent alcoholic content, as entirely satisfactory to them, and were confident of its enactment.

The beer that will be legal under the pending legislation will be as good or better than the preprohibition beer.

Mr. President, it is almost a universal rule, I am told—I have not looked it up myself—that in the States where this preprohibition beer was sold there was a prohibition against selling it to minors. Prior to prohibition there was a prohibition against selling to minors the same beverage covered by the conference report, for the reason that it was not thought well to invite the minors and children to the places of drinking, where the additional practices which accompany those places are followed.

At Richmond, Va., a brewer said:

It is good beer, real beer. It is a better and stronger beer than preprohibition beer was.

It would seem to me that that kind of a beverage should not be sold to boys and girls under 16 years of age. Let us not invite them into these saloons, the nursery of crime and all evil-doing. We do not need money so badly as to entice into these dens of wrongdoing the children of the country, and there divest them of their small savings.

I ask for the yeas and nays on the adoption of the conference report.

The yeas and nays were ordered.

Mr. SHEPPARD. Mr. President, I have stated my opposition to the bill at length, and I do not desire to take up the time of the Senate further. In my judgment, the liquors authorized by the bill are intoxicating, and the measure is therefore a violation of the Constitution of the United States and of the Democratic platform.

Mr. WALSH. Mr. President, the conferees representing the Senate urged that the amendment proposed by the Senator from Idaho [Mr. BORAH] be retained. We were unsuccessful in our efforts to have the amendment retained, and we were confronted with this argument by the House conferees: First, that the measure was a declaration that beverages containing less than 3.2 per cent of alcohol were nonintoxicating; secondly, that the purpose of the legislation was to release control by the Federal Government over this nonintoxicating beverage after it had been manufactured and to place sale and distribution of this nonintoxicating liquor solely and entirely within the control of the several States.



It was because they believed that the legislatures of the several States were the proper tribunals to decide who should and who should not purchase this liquor, the terms under which it should be sold, and where it should be sold, that they insisted that the amendment be eliminated from the bill.

Furthermore, they took the position that the retention of the amendment would permit the Federal Government still to maintain in the Prohibition Bureau agents and officials who would of necessity be obliged to enforce this provision of the law, which would result in duplication of effort and would result in extra expense to the Government. Because of the belief that the States, and the States alone, should control absolutely this nonintoxicating beverage, the House conferees insisted upon the elimination of the amendment, and the Senate conferees thereafter withdrew their opposition.

As to the alcoholic content, the difference between 3.05 percent and 3.2 percent is very slight indeed. The testimony before the conferees was that the alcohol contained in 48 ounces of 3.2 percent beer is 1.536 ounces; the same amount of 3.05 percent beer contains 1.464 ounces. In four so-called "pint" bottles of beer, which actually are 12-ounce bottles, there would be only 0.072 percent more alcohol in the 3.2 percent than in the 3.05 percent. This is practically three fourths of one tenth of 1 ounce.

An ounce contains 8 small teaspoonsful; therefore in the 48 ounces of 3.2 percent beer there would only be three fifths of a teaspoonful more than in the same quantity of 3.05 percent beer.

The Senate conferees accepted the House provision of 3.2 percent.

The VICE PRESIDENT. The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BLACK (when Mr. BANKHEAD's name was called). My colleague [Mr. BANKHEAD] is unavoidably absent from the Senate. He is paired on this question with the junior Senator from Tennessee [Mr. BACHMAN]. If my colleague were present, he would vote "nay." I understand that if the junior Senator from Tennessee were present he would vote "yea."

Mr. GORE (when his name was called) answered "present."

Mr. HEBERT (when his name was called). On this vote I have a pair with the senior Senator from Delaware [Mr. HASTINGS]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS]. If he were present, I understand he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. SHIPSTEAD (when his name was called). On this vote I am paired with the senior Senator from North Carolina [Mr. BAILEY]. If he were present, I understand he would vote "nay." If I were at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. LEWIS. I desire to announce the absence of the senior Senator from North Carolina [Mr. BAILEY] and the senior Senator from Wyoming [Mr. KENDRICK], both being detained on official business. If present, Mr. BAILEY would vote "nay," and Mr. KENDRICK would vote "yea."

Mr. HEBERT. I desire to announce the necessary absence of the senior Senator from Vermont [Mr. DALE], the senior Senator from New Jersey [Mr. KEAN], the junior Senator from Maryland [Mr. GOLDSBOROUGH], the junior Senator from Minnesota [Mr. SCHALL], and the junior Senator from New Mexico [Mr. CUTTING].

I am authorized to announce that the Senator from Maryland [Mr. GOLDSBOROUGH] is paired with the Senator from Wyoming [Mr. KENDRICK]. If Senator GOLDSBOROUGH were present, he would vote "nay" on the pending question, and Senator KENDRICK would vote "yea."

I also wish to announce that the Senator from Vermont [Mr. DALE] has a pair with the Senator from New Jersey

[Mr. KEAN]. If the Senator from Vermont [Mr. DALE] were present, he would vote "nay," and if the Senator from New Jersey [Mr. KEAN] were present he would vote "yea."

Mr. REED. My colleague [Mr. DAVIS] is absent because of illness. If he were present, he would vote "yea."

The result was announced—yeas 43, nays 36, as follows:

## YEAS—43

Ashurst	Copeland	Lonergan	Reynolds
Barbour	Couzens	Long	Robinson, Ark.
Barkley	Dieterich	McAdoo	Steiwer
Bone	Dill	McCarran	Thomas, Utah
Brown	Duffy	McKellar	Tydings
Bulkley	Erickson	McNary	Van Nuys
Bulow	Harrison	Metcalf	Wagner
Byrnes	Johnson	Murphy	Walcott
Carey	King	Overton	Walsh
Clark	La Follette	Pittman	Wheeler
Coolidge	Lewis	Reed	

## NAYS—36

Adams	Costigan	Hayden	Robinson, Ind.
Austin	Dickinson	Keyes	Russell
Black	Fess	McGill	Sheppard
Borah	Fletcher	Neely	Smith
Bratton	Frazier	Norbeck	Stephens
Byrd	George	Norris	Thomas, Okla.
Capper	Glass	Nye	Townsend
Caraway	Hale	Patterson	Vandenberg
Connally	Hatfield	Pope	White

## NOT VOTING—16

Bachman	Dale	Hastings	Logan
Bailey	Davis	Hebert	Schall
Bankhead	Goldsborough	Kean	Shipstead
Cutting	Gore	Kendrick	Trammell

So the conference report was agreed to.

Mr. GORE. Mr. President, on the roll call just finished I answered "present" for the same reason and on account of the same dilemma which I stated a few days ago to the Senate, a direct conflict between the State platform on which I was elected and the national Democratic platform concerning the modification of the Volstead Act. The Senate was courteous enough to excuse me on that occasion, and I avail myself of its courtesy on this occasion.

Mr. TRAMMELL. Mr. President, I was out of the Chamber for the moment when the vote was just had. I heard the bells, but was under the impression it was a quorum call. I ask unanimous consent that I may have permission to be recorded as voting "aye" on the adoption of the conference report.

Mr. ROBINSON of Arkansas. Mr. President, I believe that under the rule that may not be done.

The VICE PRESIDENT. The Chair is advised by the Parliamentarian that the rule of the Senate, as well as the custom, is to permit unanimous consent to be granted for the purpose.

Mr. TRAMMELL. Very well. I will let the RECORD show that if present I would have voted "yea" on the adoption of the conference report.

## OCEAN MAIL CONTRACTS

Mr. MCKELLAR. Mr. President, I ask consent to have printed in the CONGRESSIONAL RECORD a letter to me from Hon. Ogden L. Mills, Secretary of the Treasury, dated February 4, 1933, relative to the Federal securities listed in a tabulation of construction loans in the CONGRESSIONAL RECORD for May 27, 1932; and also several other letters and papers bearing on the dependability of Senate Document No. 210, Seventy-first Congress, and of the above-mentioned tabulation.

The letters and papers are as follows:

OCEAN MAIL CONTRACTS AND CONSTRUCTION LOANS UNDER THE MERCHANT MARINE ACT, 1928  
LETTERS AND PAPERS BEARING ON THE ACCURACY AND DEPENDABILITY OF SENATE DOCUMENT NO. 210, SEVENTY-FIRST CONGRESS, ENTITLED "THE TRUTH ABOUT THE POSTAL CONTRACTS", AND ALSO THE TABULATION PUBLISHED IN THE CONGRESSIONAL RECORD OF MAY 27, 1932, ENTITLED "STATEMENT OF LOANS BY THE UNITED STATES SHIPPING BOARD AT INTEREST RATES LOWER THAN 3 1-2 PERCENT"

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, February 4, 1933.

HON. KENNETH MCKELLAR,

United States Senate, Washington, D.C.

MY DEAR SENATOR: I have your letter of February 1, 1933, enclosing a tabulation taken from the CONGRESSIONAL RECORD of May 27, 1932, entitled "Statement of loans by the United States Shipping

Board at interest rates lower than 3½ percent." You request that the data appearing in columns 4, 5, 6, and 7 be checked, and that you be advised as to whether the information contained therein is substantially correct.

I have had the statement checked and find that the information contained therein is substantially correct. In this connection I am transmitting herewith a statement showing the rate certified by the Secretary of the Treasury in each case, the coupon rate of the obligation concerned, together with the market quotations, and the yield of such obligation based upon the market quotation.

The Merchant Marine Act of May 22, 1928, created the construction loan fund, out of which the United States Shipping Board was authorized to make loans under certain conditions at rates of interest per annum "equal to the lowest rate of yield (to the nearest one eighth of 1 percent) of any Government obligation bearing a date of issue subsequent to April 6, 1917 (except postal-savings bonds), and outstanding at the time the loan agreement is entered into or the advance is made by the Board, as certified by the Secretary of the Treasury to the Board upon its request", with a proviso that no rate shall exceed 4 percent per annum.

I am opposed to the method of determining interest rates on loan contracts as stipulated in the original Merchant Marine Act, and also in the Agricultural Marketing Act of June 15, 1929, covering loans by the Federal Farm Board out of the \$500,000,000 revolving fund. The act approved February 2, 1931, amended the Merchant Marine Act so as to provide that the rate should be fixed by the Board on all contracts entered into after that date, but the rate so fixed is not to be less than 3½ percent per annum. The Federal Farm Board, I understand, is still making loans at rates determined on the yield basis.

Very truly yours,

OGDEN L. MILLS,  
Secretary of the Treasury.

WASHINGTON, D.C., March 18, 1933.

HON. KENNETH MCKELLAR,

United States Senate, Washington, D.C.

MY DEAR SENATOR: It is gratifying that you have had rechecked the accuracy of the "Statement of loans by the United States Shipping Board at interest rates less than 3½ percent", published in the CONGRESSIONAL RECORD for May 27, 1932, a tabulation of facts in eight columns with descriptive headings. The first three columns present the amounts, interest rates, and length of the loans listed. The next four columns relate to the Federal securities used as a basis for fixing the interest rates; and in respect to these it is gratifying to know that Hon. Ogden Mills, Secretary of the Treasury, by letter to you dated February 4, 1933, has written you as follows:

" \* \* \* You request that the data appearing in columns 4, 5, 6, and 7 be checked and that you be advised as to whether the information therein contained is substantially correct. I have had the statement checked and find that the information contained therein is substantially correct. \* \* \*"

The eighth column is, of course, a mere arithmetical computation which anyone can verify; they are interest computations based on the amounts, the length, and the foreign-trade interest rates set forth in the first three columns; these factors were, of course, in the official knowledge of the Shipping Board, and your letter of February 27, 1933, to its Chairman, with his reply of March 1, 1933, which you have been kind enough to let me see, have been considered with great interest.

As you had this tabulation published in the CONGRESSIONAL RECORD, you are naturally concerned as to its dependability. Its compilation was not a voluntary contribution by a "benevolent" citizen; it was done, as you know, incident to professional work I was doing under a retainer by a committee of the Senate—a relationship demanding that the facts be impartially and accurately presented. It deals with 32 loans, all which provided for foreign-trade interest rates less than 3½ percent—some of them as low as one eighth of 1 percent per annum. Its purpose was to reveal the abnormally low rates which had resulted from the manner in which the law had been interpreted and applied, and also to present data concerning the Federal securities involved. The Secretary of the Treasury has assured you that the extended and detailed data set forth in columns 4, 5, 6, and 7 is substantially correct.

Now, as to the data in the first three columns, showing the amount, foreign-trade interest rate, and length of the loans; what errors are there in these? Of the 32 loans listed, only in respect to one, namely, the loan to the Dollar Steamship Co. for improving the steamships *President Fillmore* and *President Johnson* (see items 18 and 23), is there error. The length of the loan is given as 15 years in item 18, and it should be 5 years—a typed error in the initial manuscript of the compiler, evidently, for the length is correctly given—5 years—in item 23 for the companion vessel. And the amounts for these items should read: Item 18, \$580,000; for item 23, \$420,000. These corrections are not sufficient to affect the accuracy of the statement in the tabulation that the interest losses, on the basis of the initial authorizations of the Board, will exceed \$22,000,000 on the 32 loans listed, if they run to maturity and in foreign trade.

The question of accuracy, of course, has reference to its accuracy tested by the official reports of the Board current with the date of the tabulation. If subsequent events may have caused, or may yet cause, variations from the original authorizations, these certainly have no bearing on the question of the accuracy of the work done. I will therefore not dwell on any such changes. It

has been suggested, for instance, that while the amount named in item 26 of the tabulation is correct, on the basis of the loan contract, that contract contemplated 5 vessels, and only 2 have been built; this fact does not affect the commitment of the Board for the remaining 3, for the Board's own statement filed with the Senate committee (p. 703) shows it as a continuing obligation; but if it were not, and if the building of the additional 3 vessels were entirely abandoned, this would, of course, not bear on the accuracy of the tabulation when compiled.

Reference to items 30, 31, and 32 of the tabulation will show that the vessels not having then been completed the Board had not then fixed the foreign-trade interest rates, but that it had then recently applied one half of 1 percent, and that rate was used tentatively by the compiler to facilitate the computation. The subsequent facts of the rates adopted as the vessels are completed, and these prove to be different, does not show error. In two instances—namely, items 31 and 32—the vessels have been completed since the tabulation, and with the following result: Whereas one half of 1 percent was tentatively used, as above mentioned, the rate finally fixed was only one eighth of 1 percent per annum, with the result that the amounts put down as the interest losses on these two items must be increased by more than \$450,000.

The Chairman of the Board (Mr. O'Connor) in his letter to you comments to the effect that it is unfair to segregate a group of low interest rate loans, as in this tabulation; that all loans from the beginning should be included and averaged, and if the average does not reveal a loss to the fund in its entirety, then there is no room for criticism. In other words, the loan by the Board to the Grace interests (the items 31 and 32 mentioned above) for 20 years of the very large sum of \$12,285,000 at one eighth of 1 percent, when it in fact costs the Government 0.039 percent, must not be criticized, notwithstanding the result in dollars is that the Government will actually pay out over \$4,000,000 more than it receives as interest on these two loans; we have treated them together, for they are both to the Grace interests, through their subsidiaries.

The group of loans tabulated not only relate to foreign trade but are at interest rates lower than the minimum prescribed by the 1931 amendment of the law. If otherwise subject to criticism, it is not apparent how they can be justified, because some years ago the law imposed a minimum of 4½ percent, even in foreign trade, nor by the fact that loans in coastwise trade—an entirely different competitive condition—are even higher. The tabulation was addressed to the inquiry, "What loss might the Government sustain from the manner in which the interest provision of the 1928 act had been interpreted and applied?" At the hearing before the Senate Committee on Appropriations (pp. 713, 776) the chairman with great emphasis stated the loss would be about \$15,000,000, and Mr. Barnett, Director of the Bureau of Construction, placed the loss at over \$18,000,000 (p. 891, including footnote). The loss, if the loans run to maturity, in foreign trade will greatly exceed that amount; it was to demonstrate that fact the tabulation was prepared.

Let me again assure you that all the basic data used in preparing the tabulation was taken from official reports, etc., furnished or filed by the Board, with the single exception of the average interest cost of money borrowed by the United States, that was taken from the report of the Secretary of the Treasury.

Very respectfully,

JOHN NICOLSON.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1933

UNITED STATES SENATE,

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,

Washington, D.C., March 29, 1932.

The subcommittee met, pursuant to adjournment, at 10 a.m. in the committee room, Capitol, Senator Tasker L. Oddie presiding.

Present: Senators Oddie (chairman), Jones, Smoot, Dickinson, Moses, McKellar, Broussard, Copeland, and Morrison.

The following letters were put in evidence:

NOVEMBER 22, 1929.

HON. WALTER F. BROWN,

Member Interdepartmental Committee, Washington, D.C.

MY DEAR SIR: We take pleasure in sending herewith, personally, An Analysis of Certain Postal Contracts under the Merchant Marine Act, 1928."

Experience gained officially with postal subventions granted under the Merchant Marine Acts, 1920 and 1928, respectively, has prompted this unofficial document; it is sent with the hope that criticisms it contains may be helpful in promoting an equitable and permanent system of aid for our merchant shipping. We have confidence that the American people will not permit to remain in force, unamended, a system which makes possible such amazing "contracts" as some awarded prior to March 4, 1929, under the 1928 act.

When we find awards providing payments to one company (the Munson Line) aggregating \$12,000,000 and to another company (the Dollar Line) aggregating \$14,000,000 without requiring, in either case, the building of a single vessel, reference to them as "amazing" seems amply justified, especially when the vessel subsidized had been previously subsidized, by their sale at a price far below their normal market value, so as to offset the handicap resulting from their operation under the American flag.

Since this analysis was written it has been mentioned in the press that certain trade routes may soon be advertised for postal contracts. We have no preferential interest in various lines competing for this award, but we are interested in policies affecting

the future of American shipping, and for this reason the following comments are made, supplementary to the analysis.

Among the routes advertised will doubtless be one from the Gulf, for which the Munson Line will unquestionably bid in competition with the Mississippi Shipping Co. That the Munson Line will be the lowest bidder, if it maintains its purpose to bid, is not subject to serious doubt. That it is placed in a position to be the lowest bidder by the bounty it has already obtained, is equally free from doubt; that bounty is large enough to absorb operating differentials on several routes.

A similar situation is presented on the Pacific coast. Among the routes advertised will doubtless be a direct service between San Francisco and Manila, P.I. Bids will be received from the Matson Co. and from the Dollar Line. The latter now maintains an indirect service, via Japan and China, the time of transit being much greater, of course, than by the direct route. It is for this indirect route Dollar has the great subsidy mentioned above, a bounty large enough to absorb operating differentials on several routes.

Because of our relations with the Philippine Islands, the proposal that a direct service between the Pacific coast and Manila is justified, seems axiomatic. The Matson Co. having installed one, the Dollar Co. then installed one. The official records indicate that a bid from the Dollar Co. will have but one purpose, viz, to prevent this competitive service being firmly established by the Matson Co.

The situations thus presented both prompt the suggestion whether a bidder receiving a subsidy may not be required to consent to its revision, as an incident of an award of a second subvention. There is ample precedent for this suggestion; it was followed in the evolution of the New York subway system. The lessee of the original line acquired rights, as a pioneer, far more liberal than those conceded for subsequent routes, and as a condition for such lessee acquiring subsequent routes, it was seriously proposed it should consent to a modification of the original agreement.

Our reference to the two contracts mentioned is incidental only. This letter does not purport to indicate the scope of the matters covered by the analysis.

I am, sir, very respectfully,

JOHN NICOLSON.

(NOTE.—A letter identical with the above was sent to each member of a special committee President Hoover had appointed to advise with respect to the award of postal contracts, and it was known that the committee intended meeting within a few days after the date of the above letter to determine whether they would advise that certain proposed contracts should be awarded.—J. N.)

UNITED STATES SHIPPING BOARD,  
Washington, D.C., November 23, 1929.

From: John Nicolson, Director Bureau of Traffic.  
To: T. V. O'Connor, Chairman.  
Subject: Analysis of certain postal contracts.

The annexed Analysis of Certain Postal Contracts under the Merchant Marine Act, 1928, is sent you as information. It was prepared as an unofficial document for obvious reasons, and sent by me, individually, to the members of the Interdepartmental Committee now examining the entire subject. It is frankly critical of some of the amazing postal contracts which have been made under the 1928 act, and I hope you may find time to read it.

When we find awards by the Post Office Department providing payments to one company (the Munson Line) aggregating \$12,000,000 and to another company (the Dollar Line) aggregating \$14,000,000 without requiring, in either case, the building of a single vessel, reference to them as "amazing" seems amply justified, especially when the vessels subsidized had been previously subsidized by the Board by their sale at a price far below their normal market value, a concession which was, of course, made only to offset the handicap resulting from their operation under the American flag.

We have not at any point in the analysis referred to the work of the Board preliminary to the award of such contracts, for the work officially prescribed is incidental only, and the adoption or rejection of bids is, in the last analysis, under the control of the Post Office Department.

However, I feel the Board is very largely responsible for some of the contracts made by Postmaster General New, and I very earnestly desire an opportunity to appear before it sometime (preferably after Mr. Plummer returns to the office), not only to explain this analysis more fully, should this be desired, but to supplement it with criticisms—constructive criticisms, of course—of the part the Board has heretofore taken in the matter, having in view improved procedure in the future.

JOHN NICOLSON,  
Director Bureau of Traffic.

(NOTE.—A letter identical with the above was sent to each member of the United States Shipping Board. Pursuant to last paragraph, first hearing, November 29, 1929. Chronologically the paper entitled "Assurance of Continuance" given at the board meeting held January 23, 1930, should appear at this point, but appears later. The following letter, dated also January 23, 1930, was sent by the chairman subsequent to and notwithstanding that "assurance."—J. N.)

JANUARY 23, 1930.

Mr. JOHN NICOLSON,  
Bureau of Traffic, United States Shipping Board,  
Washington, D.C.

DEAR MR. NICOLSON: In view of the fact that the Board has set up other methods of conducting mail contracts, construction loans, and looking after legislation matters, and in view of the necessity for reducing personnel in the Bureau of Traffic, I am obliged to advise you that your resignation from duty here will be accepted effective February 1, 1930; your salary will be allowed on a leave status until March 11.

As has already been stated to you, this Board will be pleased to receive from you any time any statement you may desire to present.

Very truly yours,

T. V. O'CONNOR, Chairman.

UNITED STATES SHIPPING BOARD,  
Washington, D.C., January 25, 1930.

HON. T. V. O'CONNOR,  
Chairman United States Shipping Board, Washington, D.C.

DEAR SIR: I am in receipt of your letter of the 23d instant and will be guided accordingly.

While this letter is couched in terms applying the usual amenities, please permit me to waive these and state concisely the reasons for my severance from the Board.

In November, 1929, I sent the members of the Interdepartmental Committee, now passing on ocean postal contracts, An Analysis of Certain Postal Contracts under the Merchant Marine Act, 1928, which embodied many of my personal views on contracts made prior to March 4, 1929, under the 1928 act. It contained no reference whatever to the Shipping Board, as it was intended only to inform those charged by the new administration with the award of the contracts of the grave and costly errors which had been committed during the preceding year.

A copy of the analysis was promptly sent each commissioner of the Board, with a letter containing the statement:

"When we find awards by the Post Office Department providing payments to one company (the Munson Line) aggregating \$12,000,000, and to another company (the Dollar Line) aggregating \$14,000,000, without requiring, in either case, the building of a single vessel, reference to them as 'amazing' seems amply justified, especially when the vessels subsidized had been previously subsidized by the Board, by their sale at a price far below their normal market value, a concession which was of course made only to offset the handicap resulting from their operation under the American flag."

And closing with the statement "the Board is very largely responsible for some of the contracts made \* \* \*"

Members of the Board asked to be informed how they were responsible for the postal contracts referred to, and in response, I prepared a memorandum on "Several aspects of the Board's relation to certain postal contracts made under the 1928 act", which was read at the board meeting January 23, and the situation generally discussed. This was a communication within the Board, and the question of the measure of the Board's responsibility, whether technical, or because of advisory functions in relation to the Postmaster General, were very frankly dealt with.

The items of work mentioned in your letter, Mr. Chairman, are further evidence of your desire to be courteous. The fact is, however, 26 pages of the 1929 report of the Board to Congress are devoted to the activities of the Bureau of Traffic, of which it has been my privilege to be Director for some years. In these 26 pages there is no reference whatever to construction loans; less than 1 page applies to postal contracts; and there is no reference whatever to the work of the committee on legislation. These pages record activities of the Bureau of a wholly different kind; they especially concern the development of privately owned shipping, and the economic development of ports, especially as the latter involves cooperation with the Interstate Commerce Commission.

However, the real reasons for the severance of our relations are fully understood. I will leave with many gratifying memories of some of my experiences and contacts here, and with all good wishes for the further development of an adequate and permanent American merchant marine.

Yours very truly,

JOHN NICOLSON.

JANUARY 31, 1930.

T. V. O'CONNOR, Esq.,  
Chairman United States Shipping Board,  
Washington, D.C.

DEAR SIR: Your letter, dated the 23d instant, contains the statement, "Your salary will be allowed on a leave status until March 11", and I am informed that under this statement I may expect a further remittance of about \$825.

My understanding is that the additional amount is a normal allowance, authorized by law, incident to the services which I have rendered and that its acceptance will be entirely consistent with the fact that after February 1, 1930, so far as the Shipping Board is concerned, my relations with the Government will leave me entirely free to express my own views on all matters, including those within the jurisdiction of the United States Shipping Board. I, of course, cannot accept the supplemental payment on any other basis. On the other hand, I am not to be understood as

waiving it, if I am entitled to it under the law. It is not apparent that there is any conflict, but I am writing you to guard against any misunderstanding.

Very respectfully,

JOHN NICOLSON.

FEBRUARY 1, 1930.

Mr. JOHN NICOLSON,  
Chastleton Hotel, Washington, D.C.

DEAR SIR: Your letter of January 31, 1930, has been received. You have apparently misunderstood my letter of January 23, 1930. The Board has no desire to limit your conduct, after you are no longer an employee of the Shipping Board.

Would it not be better for you, therefore, under the circumstances, to have your resignation take effect at once, without any leave? We shall so understand it.

Yours truly,

T. V. O'CONNOR, Chairman.

WASHINGTON, D.C., February 3, 1930.

HON. T. V. O'CONNOR,  
Chairman United States Shipping Board,  
Washington, D.C.

DEAR SIR: Your letter of the 1st instant has been received. My letter of the 31st ultimo does not justify the last clause, if the meaning of it is that the supplemental payment would not be paid.

We are in the field of financial obligation. Your letter of the 23d ultimo, by its terms, was effective February 1. If as an incident of 8 years' service the law contemplates and justifies a supplemental payment, I, of course, want it remitted.

From the entry on my service with the Government to the present time, I have never initiated a request for compensation, or for an increase of compensation, and do not want to do so now. The emoluments legally incident to the work, however, should be paid.

My position is simply this: If as a matter of law the acceptance of the payment restrains my freedom to discuss with other persons interested in the Government of the United States, including Members of Congress, matters even under the jurisdiction of the Board, I would not accept it, and thus have this freedom postponed until March; it will greatly surprise me if it should appear the law imposes or justifies any such restraint.

The amount involved is relatively unimportant—though by no means negligible; but the principle involved is very important.

Very truly yours,

JOHN NICOLSON.

FEBRUARY 3, 1930.

Mr. JOHN NICOLSON,  
The Chastleton Hotel, Washington, D.C.

DEAR SIR: Your letter of February 3, 1930, is received.

My letter to you of February 1, 1930, is final.

Should you desire to further correspond on this subject, please address your communications to the general counsel, Mr. Chauncey G. Parker.

Very truly yours,

T. V. O'CONNOR, Chairman.

WASHINGTON, D.C., February 4, 1930.

T. V. O'CONNOR, Esq.,  
Chairman United States Shipping Board.

DEAR SIR: Your letter of the 3d relative to the supplemental payment has been received. If the views expressed in my letters do not commend themselves to the Board, I wish to assure you I have no thought of following the matter into the office of the general counsel; my reference to the law was not made in that spirit, Mr. Chairman.

Very respectfully,

JOHN NICOLSON.

Senator McKELLAR. Now, Mr. Chairman, I should like to have Mr. Nicolson say whether he ever received the \$825 that Mr. O'Connor had told him was due him.

Senator ODDIE. Can you answer that, Mr. Nicolson?

Mr. NICOLSON. Mr. Chairman, the payment of the \$825 seemed conditioned upon my remaining silent from February 1 to March 11, and I declined to accept it. It was never paid me.

ASSURANCE OF CONTINUANCE GIVEN AT MEETING OF BOARD HELD  
JANUARY 23, 1930

Mr. NICOLSON. Yes, sir. Mr. Chairman, all I wish to read is the last page of the hearings held—and, by the way, the hearing was January 23, not January 22, as I stated yesterday—and it was my intention, in closing this first paragraph, to tender my resignation; but repeatedly I had asked for the presence of Mr. Plummer. On the occasion mentioned they had assured me that further opportunity would be given to get Mr. Plummer or his statement \* \* \*

(The "last page" referred to above is not printed in the committee hearing. It, and the immediate letters arranging the hearing, supplementing the original request in the above letter of November 23, 1929, from Mr. Nicolson to the Board, follow. Commissioner Plummer was not present at the hearing on January 23, notwithstanding the request in said letter of November 23 that he should be—a request several times subsequently repeated—hence the continuance.)

Mr. NICOLSON. Gentleman, I thank you for letting me come before you, in accordance with the suggestion in my letter. I deem the matter of the postal contracts that have been made a very serious matter. I regret exceedingly if the course which has been followed meets with your disapproval. The mere difference of our opinions has no weight. And whether my opinion is right or not is now immaterial, so far as anything connected with official work is concerned incident to postal contracts, as such work is no longer in my charge. But as much as I regret these differences, I cannot see how I could justify the sacrifice of my right with respect to an important matter of which another department of the Government had jurisdiction, especially when I so carefully sought to avoid making any adverse reference to the Shipping Board, or indeed any reference to the Shipping Board. I trust it will be brought to my attention if there is anything in that paper [the "analysis"] which refers to the Board. I will avail myself of your willingness to receive a supplemental statement in addition to the others which have been made.

Chairman O'CONNOR. Only when you get your statement—how long will it take you to get a reply in, or a statement in, to the Board?

Mr. NICOLSON. Certainly not later than February 1; probably earlier.

Chairman O'CONNOR. I have no objection.

Commissioner SMITH. Take as long as you want.

Mr. NICOLSON. I think it will be ready by then.

Chairman O'CONNOR. I think it ought to be as soon as possible.

Mr. NICOLSON. I am interested, Mr. Chairman, also, in disposing of the matter as soon as possible.

Chairman O'CONNOR. That is all, I believe, for the present.

UNITED STATES SHIPPING BOARD,  
Washington, January 10, 1930.

DEAR MR. CHAIRMAN: Will you kindly arrange, if convenient to you, to let me confer with the Board further about my letter of November 23, 1929, concerning postal contracts, at the meeting of January 22? I hope the way will be clear to do this, and I will plan accordingly.

Very respectfully,

JOHN NICOLSON.

UNITED STATES SHIPPING BOARD,  
Washington, January 15, 1930.

[Interoffice memorandum]

From: The Chairman.

To: John Nicolson, Director Bureau of Traffic.

Reference is had to your letter of January 10, 1930, and you are advised that it is agreeable to the Board to hear you at its meeting of January 22, 1930.

T. V. O'CONNOR, Chairman.

(NOTE.—The meeting was in fact held January 23, 1930.)

Senator McKELLAR. I want to put into the record at this time a copy of a letter written on January 14, 1928, to Hon. William R. Wood, Chairman Subcommittee on Appropriations, House of Representatives, signed by W. S. Benson, commissioner in charge, Bureau of Construction, and E. C. Plummer, commissioner in charge, Bureau of Traffic, of the Shipping Board.

Senator ODDIE. That will go in the record.

UNITED STATES SHIPPING BOARD,  
Washington, January 14, 1928.

HON. WILLIAM R. WOOD,  
Chairman Subcommittee on Appropriations,  
House of Representatives.

MY DEAR SIR: We regret we were not present when the questions were asked January 5 about Mr. John Nicolson's work with the Shipping Board, and as he is officially connected with Bureaus under our control we want to furnish your committee with the following information:

The work of our bureaus relates to those provisions of the shipping acts which impose on the Board the support and development of the merchant marine in private hands. While these promotional activities can be conducted through well-trained experts who are not lawyers, and are of course not "legal work", there can be no doubt that a legal training and experience are of great value as a background.

You asked questions which indicated you wanted to know who attended to the duties Mr. Nicolson is discharging now, before he took charge. It happens, Mr. Chairman, that Mr. Nicolson joined our staff about 6 months after the Merchant Marine Act, 1920, went into effect. He was brought here by the Chairman of the Board to concentrate exclusively in studying and emphasizing the provisions of those acts which impose on the Board investigations and duties of special value to the privately owned merchant marine. A new department was created as an instrument for him to conduct this work, and at all times he has been subject only to the Commissioners of the Board.

The problems of the Fleet Corporation have at all times very largely absorbed the attention of the Board, but especially so for several years after the enactment of the Merchant Marine Act, when we had over a thousand vessels in active service and when the initial plans were being developed by the new Board for the

management and disposal of portions of the fleet. Under these circumstances, while we of course kept in mind these important items bearing directly and constructively on private ownership and operation, it was very difficult to give them the detailed personal attention their development deserved; it was for this reason Mr. Nicolson was assigned duties relating especially to promotional items of the Board's work. The general public is not aware (because difficulties relating to the fleet are brought so much more forcibly to their attention) that the Board is engaged in this active work in behalf of the privately owned merchant marine—having no relation whatever to the operation of the Government fleet and intended solely to advance and promote private construction and operation.

Among the items of promotional work with the inauguration and conduct of which Mr. Nicolson has been identified are the following:

1. The first loan from the construction-loan fund, maintained under the authority of section 11 of the Merchant Marine Act, 1920, was negotiated and developed through him; and, subject to and in immediate consultation with the Commissioner in charge, he has been the administrative agent who has negotiated and supervised all the loans which have been made from the fund; he had much to do also with securing the legislation enacted March 4, 1927, by which the authorized fund was increased to \$125,000,000.

2. He has been identified also, from its very inception, with the Diesel conversion program of the Board, under which \$25,000,000 is being expended in the promotion of the manufacture in this country of modern propulsive machinery for American vessels, not only in assisting the commissioner in charge with the presentation of the matter to the committees of Congress, when the money was obtained, but also since in all matters of general administration other than engineering matters.

3. As the result of investigations and conferences conducted through him in immediate consultation with the commissioner in charge, rules and regulations making available to citizens the benefits provided by section 23 of the Merchant Marine Act, 1920, were developed to the satisfaction of the Secretary of the Treasury and the Board; and, by their application by the commissioner in charge, through him assisting, substantial aids to new vessel construction have accrued to private owners—a notable instance of which is the steamship *Malolo*, which would never have been built but for the assistance the owners thus received from the Government.

4. The first postal contract arranged under the provisions of section 24 of the Merchant Marine Act, 1920, was negotiated and developed by the commissioner in charge with his assistance; and he has been similarly identified with the arrangement of every mail contract since made under section 24; and these are yielding annually to citizens over \$1,800,000 as mail compensation in aid of the maintenance of private lines.

The above are cited as illustrations only of instances when he has been identified with the inauguration of promotional work of the Board.

In the development of the Board's organization our bureaus were created, and Mr. Nicholson is the only person we have had as director; as such, he of course acts under our immediate supervision and is in frequent consultation with us on all important items. He has, as a matter of fact, worked also at the request of various commissioners of the Board on matters quite apart from items coming under the bureaus mentioned. In some instances, because of his experience and because of his intimate knowledge of the details, etc., he has been intrusted with legal matters incident to items otherwise receiving his attention.

We have found it convenient and economical to combine the supervision and development of our work as thus indicated; both bureaus function through him solely with reference to promotional items in aid of private owners and operators, and these activities divide themselves rather naturally into items encouraging private construction and those helpful in traffic matters.

We have not attempted to present in this letter the scope of the activities of the Bureau of Construction and of the Bureau of Traffic—the two bureaus here involved; nor has this been done in the evidence heretofore given before your committee, hence we request the privilege of sending you a statement showing these activities more fully, and we trust it may be made a part of the record.

Yours very respectfully,

W. S. BENSON,  
Commissioner in Charge, Bureau of Construction.  
E. C. PLUMMER,  
Commissioner in Charge, Bureau of Traffic.

UNITED STATES SENATE,  
COMMITTEE ON COMMERCE,  
Washington, March 11, 1929.

MR. JOHN NICOLSON,  
Director of Traffic,  
United States Shipping Board, Washington, D.C.

MY DEAR MR. NICOLSON: Will you kindly send me a copy of your remarks [relative to postal contracts under the 1928 act and southern ports—J. N.] before the American Association of Port Authorities at its convention in Houston in 1928?

Commander Court, of the Navy, has called that to my attention, and I assure you I shall be glad to have a copy of it. Any time that you may get out any article or make any speech on the

merchant marine I shall appreciate it if you will give me a copy, because I know that your suggestions and statements will be not only interesting but valuable.

Believe me to be very sincerely yours,

W. L. JONES, Chairman.

UNITED STATES SENATE,  
COMMITTEE ON COMMERCE,  
Washington, March 19, 1929.

MY DEAR MR. NICOLSON: Your kind favor of March 14, sending me copy of paper read by you before the American Association of Port Authorities, November 1928, at hand.

I have read your statement with very much interest. It is a splendid paper and a very informative one.

Believe me to be very sincerely yours,

W. L. JONES, Chairman.

PERSONNEL CLASSIFICATION BOARD—CLASSIFICATION SHEET

[Extracts from bureau sheet no. 235; P.C.B. sheet P-7-1—date of sheet June 5, 1928—the last sheet the United States Shipping Board submitted re Mr. John Nicolson, who left February, 1930]

I

Name: John Nicolson; department: United States Shipping Board; bureau: Bureau of Traffic and Construction; present annual salary: \$7,500; title of position: Special expert.

II

"Description of work: Mr. John Nicolson is the Director of the Bureau of Traffic and also of the Bureau of Construction of the Board, and the work of these bureaus includes items arising under the Shipping Act, 1916, and the Merchant Marine Acts of 1920 and 1928, imposing duties on the Board in its relation to the privately owned and operated merchant marine, as well as items of direct concern to the Board as custodian of the Government fleet; his activities primarily may be classed under the single designation of 'promotional work' having in view the development of an American merchant marine, in private hands. The following indicates the subjects currently in his charge, and for the efficient administration of which he is responsible to the Commissioners:

"1. The conduct of negotiations with applicants for loans from the construction-loan fund (now containing over \$70,000,000) involving the preliminary work re: Terms, security, trade routes, charters, and underlying facts bearing on merits, for action by the Construction Loan Committee. Also advancements on such loans during construction of vessels, ascertaining whether borrower has performed his obligations, etc.

"2. In the development of postal contracts, under section 24 of the Merchant Marine Act, 1920, and under title IV of the recent White-Jones Act (S. 744); conducting investigations of facilities and earnings of applicant companies, etc., for guidance of commissioner in charge in his recommendation of compensation to be paid and of types and kind of vessels to be employed; preparation of certifications to Postmaster General, and conferences from time to time with department of foreign mails.

"3. Cases arising under section 23, Merchant Marine Act, 1920, in aid of new ship construction, by waivers in certain cases of taxes due the United States, under rules and regulations by the Board, in cooperation with the Secretary of the Treasury; to illustrate: The steamship *Malolo*, which would not have been built but for the Board's cooperation whereby \$2,000,000 in taxes were waived in its favor. The approval of types of vessels and proper application of money are under the supervision of the Shipping Board.

"4. Cases involving cooperation with and conduct of proceedings before the Interstate Commerce Commission, under section 8 of the Merchant Marine Act, 1920, for the development of ports, to the end that ports may ultimately have the commerce which should naturally move through them, and having in view the removal of any railroad conditions or regulations which block their development.

"5. Investigations under section 7 of the Merchant Marine Act, 1920, relative to some aspects of ocean trade routes in foreign trade, in coordination with work incident to rail problems relating to ports developments referred to above; having also in view what routes may qualify, possibly, for postal contracts.

"6. Cases of foreign discriminations against American shipping by the laws, regulations, or practices of foreign governments or officials; the studies of remedies therefor, as contemplated by section 26 and section 14a of the Shipping Act, 1916, including presentation of such cases to Tariff Commission, the Department of State, or Congress, according to circumstances. (Note.—H.R. 12043 introduced as result of our inquiries and reports.)

"7. Proposed transfer of American vessels to aliens or to foreign registry with view of Board determining whether approval under section 9 of the Shipping Act, 1916, should be given; also what conditions should be imposed, if any, under the power conferred by section 41, Shipping Act, 1916.

"8. Conditions presented by Canadian transportation of American commerce, both imports and exports, to the prejudice of American ports and transportation services, including studies contemplated by Senate Resolution 220 (70th Cong.).

"9. Cases incident to the protection and extension of our coastwise laws systems, as contemplated by sections 21 and 27 of the

Merchant Marine Act, 1920, including violations thereof involving principles or policies by foreign or other vessels not qualified for that trade.

"10. The Diesel conversion program. The administration of matters (preliminary to final action thereon by the Commissioner in charge or by the Board) requiring action in Washington (excluding, therefore, engineering items and work in the field) incident to the conversion of about 20 vessels to motor ships, Congress having appropriated \$25,000,000 for this purpose.

"11. As counsel to the Committee on Legislation of the Board, he studies bills pending in Congress bearing on shipping or water transportation and brings the facts before the Committee on Legislation and, when the Board's attitude has been stated, he appears before committees of Congress having the bills in charge, respectively. This work also includes study of international conventions, e.g., that relating to Hague rules for uniform bills of lading and questions of legislative procedure thereon.

"12. This does not purport to be a complete enumeration of all Mr. Nicolson's work, as special items are from time to time assigned to him for attention in addition to the regular subjects mentioned above.

"Insofar as the items enumerated above involve engineering, construction, or operating matters, his work is administrative only in the relation of the commissioner in charge to technical experts in the fields mentioned."

The personnel sheet from which the above "Description of work" is taken verbatim bears the following signatures:

"(Signed) EDWARD C. PLUMMER,

"Commissioner in Charge of Bureau of Traffic.

"(Signed) W. S. BENSON,

"Commissioner in Charge Bureau of Construction.

"Reviewed by committee appointed by the Chairman.

"(Signed) SAMUEL GOODACRE,

"Secretary."

#### EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

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

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Megill, one of its clerks, announced that the House insisted upon its amendments to the joint resolution (S.J.Res. 14) authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BUCHANAN, Mr. TAYLOR of Colorado, Mr. AYRES of Kansas, Mr. TABER, and Mr. BACON were appointed managers on the part of the House at the conference.

#### LOANS BY FEDERAL RESERVE BANKS TO STATE BANKS AND TRUST COMPANIES

Mr. ROBINSON of Arkansas. Mr. President, the Senate some days ago passed the bill (S. 320) to provide for direct loans by Federal Reserve banks to State banks and trust companies in certain cases. The bill was held on the desk for the reasons that were explained here, and finally went to the House. The House passed another bill in its stead, embracing the provisions of the Senate bill and adding provisions thereto. I had hoped that the House bill might be received by the Senate this afternoon in time for consideration; but I am informed that, although the bill has passed the House, it probably will not reach the Senate until tomorrow morning. I therefore move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and the Senate (at 4 o'clock and 2 minutes p.m.) took a recess until tomorrow, Tuesday, March 21, 1933, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate March 20 (legislative day of Mar. 13), 1933*

#### FOREIGN SERVICE OFFICER OF CLASS 2, CONSUL GENERAL, AND SECRETARY IN THE DIPLOMATIC SERVICE

Irving N. Linnell, of Massachusetts, now a Foreign Service officer of class 2 and a consul general, to be also a secretary in the Diplomatic Service of the United States of America.

#### MEMBER OF THE FEDERAL HOME LOAN BANK BOARD

C. B. Merriam, of Kansas, to be a member of the Federal Home Loan Bank Board for the unexpired portion of the term of 4 years from July 22, 1932.

#### PUBLIC HEALTH SERVICE

Asst. Surg. Donald J. Hunt to be passed assistant surgeon in the Public Health Service, to rank as such from March 1, 1933.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate March 20 (legislative day of Mar. 13), 1933*

#### MEMBERS OF THE UNITED STATES SHIPPING BOARD

Hutch I. Cone.

Gatewood S. Lincoln.

David W. Todd.

## HOUSE OF REPRESENTATIVES

MONDAY, MARCH 20, 1933

The House met at 12 o'clock noon.

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

O blessed Providence that never forsakes us, O wonderful promise of the Father's redeeming love, we thank Thee that we cannot drift beyond divine care. For every conquest over sin, for every hope of salvation, for every aspiration toward a good life, for every ambition that lifts our face toward the holy mount, we offer Thee our praise. O speak to us in benediction; shield us all with a faith that cannot be shattered; temper us with great convictions that will stand the fire of combat; keep our hearts from bitterness and our spirits from repining. May we count no struggle too great, no sacrifice too costly, that the days of happiness and contentment may return to all our people and of every section. Through Christ. Amen.

The Journal of the proceedings of Friday, March 17, 1933, was read and approved.

#### THE BEER BILL

Mr. CULLEN. Mr. Speaker, the gentleman from North Carolina [Mr. DOUGHTON], who is one of the conferees upon the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, is unavoidably detained and will not be present. As the conferees are to go into session at 12:15 today, I ask unanimous consent that Mr. DOUGHTON be relieved as one of the conferees and that the gentleman from Arkansas [Mr. RAGON] be substituted in his place.

The SPEAKER. Without objection, the gentleman from North Carolina [Mr. DOUGHTON] will be excused from service as a conferee upon the bill, and the Chair appoints Mr. RAGON, of Arkansas, to serve in his place. Is there objection?

There was no objection.

The SPEAKER. The Clerk will notify the Senate of the change.

#### STATE BANKS

Mr. STEAGALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3757) to provide for direct loans by Federal Reserve banks to State banks and trust companies in certain cases, which I send to the desk and ask to have read.

The Clerk read as follows:

*Be it enacted, etc.,* That title IV of the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes," approved March 9, 1933, is amended by adding at the end thereof the following new section:

"Sec. 404. During the existing emergency in banking, or until this section shall be declared no longer operative by proclamation of the President, but in no event beyond the period of 1 year from the date this section takes effect, any State bank or trust company not a member of the Federal Reserve System may apply to the Federal Reserve bank in the district in which it is located and said Federal Reserve bank, in its discretion and after inspection and approval of the collateral and a thorough examination of