

IRA G. KILPATRICK AND GUY D. DILL.

Mr. MYERS. Mr. President, I desire to make another report. This is on a bill in which the Senator from Indiana [Mr. WATSON] is interested. That Senator called it to my attention, and in his absence I am giving it attention for him. It is the bill (H. R. 8444) for the relief of Ira G. Kilpatrick and Guy D. Dill. I submit a report (No. 641) to accompany the bill. Its passage was recommended by the House Committee on the Public Lands and by the Interior Department. It has passed the House. This is to issue patent to 88 acres of land in Indiana upon the payment to the Government of \$1.25 per acre for it. I have read the report made in the House and the report of the Secretary of the Interior, and they set forth in brief these facts:

The land has been occupied by the owners of it and their predecessors in interest for 50 years. It is located in a thickly settled portion of Indiana, and the title has passed a number of times, and there is simply no record of any patent to it. It is one of those cases where, if a patent was ever issued, it was lost or not put on record; and the land has been for 50 years in private ownership. This is simply a piece of legislation to validate the title, and its passage is recommended by the Interior Department.

The bill has passed the House, and I send it to the desk and ask leave to make the report. I also ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8444) for the relief of Ira G. Kilpatrick and Guy D. Dill, which was read, as follows:

Be it enacted, etc., That the title of Ira G. Kilpatrick and Guy D. Dill, as tenants in common, in and to the west half of the southeast quarter of section 3, township 32 north, range 8 east, in the district of lands subject to sale at Fort Wayne, Ind., in Whitley County, Ind., as assignee from Jonathan Pearson, by conveyance be, and the same is hereby, quieted and confirmed, and patent therefor shall issue to the said Ira G. Kilpatrick and Guy D. Dill as tenants in common, upon payment to the United States of \$1.25 per acre.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THE CENSUS.

Mr. SHEPPARD. I ask that the unfinished business be laid again before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11984) to provide for the Fourteenth and subsequent decennial censuses.

ADJOURNMENT TO MONDAY.

Mr. MARTIN of Virginia. I move that the Senate adjourn until 12 o'clock meridian on Monday next.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate adjourned until Monday, January 13, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, January 9, 1919.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Be graciously near, O God our heavenly Father, to our brave and gallant soldiers overseas. Their task having been accomplished, their hearts long for their beloved country and their dear ones at home, who are anxiously waiting their coming. Give them patience, endurance, fortitude, in the long hours they must wait; and bring them all back in safety. Especially be near to the wounded and sick, to comfort and sustain them; and Thine be the praise, through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE RAILROADS.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to print in the Record a series of four letters which passed between Judge McChord, Interstate Commerce Commissioner, and Mr. Sisson, vice president of the Guaranty Trust Co. of New York, on the question of railroad rates, management, and so forth, which I think, in view of the fact that we are soon to have railroad legislation, should be printed in the Record for the information of Members of this House.

The SPEAKER. The gentleman asks unanimous consent to incorporate certain letters in the Record on the subject of railroad rates. Is there objection?

There was no objection.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 4240. An act for the relief of Alma Harris.

LEAVE OF ABSENCE.

Mr. MANN. I ask unanimous consent for leave of absence for my colleague [Mr. GRAHAM of Illinois] on account of illness.

The SPEAKER. The gentleman from Illinois asks indefinite leave of absence for his colleague [Mr. GRAHAM of Illinois] on account of illness. Is there objection?

There was no objection.

BELIEF FOR INFORMAL CONTRACTS.

The SPEAKER. Under the rule the unfinished business is the contract bill.

Mr. DENT. Mr. Speaker, if necessary, I move that the House resolve itself into the Committee of the Whole House on the state of the Union.

The SPEAKER. That is not necessary. Under the rule the House resolves itself into the Committee of the Whole House on the state of the Union, and the gentleman from Georgia [Mr. CRISP] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13274) to provide relief where formal contracts have not been made in the manner required by law, with Mr. CRISP in the chair.

The CHAIRMAN. The gentleman from Alabama [Mr. DENT] has 30 minutes remaining, and the gentleman from Kansas [Mr. ANTHONY] 1 hour and 30 minutes. The Chair will recognize the gentleman from Kansas.

Mr. ANTHONY. I yield 10 minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, I had expected to support this measure, because I believe the Government of the United States, like every one of its honest citizens, should live up to all its obligations and not repudiate them because of mere informality under any circumstances; but I was somewhat shaken in my purpose when I found the bill to be in the form in which it has been reported, with an entire absence of information which Members of the House, in my opinion, were entitled to receive.

This bill is to validate 6,600 and more contracts, involving one and three-quarter billion dollars, and to place that power in the hands of one individual, who, by the request for this measure, has made evident the fact that of the contracts drawn 12 per cent can not pass the auditor, the proper accounting officer.

The chairman of the Committee on Military Affairs said that the Secretary of War should be allowed to pass upon this matter, as he has already passed upon the remaining portion of \$15,000,000,000 of expenditure. I wonder what would take place in any well-regulated business in this country if the man in charge of that business should make the abject confession that 12 per cent of his contracts were not according to instructions or law?

But I object to this bill in its present form and shall insist upon its amendment before it shall receive my feeble support, so that the Treasury may be reasonably safeguarded.

The War Department seems to regard informality as an unpardonable sin where the amount involved is small, but almost a virtue where the amount involved is large. From the statements that have been made it is evident that it has been much easier for a man to come to Washington and obtain a million-dollar contract—so far as formality is concerned—than it has been for a soldier who has served his country in the trenches to obtain the small monthly amount which is due him. And I want to remark also—this is the main purpose for which I took the floor—that it has been easier for a more or less insolvent nation of Europe to borrow \$100,000,000 from the Treasury of the United States than it has been for a soldier, sick or wounded even unto death, to obtain the money that was justly due him for patriotic services rendered. I speak by the card as to a number of cases. So I believe that we should be careful in giving to one man the power of settling according to his sweet will this billion and three-quarters of contracts without our having any evidence whatever of what number of these 6,600 contracts, or what portion of the gross amount, were contracted 15 minutes before the armistice was agreed upon.

This bill in its present form gives all of the 11th of November to have entered into these informal contracts. It seems to me that anything like a good-faith inquiry, before the head of the

department should have been listened to by the committee with anything like favor, would have demanded of that department a classification of these informal contracts to show what ones were entered into on the 11th day of November. My recollection is that we received the news of the armistice being signed before the opening hours of business on the 11th of November. The more nearly the dates of these contracts approach the 11th of November the more I would look upon them with suspicion, or the more, I should say, they would demand careful investigation. Yet the House has been denied any statement or classification of these contracts, what they were or what their general nature was.

Think for a moment what you propose to do—to place in the hands of one man the power to validate these contracts for nearly one and three-quarter billions of dollars. What does that mean? It means the settlement of claims which amount to more than the total wealth of each of a number of the States of this Union. It means the placing in the disposition of the department practically judicial powers to settle this vast sum, an amount so large that it would take a train of cars more than a mile long, carrying 50,000 avoirdupois pounds of gold each, to pay it. It means the settling of claims amounting to a sum equal to one-half of all the assets of the Treasury of the United States which the Treasurer of the United States sees fit to state to the public. The total assets of the Treasury of the United States, outside of one asset, which I intend to refer to in a moment, are about \$3,500,000,000, fluctuating from day to day. This sum which they ask us to allow them to settle without a proper hearing, without a report that presents the salient and important facts, equals half of all the assets of the Treasury outside the loans to foreign nations, that institution which we pay thousands of men every year to carefully guard.

But, as I said, informality is an unpardonable sin only in small contracts. We strain at gnats, and sometimes, as they said in olden times, swallow camels. But when I recall the fact that in this same department, if a soldier boy happened to be taken from his own company because of a disease breaking out to which he was absolutely immune, put into a detention camp, he would be sent overseas to serve months in the United States service and not given a dollar of pay due him.

Mr. QUIN. Will the gentleman yield?

Mr. SLOAN. I will.

Mr. QUIN. I thoroughly agree with the gentleman about that part; but as far as these contracts are concerned, does not the gentleman think the Government ought to be square and honest with the contractors?

Mr. SLOAN. Absolutely. The gentleman is quoting practically the language I used in opening my speech. We want to be square, and we want to see to it that we put it in the hands of a tribunal that will be square with the contractors and square with the people of the United States.

Mr. SANFORD. Will the gentleman yield?

Mr. SLOAN. I will.

Mr. SANFORD. Take the case of a corporation that now has on hand \$5,000,000 worth of war material that has become practically unsalable—material made to carry on our Government in its effort to win the war—does the gentleman think that it would be good for the business interests of the country for a claim of that kind to await the adjudication of any tribunal that might take years?

Mr. SLOAN. That would be better than to place it in the hands of a tribunal that would not do justice, that had failed in small things. Those who are faithful in small things may be presumed to be faithful in large things; but those who are unfaithful in small things are apt to be unfaithful in large things.

Mr. SANFORD. I think the gentleman's Bible quotation is correct, but that kind of justice is pretty costly for the business interests of this country.

Mr. SLOAN. If the gentleman repudiates the Bible, I can not agree with him.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, there can be no question in the mind of any Member as to the advisability of adjusting and paying the so-called illegal claims against the Government as quickly as possible. Gentlemen, it is absolutely necessary for many reasons. Most of these contractors have obligated themselves to banks and the banks have turned their obligations over to reserve banks, and these obligations can not be continued indefinitely.

Another reason is the necessity of getting as many of these items cleared up as possible before we go to the country with the next liberty-loan issue.

If it is admitted that these bills ought to be paid, then it comes down to the point of who should have charge of these settlements.

It has been charged—with a great deal of justification, in my judgment—that the War Department has been inefficient and has not shown good business judgment, and that they have not used promptly the machinery that they had to make legal contracts after the order for goods or property had been given. It is easy to see, from a business standpoint, how many errors have been made. The officers, under the lash of criticism that they were moving too slowly and that red tape should be cut, were working at high speed. Also we must consider the fact that nearly 100 per cent of the contractors were patriotic and anxious to do what they could to help win the war; and inasmuch as it is common practice in business to take the word of both parties to a contract for their authority to at least start the work, it seems that there is some excuse at least for many of the difficulties that surround this question.

For my part, I fear that difficulties will arise in the adjustment of these matters if they are left in the hands of the War Department, and I am sure that many difficulties will arise if it is left to a commission to determine. It is certain that the War Department at this time must have more information with regard to these matters than anyone else could have, and it seems to me it must be admitted that very much of the business of the War Department has been satisfactory to the public. Further, as it has been shown that this \$1,600,000,000 is only about 20 per cent of the amount that the War Department has already contracted for, for which settlements have been made, it would seem that they might be trusted to finish up the job. [Applause.]

Therefore, unless some substitute is offered that, in my judgment, would make it possible to close up these accounts quicker and get the money into the hands of the contractors and from them into the hands of the public, I shall favor this bill; and I want to say I am looking at this proposition from the standpoint of a manufacturer, contractor, and banker. I know of my own knowledge of a number of situations that are acute where adjustments must be made quickly or trouble will ensue.

Mr. GORDON. Will the gentleman yield?

Mr. SNYDER. I will.

Mr. GORDON. If the gentleman is looking at it from the standpoint of a manufacturer and a banker, of course his position ought to be for the payment of the claims without any investigation at all.

Mr. SNYDER. I am in favor of paying claims as quickly as possible where the matter has been properly adjusted. I will say further that I shall be satisfied with an adjustment that is made between the manufacturer and some one who is competent in the department to make that adjustment.

Mr. GORDON. But the gentleman wants an honest adjustment?

Mr. SNYDER. Yes; and I believe you will get an honest adjustment by this bill as well as you would by sticking in four or five other men.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. ROBBINS. Mr. Chairman and gentlemen of the committee, I think we ought to start in our investigation into this question with the national-defense act of the 3d of June, 1916. At that time, before we entered into the war, we passed an act of Congress to prepare this Nation for the conflict that Congress believed was inevitable. That act contained this provision, and I think it is important, because it imposes a penalty on every manufacturer and every citizen engaged in business in this country who does not comply with its provisions. I am not going to read all of it, but it provides, in section 120, among other things, as follows:

The President, in time of war or when war is imminent, is empowered, through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement, to place an order with any individual, firm, association, company, corporation, or organized manufacturing industry for such product or material as may be required, and which is of the nature and kind usually produced or capable of being produced by such individual, firm, company, association, corporation, or organized manufacturing industry. Compliance with all such orders and materials shall be obligatory and shall take precedence over all other orders and contracts—

And so forth. And it winds up with this provision:

Any individual, firm, company, association, or corporation, or organized manufacturing industry, or the responsible head or heads thereof, failing to comply with the provisions of this section shall be deemed guilty of a felony, and upon conviction shall be punished by imprisonment for not more than three years and by a fine not exceeding \$50,000.

We went into the war without making any preparation for the national defense practically, except in the Navy Depart-

ment; and the President, under the provisions of this bill, when war was declared on the 6th of April, 1917, began to commandeer the enterprises in this country and the industries of this country to get ready for the war. The Government went into my district—and I want to say right here that I am not interested in any of these contracts. No man has spoken to me about the breach of a Government contract, except in one instance, and I said to him that I would only call it to the attention of the department and would introduce him to the proper accounting officers, but could not represent him. But I know of car works in my district that stopped manufacturing cars, in which they were engaged in a profitable business, and converted one entire part of their plant into the making of shells. I visited the Baldwin Locomotive Co. in company with other Members of the House in September and we found a large part of that manufactory had stopped making cars and locomotives and was manufacturing explosive shells and munitions of war.

On the 11th day of November, while the country was at the highest speed of munition production and most intensely engaged in preparation for war, an armistice was suddenly signed. At that time in the Eddystone plant there were 15,000 employees, 3,500 of whom were women and young girls, working with a zeal and a rapidity that startled every person who went through that plant. At 11 o'clock on the 11th day of November last the armistice was signed, without being anticipated or expected, and immediately the War Department—and I praise them for it—set about canceling these war contracts and stopping the manufacture of these materials. We all understand what a contract is; that it may be in writing, or it may be by parole or oral, or it may be expressed or it may be implied. We are told, and we know, that in this zeal and haste to prepare for war contractors and manufacturers from all over the United States were summoned to Washington and were told, as the testimony of the Secretary in the hearings before the committee states, that as soon as he found they could make the materials, why the War Department ordered them to proceed at once, and to do so without waiting to reduce the contracts under which they worked to the formality required by the practice of the department and the Revised Statutes. The distinction between the United States Government as a contractor and a private individual is that the Government is not bound by a contract unless it is in writing, signed at the end thereof by the proper officer and accompanied by an affidavit that the contracting party is not interested therein. That is not so with a private individual, a partnership, or a corporation. A private contract may be in writing or it may be by parole; it may be express or it may be implied. In either case, however, the parties are bound by its terms, but not so with the United States Government; and so it happens, gentlemen of the committee, that on the 11th of November, when Germany suddenly collapsed and when this armistice was quickly signed, there were 6,600 of these agreements to purchase war supplies that had not been reduced to the formality of written contracts.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROBBINS. Mr. Chairman, I will ask the gentleman from Alabama [Mr. DENT] to grant me five minutes, which he promised to do.

Mr. DENT. Mr. Chairman, I did promise the gentleman five minutes, and I told the gentleman from California [Mr. KAHN] that he could use whatever time I had left, and in his absence I yield five minutes to the gentleman from Pennsylvania.

Mr. ROBBINS. Mr. Chairman, is it right, is it fair, to repudiate these informal contracts or obligations of the United States Government arising out of the conditions that I have briefly stated? No private contractor, no corporation or individual, would repudiate them. They would be taken up at once for adjustment, and that is exactly what this bill proposes to do—to allow a proper, equitable, and just adjustment of these claims promptly and without delay or expense. It is true that they may involve more than mere compensation. It may be that it will involve a recompense for speculative damages or profits, and it ought to, if such profits can be justly shown to arise out of the contracts if properly carried out.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. ROBBINS. I yield for a brief question.

Mr. McCULLOCH. Has anybody contended at any time or anywhere upon this floor or any place that these contracts that were just and equitable should be repudiated by the Government?

Mr. ROBBINS. The contractors have been assailed here, I do not know whether by the gentleman or not—

Mr. McCULLOCH. Not by me or by anybody else that I heard.

Mr. ROBBINS. As if they were a band of harpies who came here to Washington to plunder the Government. I deny that; on the contrary they were patriotic. These men came here because they were summoned, in the first instance, to come here and help to prepare this Government to defend its very life, and, in the second instance, because this statute, entitled "An act to provide for the national defense," passed on June 3, 1916, compelled them to come here on the summons of a responsible officer of this Government and compelled them to turn their factories over as the War Department directed they should turn them over and devote them to the manufacture of munitions of war. If that be true, the question is, Who is to adjudicate these claims? That, I think, is the pivotal question arising here. I believe that no Member of Congress wants to be unjust or wants to put the United States Government in a position where it is not fair toward the men who have furnished the instruments, the accouterments and equipments with which our soldiers fought and won this war. We have a court established already called the Court of Claims, and I took up with the clerk of that court the question whether or not this court could adjudicate these cases. It is a court particularly constituted and established to adjudicate and determine the justness of claims against the Government of the United States. It is established here in Washington exclusively for that purpose. I have a letter from the clerk of that court dated December 28, and he seems to object that I even questioned him as to whether they could adjudicate these claims. He tells me they are busy with cases growing out of the War of the Rebellion; the destruction of cotton and other things of that sort. I admit that if they are still working on cases growing out of the Civil War that then this court could not meet the emergency here, because what we want in these claims is promptness. One billion six hundred and seventy-five million dollars of unsettled claims against this Government can not and ought not to be held up at this time. We want prompt adjudication. The clerk of the court goes on to tell me that they have 57 cases appealed to the Supreme Court of the United States, and 684 cases are awaiting disposition, and he adds that where cases are promptly prepared they are tried and promptly disposed of in this court. I shall not take the time to read the letter at this time, but with the permission of the committee I herewith insert it as a part of my remarks:

UNITED STATES COURT OF CLAIMS,
Washington, D. C., December 28, 1918.

HON. EDWARD E. ROBBINS,
House of Representatives of the United States.

DEAR SIR: I am replying to your letter of December 23, in which you ask to be advised as to the condition of business in this court.

I am at a loss to know why this court is so frequently and continuously criticized for being slow in the transaction of its business. I think perhaps it is due to the fact that special acts of Congress from time to time confer jurisdiction on the court in cases which have been pending in the departments or before Congress for many years, and when it is known that they are pending before this court people jump to the conclusion, without investigation, that they have been pending here ever since they arose. A good illustration of this is the claims for abandoned and captured property taken by the Government from southern territory immediately after the Civil War. This court had jurisdiction of those cases at the time the property was taken and under the then existing law adjudicated and disposed of all of them. In 1911 a new and enlarged jurisdiction in these cases was conferred upon the court and some 500 of the cases came back here. I think it is the general impression throughout the country that they have been pending here ever since 1864.

Answering specifically the question as to the amount of undetermined business in this court, permit me to explain by way of introduction that many cases are filed in this court involving identically the same state of facts and the same question of law, and therefore the trial of only one case is necessary. I shall refer to these hereafter as class or group cases.

There are on the dockets of this court about a hundred cases filed before January 1, 1917. Of these about 50 are class or group cases, to be filed with other cases filed since January 1, 1917. The other 50 cases are undisposed of for various reasons which have appealed to the court as equitable; for instance, attorneys representing them have entered the military and naval service of the United States during this war and it has not been thought fair to press their cases to trial, and civil and military officers of the Government who are necessary witnesses in these cases are scattered about over the earth by reason of the war.

Of the cases filed since January 1, 1917, not falling under the class or group cases, but to be tried as individual cases, about 150 in various stages of preparation remain undecided. The trial of something like a dozen cases will dispose of the class or group cases.

There are pending in the Supreme Court of the United States on appeals from this court 57 cases, and there are 684 cases in this court awaiting the action of the Supreme Court on said appeals and which will be disposed of promptly in accordance with the decision of the Supreme Court.

In this court, as in all other courts, the speed with which the court disposes of its business must in some manner depend upon the speed with which cases are prepared for trial. This court has a rule, I believe, not usual in other Federal courts, of calling its docket from time to time and ordering the parties on pain of dismissal of the cases to get them ready promptly. On the first day of the present term, December 3, 1918, the court entered an order in all cases filed prior to June 1, 1918, in which no steps had been taken for the preparation of the cases for trial, that the same be set for trial for December 16, 1918, and on

that day dismissed all cases in which no preparation had been made unless reasonable assurance was given that preparation would be promptly made.

Permit me to add that when a case is prepared and stands for trial in this court it is usually reached within a few weeks, and when argued and submitted is decided within a few weeks later. From this summary you will see that this court is probably as near abreast of its business as any State or Federal court in the country.

I have referred above to the abandoned and captured property cases. These are claims for cotton taken by agents of the United States Government immediately after the war and sold, and the proceeds turned into the Treasury of the United States. The jurisdiction of this court under the act of 1911 is to render judgment not to exceed the proceeds in the Treasury of the United States. That act gave the claimants until January 1, 1918, to file their cases, and in order that the aggregate of the judgments of this court might not exceed the sum in the Treasury it was considered necessary to defer the adjudication of the cases until all cases were filed or barred from being filed by the statute of limitations. In the meantime, there were several questions which required adjudication in a preliminary way; for instance, much of this cotton which was claimed by individual claimants was shown by the archives of the Confederate Government, now in the possession of the United States, to have been sold to the Confederate Government for Confederate bonds. It was necessary to determine whether this was a valid sale, divesting the claimant of title to the cotton. That question was decided by this court adversely to the individual claimants, and on appeal was affirmed by the Supreme Court and its mandate was filed in this court on May 27, 1918. On December 3, 1918, the court set down for hearing all of these cotton cases—443 in number—for December 18, 1918. On that day 210 cases were dismissed and 5 cases argued and submitted to the court. The remainder of the cases are set for Monday, January 6, and the trial of about a half dozen of them will practically determine the entire cotton jurisdiction.

I hope this gives you the information you desire, and if it does not I shall be pleased to furnish you anything else within my power.

Respectfully,

SAM. A. PUTMAN, *Chief Clerk.*

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. ROBBINS. I yield for a brief question.

Mr. DENISON. As a matter of fact, of course, the gentleman from Pennsylvania, as a lawyer, knows that the Court of Claims has no jurisdiction to hear and determine any of these claims involved in this bill unless Congress should give it jurisdiction.

Mr. ROBBINS. Certainly; and that is why I obtained the letter. We would have to pass an act of Congress turning these claims over to the Court of Claims for disposition. Do not misunderstand me. I hope I made that clear, and if I did not I do so now. I understand it perfectly well. We are passing an act of Congress establishing not a judicial tribunal but establishing an authority, consisting of the Secretary of War, to pass on these claims; and if we are not satisfied with that, by amendment to this act of Congress we can place them in the hands of the Court of Claims.

Mr. DENISON. The gentleman does not think these claims will be adjusted by the Secretary of War himself, does he?

Mr. ROBBINS. This act provides that he shall examine into them, and I know that he is not going to adjust 6,660 claims himself. If the gentleman has visited any of the industrial plants, he must know that in every one of them there was an officer of this Government standing by and inspecting every particle of war material that was manufactured before it was sent out. The War Department already has the information and the organization to promptly investigate and properly and justly decide all these claims, and ought to be allowed to do so.

And you will know also that there is no source of information so valuable as that which is under the control of the War Department, by reason of its not only making these contracts but by reason of the fact that it has inspected war material made under the contracts from time to time.

It must be borne in mind also that the War Department was compelled to expand its personnel from less than 1,000 clerks to some eight or ten thousand clerks. Many of these are inexperienced men. This could not be avoided, and in the great haste to get war materials orders were necessarily given by letter, by telegraph, and in many instances over the telephone. The work was new. It was done under great pressure, the orders being to win the war at all cost. Get the guns, munitions, and equipment for our brave boys on the battle line, and in the haste and zeal to carry out these orders the contracts were not all reduced to writing, as required by the three thousand seven hundred and forty-fourth section of the Revised Statutes, and signed at the end thereof, and having thereto attached an affidavit that the parties signing were not interested. When these informal contracts were presented to the Comptroller of the Treasury for payment they were promptly refused on the ground that they were not contracts such as were required by the Revised Statutes and binding upon the Government. Moreover, by the sudden declaration of peace on November 11 it became impossible to complete these contracts. The Comptroller of the Treasury ruled as follows:

There are in the hands of contractors many informal papers, such as letters, purchase orders, procurement orders, etc. These papers generally are intended to be and are preliminary to the

execution of contracts. In themselves they place no obligation on the Government. The latter may be liable on a quantum meruit for the fair value of articles delivered and accepted, but it has no legal obligation for expenses incurred, value of incomplete work, material on hand or arranged for, etc., unless a contract in legal form has been made. Of course it is understood a legal contract can not be made now for articles the Government does not need, and this is true regardless of prior negotiations or understandings, written or oral.

This ruling made it impossible to execute in a formal manner these contracts, and hence, as the comptroller says at another place in his ruling, "cases involving only equitable claims can not be settled by executive officers without new legislation," and it is necessary to pass this act and place the settlements of these claims in the hands of some tribunal, or refer them to some one with authority to adjust and settle them.

The Secretary of War is the most competent official to take charge of this matter. He has the machinery. These contractors were summoned by his department to make the contracts for which claim is now made. The contracts were not formally executed, because the officials of his department were unable, for lack of time or information, to complete these contracts. It is a maxim of the law, "Where one of two innocent parties must suffer, he whose act caused the loss should bear it." In this case, certainly the contractors who furnished the goods are not to blame. The Government will make no contract except on forms approved by the Attorney General. The War Department itself could not make the contracts because of lack of time and lack of information, but relying on the good faith of the War Department, moved by a patriotic devotion to do their utmost for the Government in time of stress, these 6,600 citizens provided munitions of war or furnished something of value to the Government or prepared to render service for the purpose of aiding in the prosecution of the war against our enemies. It would be an act of bad faith now to refuse to pay merely because the contract is not in writing on the form prescribed by law in order to bind the Government.

In many of these cases large sums of money were tied up, and financial embarrassment will in many cases overtake these claimants if prompt relief is not extended to them. They have been compelled to pay for labor, material, insurance, and transportation, all of which was necessary expense in the production of the munitions, supplies, and equipment manufactured and furnished to the Government and used in the prosecution of the war.

I do not believe the people of the United States want any such claims repudiated and those who furnished the material either financially embarrassed or driven into bankruptcy, and I do not believe that this Congress should for a moment tolerate any action that would bring about such a direful result.

We must place our confidence in the War Department and permit it to promptly take up and adjudicate these claims. This act amply protects the Government. The claims must be presented within six months, only fair value is to be paid for the product, only the actual cost incurred in the preparation for the manufacture of war supplies is to be allowed. Great care is taken not to confer jurisdiction on courts, so that the Secretary of War is practically the final arbiter in all these cases, and where criminality or fraud is discovered criminal prosecutions are preserved against the malefactors.

I favor the passage of this bill because I believe it is just, and I believe that the Secretary of War will promptly carry out its provisions and pay these just claimants who have aided the Government at the time of its distress.

I hope, Mr. Chairman, that the bill will pass.

Mr. ANTHONY. Mr. Chairman, I yield seven minutes to the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman and gentlemen of the committee, the question involved here is a business one and not a political question, and it is a most important business question to contractors and the business community, and by discussing it from the political standpoint and criticizing either the Secretary of War or anyone else we jeopardize the interests of this great body in the community in which we are interested at this time. Now, let us see. The question here is a very narrow one. In the first place, it is provided by the bill in the Senate, which will be offered as a substitute here, that in all cases where goods have been delivered the goods can be paid for by the Secretary of War, and there will be referred to the commission provided for in that bill only cases where damages are involved.

Mr. SANFORD. Will the gentleman yield?

Mr. DEMPSEY. For a question.

Mr. SANFORD. Perhaps the gentleman could be assisted in his argument if he knows that the Senate committee has just withdrawn that bill, revised its judgment, abolished the commission plan—

Mr. DEMPSEY. I did not yield for a speech.

Mr. SANFORD. That is the information I get.

Mr. DEMPSEY. I doubt the statement of the gentleman from New York. I heard the same report upon the floor yesterday, and I went over with the gentleman from Illinois and we inquired of Senator HITCHCOCK and found that it had not been withdrawn; that it had passed the Senate committee unanimously.

Mr. SANFORD. The gentleman had better go over again.

Mr. DEMPSEY. I beg not to be interrupted.

Mr. DENT. Will the gentleman yield?

Mr. DEMPSEY. I will yield after a moment. So that under that bill there is a very narrow question presented. It is simply a question of referring to a commission disputed claims, claims which involve damages, claims which are in their nature judicial. I call the attention of the committee to the argument of the chairman of the committee, which was twofold. He said, first, we should refer these claims to the Secretary of War because the Secretary already has considered \$15,000,000,000 of claims, and why not add a billion and a half more? Why, it seems to me you could not possibly present a better argument for withdrawing from the consideration of the Secretary this billion and a half of disputed claims. Is it an argument to say that because a man is already overburdened and overloaded with work you should add to his shoulders that which he clearly can not do? Now, I am not saying a word in the way of criticism at all. We all know the difficulties which the War Department had in performing its ordinary work.

We all know the difficulties which the insurance department had, and we all know the difficulties the allotment division had. It was all admitted here on the floor only two or three days ago when a bill introduced by Mr. SAUNDERS of Virginia was under consideration. Do you know only two days ago the Secretary of War appeared before a committee and said he had added 3,000 clerks within a few weeks last past, and he was about to add a thousand more? Why should you add to his work?

Then the chairman of the committee said, second, we should refer these to the Secretary of War because the parties will get together, and he said he could not understand the position of the gentleman from Ohio, that the question was not a judicial one, that he could not see why two business men should not get together. Why, suppose that I and another business man have a dispute, and I know that the other business man is judge as well as party, that he can absolutely determine the question, that I have to submit to his determination. Is that a getting together? Is that a standing of the parties on an equality? Does not that involve a judicial determination and is not that a judicial determination by one of the parties to the controversy against the other party to the controversy? Is not that the real situation and not the situation presented by the chairman of the committee?

Mr. DENT. Will the gentleman allow an interruption?

Mr. DEMPSEY. I will.

Mr. DENT. Does the gentleman contend if this bill is passed by Congress that the contractor will be compelled to accept its benefits?

Mr. DEMPSEY. I contend if this bill is passed by the committee the procedure as laid down by the chairman is this: That in case of any dispute the matter is referred to a subordinate committee in the War Department, and some small employee who receives a small salary, and in case the committee finds against the chairman he can appeal to another committee of subordinate employees in the department from that decision. I contend this, that in neither case is the class of employees the class of men who are fitted to pass upon questions of this kind which involve judicial discretion, which involve ability of a high order, which involve also acting in a way of absolute indifference on the part of the party, an ability to determine without being interested in any way; and instead of that if you refer it to one party who is interested by that proceeding the contractor may be apt not to get a fair, honest, judicial determination of this claim to which he is honestly and fairly entitled and which is what this House wants to give him.

Mr. DENT. Yes; but the gentleman has never yet answered my question, that if this bill becomes a law will the contractor be compelled to accept its benefits? If the Secretary of War does not give him that to which he thinks he is entitled he will still have recourse—

Mr. DEMPSEY. Whether he will have to accept it as an ultimate result or not, should he be compelled first to face the finding of facts by one of the parties and then go to a court with an adverse finding of facts? He must face two trials instead of one, and should he face a second trial with a finding of facts against him we all know it will be practically impossible to reverse the finding of facts, while it may be easy to reverse the finding upon the law. In other words, under this bill you force upon him at the best two trials and you

force him to go into an appellate court with a finding of facts against him.

Mr. DENT. That same thing applies to \$15,000,000,000 worth of contracts.

Mr. DEMPSEY. The gentleman's argument is twofold. He says, first, because this man is overburdened with the consideration of \$15,000,000,000 worth of contracts we should load him down with a billion and a half more. And he says, second, that a fair trial is a trial where you make one of the parties to the controversy the judge, and he says that that is two business men getting together. And I say that is not at all the situation. When you make one of two business men judge as well as party, you are not giving the other party that fair and just determination to which he is entitled.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. McCULLOCH].

Mr. McCULLOCH. Mr. Chairman, the distinguished gentleman from Alabama [Mr. DENT] on yesterday, in making his adroit argument in favor of this bill, spent the major portion of his time dealing with a proposition about which there is not the slightest dispute in this House, and gave very scant consideration to the only question about which there is dispute.

No man who is honest will deny that every just claim against this Government, whether it be the claim of a contractor or anybody else, should be paid. Every man who is honest will admit that all just claims should be paid promptly. There should be no delay about it. Payment should be made just as quickly as it can be done equitably and justly to all concerned. But the only question in dispute here is who should settle the claims. Now, why is it that the claims aggregating \$1,600,000,000 have not been paid? Why is it that the Comptroller of the Treasury has refused to pay them? He has refused to pay them because there were irregularities. Now, the chairman of the committee would have the House believe that all of the irregularities were trivial; but according to the charges and statements that have been made upon the floor of this House during the course of this debate all of the irregularities are not trivial. They were not mere informalities in procedure. It was charged here yesterday that there were irregularities that might, if pursued and carefully investigated, involve criminality. In view of the fact that the Comptroller of the Treasury has refused to pay these bills because of irregularities, and in view of the further fact that the charge has been made upon this floor that those irregularities were not mere informalities but went deeper, is not that enough to place the representatives of the people, who are charged with safeguarding the funds of the United States, upon guard and give them notice?

Is not that sufficient to make you men here, who are charged with this great responsibility under the Constitution, place about the settlement of these claims every reasonable safeguard? Is it the part of good judgment or good business or is it common sense for you to say, "We will disregard all that; let the Secretary of War and the officers who are responsible for the irregularities go ahead and settle them"? Let them cover up, if you please, the fact that they failed to file the affidavit which would prove, or tend to prove, that they had no personal or pecuniary interest in the contract they were entering into for the Government. To my way of thinking, the safeguard that requires the filing of an affidavit that the officer has no interest in the contract he is making is most important, as are many other checks and balances provided by law, which, it appears from this debate, have been either evaded or disregarded by officers. I do not want to see this Government permit its officers to enter into contracts with themselves or their former employers without being called to account and the transaction carefully examined into from all angles. I do not believe it is a good thing to be lax or indifferent about those matters. Therefore I believe that there should be some provision in this bill which will safeguard these settlements but not delay them.

I am in favor of the amendment that will be offered by the gentleman from Pennsylvania [Mr. MOORE], which requires a committee to assist in the settlement of these contracts. I can not now give the language of the amendment, but it provides for a committee which shall have the power to authorize payment of all claims. It does not take away from the Secretary of War any power, except that it supervises the settlement. It would not cause any delay, because under the act all these claims must be paid by June 30, 1919. There will be no delay about it; there will be no injustice about it. It simply means that the Congress is placing a safeguard around the settlement of these claims, which it is its plain duty to do.

Now, I do not say that I will not vote for this bill if it is not amended, because I think all just claims ought to be paid and paid promptly, but being on notice, the charges referred to having been made, it is our duty to see to it, in so far as we can, that proper safeguards are placed around the payment of these vast sums of the people's money, and the chairman of the committee, in my opinion, should accept the Moore amendment without a single word of protest.

Mr. DENT. Will the gentleman allow a question?

Mr. McCULLOCH. Yes; I will.

Mr. DENT. What is the amendment? I did not get it.

Mr. McCULLOCH. It is an amendment the exact language of which I can not give you, but which was referred to by the gentleman from Pennsylvania [Mr. Moore] last night before we adjourned. It provides that there shall be a committee composed in part of Members of Congress—of the House and Senate—which committee shall supervise the settlement of these claims.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. It is not, then, to create a commission?

Mr. McCULLOCH. No; it is a different proposition entirely.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, in the presence of a great number of things to be criticized, I know there is an irresistible temptation to use such an occasion as this bill presents to indulge in criticism. I am not going to find fault with anyone who has seen fit to use this occasion for that purpose, although I think that there is far less ground for criticism in connection with this particular matter than with many others. If those who are inclined to criticize the War Department rely upon criticism of this character, such as informalities in contracts, and thus indicate that there are no more serious matters to be criticized, in my judgment they substantially give away their case.

There will undoubtedly be a time for proper investigation and criticism of expenditures under the War Department. There will be an opportunity to inquire as to whether those expenditures have been made wisely and whether we have had a full return for our money.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. TILSON. In just a moment.

It does not seem to me, however, that this is the occasion. I think we shall make a great mistake if we choose this absolutely necessary legislation as a vehicle and occasion for general criticism of the wisdom or lack of wisdom in the expenditures of the War Department.

Mr. DOWELL. Mr. Chairman, will the gentleman yield there?

Mr. TILSON. I yield to the gentleman for a brief question.

Mr. DOWELL. Does the gentleman believe that it is better to have the commission now to pass upon these claims as to their justness than, after they are paid, to appoint an investigating committee to determine whether or not they have been rightfully paid?

Mr. TILSON. I do not. I think it would be far better to make mistakes in the payment of a few claims that ought not to be paid than to withhold payment upon a billion and a half of just claims, when such delay is a substantial denial of justice. If afterwards it should be revealed that a few are erroneous, even then it is possible in most cases to right the wrong. In other words, it would be better to make a few mistakes now than to do the injustice of holding up hundreds and thousands of claims which mean so much, not only to the contractors, but to the general business of the country.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. TILSON. For a question; I yield.

Mr. SNYDER. In other words, the gentleman means just what I attempted to state, that it is better to pay 75 or 85 per cent of these just claims, even if errors are made, on account of the great necessity on the part of the contractors in having the money that is due them.

Mr. TILSON. Yes. The whole question is this: Shall we put the United States Government in the position of being able to do what any honest, reputable business man would do under like circumstances? Under governmental restrictions and laws, some of them proper and some of them in my judgment useless, the War Department is hampered in doing what an individual would do under like circumstances. By this legislation we simply permit the Government to do what any honest business man in private life would do under similar circumstances and for which he would be considered a crook if he failed to do.

Let us assume the case of two business men, one a building contractor conducting large operations, the other a man who furnishes supplies. Suppose there was a great fire or an earthquake and great structures are necessary immediately. The con-

tractor goes hurriedly to the man who furnishes supplies and in the haste of the occasion there are informal contracts—items of supplies furnished in the confusion concerning which it is not easy to find out what are the real facts in the case. What would they do? Men representing these two concerns would immediately come together and in a very short time they would adjust the matter and go on with their business. Owing to the restrictions that I have mentioned, the Government can not do that. We propose to authorize the Secretary of War to do just that by this legislation.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Not now. Let us consider this legislation under three heads: First, what is for the best interest of the country at large as distinguished from the interests of the Government as representing the taxpayers and from the interests of the contractors themselves? What is best for the people as a whole? As we all know, industrial conditions are abnormal on account of the war. Capital has been tied up in war work and labor has been earning its bread in war activities. It is highly important for all that at the earliest possible moment the capital thus tied up be released so that business may resume its normal course. Those who may choose to oppose legislation absolutely necessary for this return to normal business conditions will assume a serious responsibility.

Second. What is best for the Government and the Treasury? It will surely be for the best interests of the taxpayers to settle these claims as soon as possible. Claimants will accept less if they can get it promptly in order to return to their peacetime business. They can afford to take less, and less will be due, for if prompt settlement is not made interest and resulting damages must and should be added. It is a well-known fact that claims for damages grow in geometrical progression with the time taken for settlement.

Third. What is fair and right as between the Government representing all the people and an individual or group of individuals? Delay in settlement means distress or financial ruin for many honest, patriotic creditors who placed their all at the disposal of the Government in order to win the war. We can not afford to place the Government in the attitude of a shifty, evasive, delinquent debtor. If legislation effecting substantially the purposes of this bill is not speedily enacted, we shall do just that thing.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. LAGUARDIA. Mr. Chairman, it seems to me the committee is borrowing trouble in insisting upon the passage of this bill as it is worded.

If the committee will classify these claims and separate those claims where the goods have been delivered in toto, providing that the proper affidavits are filed, and permit the Secretary of War to pay such claims, I am sure there is no objection on the part of any Member of this House to the payment of such claims.

Mr. GORDON. Mr. Chairman, will the gentleman yield right there?

Mr. LAGUARDIA. Yes.

Mr. GORDON. You are wasting time there, because this bill is not necessary to pay for goods that have been delivered. The War Department has authority to pay for them now under an implied contract.

Mr. LAGUARDIA. Good. Now, then, we come to the class of cases where the goods have not been delivered, and while some of these claims are made in absolute good faith and the claimants are entitled to payment we are going to have a large number of claimants that will come in and try to seek profits which they would have gained if the war had continued, and for goods which they manufactured on speculation.

The gentleman from New York [Mr. SNYDER] suggested that perhaps 75 per cent of the claims are good, and he asks, "Why not pay 75 per cent of the claims and let the other 25 per cent follow in?" The trouble is that the 75 per cent of honest claims will amount to 25 per cent of the amount and the 25 per cent of dishonest claims will amount to 75 per cent of the amount we will appropriate. I want to protect the Treasury against dishonest claims.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. In a moment. I know of a case where in my own personal experience there was an implied contract. The material was offered. I found the material defective and rejected every bit of it. This manufacturer could come in and

claim a million dollars and call me as a star witness. I hear he is now seeking to adjust that claim for a hundred thousand dollars, and that is every cent he is entitled to, if that much.

Mr. SNYDER. Mr. Chairman, will the gentleman yield right there for a question?

Mr. LAGUARDIA. Yes.

Mr. SNYDER. I would like to know if the gentleman can point out any particular case that is so glaringly dishonest.

Mr. LAGUARDIA. Certainly. Let us take the case of the raincoats in New York, where, if we should follow the suggestion of the distinguished gentleman from Pennsylvania [Mr. ROBBINS] to have the Government inspector adjust these claims, we would have to go to the Federal penitentiary in Atlanta to have this man pass upon the claim of the fraudulent manufacturer.

I introduced here on the first day of the Sixty-fifth Congress, my first day in this House, a bill which would have sent that dishonest contractor and that dishonest inspector to the gallows, and not to jail; but you did not have courage enough to pass upon it. It is still sleeping in committee. What we want to do is to separate the dishonest claims from the honest claims. Why let the Department of War pass upon it? You say this is purely a commercial proposition, in the cases of unliquidated claims; I consider it is a judicial proposition. Let the Secretary of Commerce pass upon it, and let the Attorney General look after the interests of the Government.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield there?

Mr. LAGUARDIA. Yes.

Mr. MONTAGUE. How would the gentleman's bill send somebody to the gallows?

Mr. LAGUARDIA. I introduced a bill on the first day of the Sixty-fifth Congress providing death penalty for dishonest contractors, to anyone who defrauded the Government in contracts in time of war. That is the logical, decent thing to do. Hang the man who will defraud his own country in time of war, while his countrymen are dying for it.

Mr. MONTAGUE. You mean to send somebody to the gallows for a crime committed before or after the passage of the law?

Mr. LAGUARDIA. The gentleman knows you can not pass a criminal law which is *ex post facto*.

Mr. MONTAGUE. I asked the gentleman that question because I thought the gentleman intimated that we could.

Mr. LAGUARDIA. The gentleman could not possibly have misunderstood what I said.

Mr. MONTAGUE. The gentleman possibly did not express himself as clearly as he intended.

Mr. LAGUARDIA. That is a difference of opinion between us. I "have" given that subject considerable study, more than many certain learned committees that had no experience and no information as to what they were trying to do, and refused to listen to others when they passed a very poor bill. I trust I have made myself clear on that point. [Laughter.]

Now, if the Senate comes back with this bill as it now stands, and takes out the amendment providing for a reviewing commission, I shall support the amendment sent up by the gentleman from Pennsylvania [Mr. MOORE]. Otherwise it is our duty to defeat this bill as it stands, and let the committee come in with a logical bill to look after the interests of the Government. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANTHONY. I yield five minutes to the gentleman from Illinois [Mr. DENISON].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. DENISON. Mr. Chairman, this bill contains 15 lines. There are 15 lines in the bill proper and 45 lines in the provisos. There are 8 provisos to the bill as it has been reported, and I understand it is the intention of the chairman of the committee to offer one or two more, so that when the bill is finally voted upon it will be a bill consisting of 15 lines itself and 50 or 60 lines of provisos, all of which shows, at least to my way of thinking, that we are trying to do something by this bill that we ought not to do. Any bill that contains only 15 lines and that has 50 or 60 lines of separate provisos is, to say the least, a rather unusual bill.

Mr. DEMPSEY. Provisos inserted after the bill was introduced?

Mr. DENISON. Yes. All of these provisos were added by the committee after the bill was introduced.

Now, as a Member of this House, I am not going to vote for any bill that will authorize or empower any man who has

been a party to an illegal contract to settle unliquidated damages growing out of that illegal contract. [Applause.] And that is just exactly what this bill does in its present form. There were a number of speeches made here yesterday which tried to leave the impression with the House that the only difference between the claims that will be settled under this bill and those that have been settled under legal contracts is a mere matter of informality.

Gentlemen, that is misleading. That is sugar-coating the whole proposition. Let me tell you what this bill does. The War Department now has the authority to settle for any materials that the Government has actually received, I do not care whether under a legal contract or an illegal contract. The War Department already has that power, and the Court of Claims has jurisdiction to settle every liquidated or unliquidated damage claim growing out of any legal contract; but the Court of Claims has no jurisdiction to settle any one of the claims covered by this bill; neither has the War Department jurisdiction to do so, because the claims that are to be settled under this bill are so-called equitable claims and are not legal claims growing out of any express or implied legal contracts. Now, if I have the time I want to call your attention to this provision in the act of Congress that was passed during the Civil War; and it has been rather amusing to me to see the members of the Military Affairs Committee of this House standing here and saying that this law was an obstruction to the War Department and that we ought to disregard it, although it is a valid existing law. That law provided that any officer in the War Department who signed a contract purchasing supplies for the Government should file with it his affidavit that he had no interest in the contract, direct or indirect, and that he should file with the department all bids, offers, and advertisements, and so forth, connected with the letting of the contract. Now, I would like to have some members of the Military Affairs Committee who have been belittling this law explain to the House what the purpose of it was. This law was passed by the Congress for some good purpose, and if it is not a good law it ought to be repealed, and I do not believe in letting the department ignore it absolutely when it is a valid existing law passed to protect the people and the Government.

The chairman of the committee [Mr. DENT] stood here yesterday and said that there is no difference between the contracts to be settled under this bill and those that are valid except a mere informality. Why, gentlemen of the House, if there has been any dishonesty in connection with the letting of war contracts—and I have heard a great deal of talk, and so have you, about graft and dishonesty in connection with the letting of some of these contracts—this bill will whitewash the whole thing.

The act of Congress under which these thousands of war contracts are absolutely void and illegal was passed in 1862, during the Civil War. It is a statute of frauds, as the Supreme Court has said, enacted for the very purpose of protecting the Government against fraud and dishonesty on the part of Government officials. It provides that all contracts made with the Government must be signed by the officer who makes the contracts, and he must attach to the contract an affidavit to the effect that he has no interest, direct or indirect, in the contract. He must also file with the contract, and attached to it, all offers, bids, advertisements for bids, and all other papers connected with the letting of the contract.

Now, here are nearly 7,000 contracts that we already know of, involving several billion dollars, that everyone of them are illegal and worthless because they were not signed by the officers who made them, nor were the affidavits of such officers made and filed with them, nor were the bids and other data filed as required by law. In other words, this statute of frauds, enacted to protect the public Treasury, was entirely ignored and disregarded, and Members stand here and argue that this default on the part of the officers of the War Department was a mere informality. If this bill is passed, all kinds of padded, fraudulent, and dishonest claims for damages, both actual and speculative and imaginary will be presented, and in my judgment they will aggregate twice as much as has been estimated by the War Department.

The idea that Congress should by law authorize the same officers of the War Department who have made these illegal contracts and failed to do their duty to the Government to settle the claims for damages that will be presented under them is preposterous to me. Now, I am in favor of paying every single just claim any person has against the Government, and doing so promptly. None of us, I think, want to deny to anyone a prompt settlement of his legitimate claim growing out of any expense he has incurred or liability he has contracted in helping the Government in the prosecution of the war.

But the end to be accomplished does not always justify the means provided to accomplish it. Let us provide for the payment of all these claims that are proper just as promptly as is possible. But let us also protect the people we are representing and guard the public Treasury while we are doing so. Surely Congress can adequately provide for the settlement of these claims without necessarily letting the settlements be left to the very officers who made the illegal contracts—who failed to do their duty when the contracts were made.

If this bill can be amended by the House so as to authorize some one else besides the War Department to make the settlements, I am willing to vote for it. If we can amend it so as to protect the Government from swollen and fraudulent claims, I will support it. But in its present form it is simply an omnibus whitewash, which I fear will in the end cover up a whole lot of waste, extravagance, graft, and possibly fraud; and, however urgent it may be that the valid claims ought to be settled promptly, I am unwilling to vote to allow them all to be settled in the manner provided by the bill in its present form.

Mr. SNYDER. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. I yield five minutes to the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. SHALLENBERGER. Mr. Chairman, I do not care to take the time of the committee in a discussion of this bill, but there are a few things that have been touched upon that I think ought to be brought to the attention of the House. In the first place, the same action that is proposed in this bill has been required of Congress, and the same duty has been performed by the Secretary of War, following the Civil War and also the Spanish-American War. The chairman of the committee [Mr. DENT] read to the House yesterday the legislation similar to that intended at this time was taken by the Secretary of War in settling claims against the Government following the Spanish-American War; and the Spanish War claims were carried to the Supreme Court of the United States, and the action of the Secretary of War was declared valid by the highest court in the land. So we have got warrant for what we are seeking to do.

Now, there is one thing particularly that I want to impress upon the House, because I think we have had an erroneous idea of it presented here, and that is that these claims are to be adjusted by the men who were responsible for making the contracts. That is not correct. On the contrary, 34 regional boards have already been constituted by the Secretary of War. They are civilian boards, made up of the representative business men of the different communities in which they are acting. For instance, in the city of Chicago and for that region John J. Mitchell, president of the great Illinois Trust and Savings Bank, is a member of the board. These men are already acting. They are men selected because of their high character and sound business judgment.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. SHALLENBERGER. I yield to the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. Where is there anything in the pending bill that will insure the appointment of a commission headed by John J. Mitchell, or of which he is a member?

Mr. SHALLENBERGER. This bill authorizes the Secretary of War to adjust these claims, and the Secretary of War has already constituted these boards, and Mr. Mitchell is a member of one of them.

Mr. COOPER of Wisconsin. Exactly; but this bill does not authorize the Secretary of War to appoint anybody.

Mr. SHALLENBERGER. These boards are already settling the claims which have arisen from formal contracts.

Mr. LITTLE. Will the gentleman yield for a question?

Mr. SHALLENBERGER. I want to get into the Record—

Mr. LITTLE. If what the gentleman has stated is true, why do we not pass a law to authorize the appointment of these commissions?

Mr. SHALLENBERGER. You are authorizing it when you pass this bill.

Mr. LITTLE. Why not say so in the law then?

Mr. SHALLENBERGER. The Secretary of War is authorized to do so. It has already been done. And I want to say further that I have here a statement showing that 685,872 contracts and purchasing orders were executed during this war. In other words, almost 700,000 contracts and purchasing orders have been made by the War Department with the different business men of this country, and only 6,000 of them are unsummed up and at issue in this particular case and to be settled under the terms of this bill.

Mr. JUUL. Will the gentleman yield for a very brief question?

Mr. SHALLENBERGER. I have only five minutes. Just wait until I finish my statement, and then if I can I will yield. I want to get this into the Record. I asked the Secretary of War and the Assistant Secretary of War and the munitions director if there was any evidence before the War Department that one single one of these so-called informal contracts was tainted with fraud, in the opinion of the War Department, and their reply to me was that so far as they knew there was not one scintilla of evidence that a single one of these contracts was tainted with fraud, but that every contract as to which there had been any suggestion of fraud was a valid, formal contract. Therefore there is no warrant for the insinuation, and no evidence to imply that there is any suggestion of fraud in connection with these particular informal contracts. They were caught unfulfilled by the armistice, and that is the reason for this legislation.

Mr. KING. Will the gentleman yield there for a question?

Mr. SHALLENBERGER. I want to make one more statement. The proposition is made, in controverting our plan, to create a commission. A commission means delay, interminable delay and enormous expense. We now have boards composed of high-class business men operating all over the country settling the formal contracts. If any man were to come before Congress and propose to constitute two commissions—one to settle one class of contracts which are valid and another commission to settle claims in controversy, I do not think he would have any hearing before the House. But that is what you propose to do if you appoint a commission. You will have the commission and also these regional boards of high-class business men, who are settling valid claims.

Mr. DENT. Will the gentleman yield?

Mr. SHALLENBERGER. I yield to the gentleman from Alabama.

Mr. DENT. In that connection a statement was made by the gentleman from New York [Mr. SANFORD] a little while ago, that the Senate Committee on Military Affairs had recalled the Hitchcock bill. That statement is absolutely correct. A member of the Senate Military Committee called me over the phone a little while ago and informed me that the Senate Military Committee had recalled the Hitchcock bill and abandoned the commission proposition.

Mr. KING. I would like to ask the gentleman this question.

Mr. SHALLENBERGER. I will yield to the gentleman from Illinois.

Mr. KING. Can the gentleman give the House any light as to who these 6,500 people are making these claims?

Mr. SHALLENBERGER. No; I have not that information. A few of them were mentioned casually in the hearings. They are representative men and business corporations scattered all over the country who were doing things necessary for the United States to win the war.

Mr. KING. Are there any aircraft contracts in this proposition?

Mr. SHALLENBERGER. I was informed by the Assistant Secretary of War that, as far as he could state, the Hughes investigation aircraft contracts are not included in this bill.

Mr. MILLER of Washington. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. MILLER of Washington. Did the War Department furnish the committee with any data as to who the men are that have these informal contracts and the names of the officers on the part of the Government who are supposed to have made the contracts?

Mr. SHALLENBERGER. We had only a general statement; no detailed list was made. That list is being prepared, but it will take some time. We were given a brief summary of the entire amount, about a billion and a half of money and something like 6,600 contracts, scattered all over the country.

Mr. DOWELL. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. DOWELL. Does not the gentleman think that Congress ought to know who composes the boards that the gentleman has referred to?

Mr. SHALLENBERGER. I will say that these boards have all been appointed and are known and now acting upon the formal contract claims.

Mr. DOWELL. We have not that knowledge.

Mr. ANTHONY. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, I ask leave to extend and revise my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. ANTHONY. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. Mr. Chairman, as I stated yesterday, I am anxious that all legitimate contracts shall be paid as promptly as possible. There ought to be no delay. People who have done service for the Government during the war should receive their money, but I believe there should be some supervision over so large a transaction as this. There really should be a limitation put upon the total amount to be expended. All we know is that it is to approximate \$1,600,000,000, but I have heard rumors that it may run up to \$4,000,000,000. Being on the revenue-raising committee, that strikes me as a serious matter. Business men are appealing to us to reduce taxes, and this seems to be an effort to increase taxes. Something has been said about the amendment that I propose to offer and concerning which notice was given late last evening. I wish to explain the amendment, and in explaining I desire to say that it should not embarrass the Secretary of War in the slightest particular, nor cause any delay whatever, but if adopted, it seems to me that it will satisfy the Congress and satisfy the people at large. The amendment does not alter the present bill in any respect, except that it creates a committee on war-contract expenditures. Following the syllabus of the bill, it inserts the following:

There is hereby created a committee on war-contract expenditures, to consist of the Secretary of War, two Members of the Senate, one a Democrat and one a Republican, to be appointed by the President of the Senate, and four Members of the House of Representatives, two Democrats and two Republicans, to be appointed by the Speaker of the House of Representatives.

I think I shall add to the committee the Attorney General, along with the Secretary of War, so that the legal department will be represented in the approval of these claims. That clause creates a committee on war-contract expenditures.

Section 2 provides that the Secretary of War, "with the approval of the committee on war-contract expenditures," which we have just created, is authorized to do all that this bill proposes. So that there is absolutely no hindrance, no stumbling block placed in the way of the Secretary of War.

All that we do is to satisfy the people and satisfy the Congress that there will be some intelligent supervision of these more than 6,600 contract claims. What will the Secretary of War do under these conditions? Once a week, or once in two weeks, or once a month, if he pleases, he may call together this committee on war-contract expenditures. They will assemble, and if the Secretary is ready with his audited accounts, with his bills, or his statements, he will lay them before the committee, and they will say, "All right, 1, 2, 3, 4, 5, 10, 20, or 100 contracts are clear as a whistle; we are satisfied with the audit and they should be paid."

We authorize them to be paid; but No. 59, No. 62, No. 1132 do not look exactly right to us and are laid aside for further information. What hindrance is there; what stumbling block in the way of the Secretary with an arrangement like that? What objection can any honest man have to it? Why would it not be a relief to the Secretary of War to have the sanction of the Attorney General and of the Representatives of the Congress in this regard? That is all the amendment proposes. There is no delay in settlement, and every condition of the bill will be followed.

Mr. EAGLE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. EAGLE. I would like to say to the gentleman that I should favor his amendment if I were convinced of one point, and, therefore, I ask in good faith to have his views on that point. It is in my own mind as a reason against the amendment, otherwise the amendment seems to me to be sound. I doubt if there is a single Member of the 435 of us who, with his committee work, with his attendance here from noon until 6 o'clock each day, with his from 50 to 150 letters each day and from 5 to 10 or 20 telegrams each day—

Mr. MOORE of Pennsylvania. The gentleman should ask his question.

Mr. EAGLE. Oh, I want to get this off my chest.

Mr. MOORE of Pennsylvania. If the gentleman will ask for more time for me I am satisfied.

Mr. EAGLE. I will beg hard. Is not each Member so loaded with responsibility that any one of the four appointed would find it almost impossible to give a fair, intelligent, judicial investigation to any one of these claims of the whole 6,700? Now, is it fair to appoint four men and charge them in the eyes of the country with the knowledge and responsibility which lack of time probably will not permit them to fulfill?

Mr. MOORE of Pennsylvania. I know the gentleman put his question in good faith, but in putting it he has made an argument. I think I can answer it by saying that no Member of Congress, no matter how busy, will refuse to serve the country in this regard without compensation, and that is just exactly what I propose. I propose to leave it to the Speaker to appoint four men, two Republicans and two Democrats, and to the President of the Senate to appoint one Republican and one Democrat, and I venture to say that no man named by either of those gentlemen will refuse to serve in this capacity without compensation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EAGLE. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. The time has been fixed by rule.

Mr. MOORE of Pennsylvania. All I wanted to do was to explain this amendment. It is a fair proposition and one which I think the House can very properly consider.

Mr. DENT. Mr. Chairman, I yield seven minutes to the gentleman from Ohio [Mr. GORDON].

Mr. GORDON. Mr. Chairman, I am opposed to appointing commissions for the purpose of investigating claims of this sort. It just means a divided responsibility and getting nowhere. Now, the suggestion which has just been made to the House by the gentleman from Pennsylvania [Mr. MOORE] of appointing a commission of Congressmen to act with and supervise the Secretary of War is wholly fallacious, it seems to me, so far as any practical results are concerned. If this House is anxious to do what ought to be done, then what it desires to do is to pay every honest and just claim with as much speed as possible, but to submit every claim to proper investigation to know what you are talking about. I am not going to spend any time answering the argument of those gentlemen here who say we ought to turn this thing over to a commission of bankers and manufacturers, who have these contracts, and let them decide themselves what they ought to have. I think it is a perfectly foolish or worse proposition for a Member of Congress to stand on the floor of this House and advocate to intelligent men. It is not necessary to indict these people for crime; it is not necessary to charge anybody with dishonesty. What we actually know is that there are 6,600 claims here, aggregating \$1,600,000,000. Of course, we want them paid, but this House is here supposed to represent the public interest, and if it is necessary to take time and investigate these claims, and, of course, it is necessary, whatever time is required ought to be taken and this talk about stopping the wheels of progress and ruining business men is a fallacious sort of argument that is designed to prevent these claims being examined properly and the amount actually and properly due determined. Now, of course, it is not very strange that men come here and say that they need the money, but that is not a new thing with Congress. I suppose the older Members who have been here for years have been confronted with that right along. But the question for us to determine is what is our duty in this matter. I say that our duty is to require investigation of these things. I have been very strongly of the opinion, and am yet, that there ought to be an investigation amounting to a judicial inquiry. Of course, they say it will take time. Of course it will, but Congress is not going to vote any lump sums here to anybody without any knowledge of the facts unless provision is made for a possible tribunal for determining the question. Now, of course, the War Department is one of the executive departments of the Government. This bill is advocated here upon the ground that the man upon whom the authority is conferred will not exercise it. The gentleman from Nebraska [Mr. SHALLENBERGER] said they had a commission appointed of a prominent banker in Chicago and somebody else and what they were going to do, but this bill does not confer any authority on any other man.

It says the Secretary of War. Of course, there is just this difference between conferring authority upon a Cabinet officer and conferring it on a court. The court can not delegate its authority, while the Cabinet officer can; but, of course, no pretense is made that the Secretary of War as a lawyer is going to sit down and make investigation of these claims before they are approved; no pretense of that sort is made. I take it we ought to amend this bill. It will help it some by providing that before any claim under this bill shall be allowed the Attorney General shall certify in writing upon the bill that the allowance of it is authorized by this statute which we now are passing or something to that effect, and I wish the gentlemen of the House would consider that, as I think it will be an additional safeguard. Of course, if these 6,600 claimants came here to Congress individually and introduced a bill to pay their claims in the regular order, the bill would go to the Court of Claims. They would write to the War Department, get a report on that

particular claim, and they would probably report it back to Congress with the recommendation of the War Department, and the War Department would get this information largely from the sources relied on under this bill; but the truth about it is gentlemen come to Washington and parade certain claims concerning which there is no dispute and ask this Congress to pass a blanket authority to pay 6,700, about only two or three of which we know anything.

Mr. MADDEN. Will the gentleman yield?

Mr. GORDON. I will.

Mr. MADDEN. I suppose there are claims not yet presented?

Mr. GORDON. Oh, unquestionably. When we had this hearing there was a million dollars' worth there and before the hearing was printed it reached \$1,600,000,000.

Mr. MADDEN. I understand there are \$4,000,000,000 not yet presented—

Mr. GORDON. I do not know about that; it is big enough as it is; but these claims ought not to be paid and they ought not to be authorized to be paid until they have been properly investigated.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. GORDON. I will.

Mr. COOPER of Wisconsin. I was not here yesterday, being in attendance upon the funeral of Col. Roosevelt, and I do not know just what the discussion was, but here is a question I would like to ask the gentleman. The gentleman is a member of the Committee on Military Affairs—

Mr. GORDON. Yes.

Mr. COOPER of Wisconsin. I see from the record the gentleman from Alabama said:

Suppose that on the 15th day of October, if that was a week day, the Quartermaster's Department hired some manufacturer—

And so forth. And a little later he said:

Suppose on the same day a representative of the Ordnance Department sent a telegraphic order—

And so forth. They did some of that, did they not, by telephone?

Mr. GORDON. That I do not know. Our committee has reported an amendment to this bill that will cut out the telephone conversations.

Mr. COOPER of Wisconsin. Were there any of these orders given by dollar-a-year men in the War Department or in any department anywhere?

Mr. GORDON. I am not prepared to answer that question. There have been orders given by different individuals. The gentleman from New York [Mr. LaGUARDIA] had a conversation with somebody, and he is now present—

Mr. LaGUARDIA. I wish to say that the aeroplanes were not accepted.

Mr. GORDON. You can not allow every Tom, Dick, and Harry to tell the people to make goods to win the war, and then present claims to the Government.

Mr. BLANTON. Will the gentleman yield?

Mr. GORDON. I will.

Mr. BLANTON. Suppose the gentleman's contentions were correct and were carried out, and one of these claims should come regularly before the Claims Committee; for instance, of the House; the Claims Committee submits that to the War Department, and that department reports favorably on it. Is there a single instance of that kind where the Claims Committee would not bring it before the House and ask the House to pass it? So, after all, it is left to the Secretary of War.

Mr. GORDON. I think that is true, the only difference being in the aggregate amount. These amounts here aggregate over \$1,600,000,000 up to date, and there are more than 6,600 claims. Now, the argument is made that any sort of judicial investigation will take too much time. The very claims that ought to be examined are likely to be passed without proper examination. You can not undertake to say that because 25 per cent of them are just or that 25 per cent are unjust we will authorize the payment of all of them. I do not think any sensible man with sound common sense or honesty will advocate any such proposition as that.

Mr. McKENZIE. Will the gentleman yield?

Mr. GORDON. I will.

Mr. McKENZIE. Does not this bill provide that these settlements have to be filed with Congress, stating the exact facts in connection with the settlement, after the settlement?

Mr. GORDON. Yes; afterwards.

Mr. McKENZIE. Does the gentleman believe that any man in the War Department or any other official of the Government would enter into some shady arrangement under those conditions?

Mr. GORDON. Oh, no. It is not the man in the War Department that is going to do it. It is the man that is getting

the money that is going to do the shady things. I am not charging anybody in the War Department with intent to defraud.

Mr. McKENZIE. Does not this bill also provide that if any gentleman does enter into this shady transaction we can pursue him?

Mr. GORDON. Of course, you can pursue him on a criminal indictment for felony if he conspires to defraud the Government.

Mr. LaGUARDIA. In France or England or Italy?

Mr. GORDON. In this country.

Mr. BENSON. Will the gentleman yield?

Mr. GORDON. I will.

Mr. BENSON. What remedy does the gentleman offer?

Mr. GORDON. I think the bill ought to be amended in two particulars. I think that before being paid they ought to be approved by the Attorney General of the United States. I think, furthermore, they ought to be compelled to make this affidavit. A majority of these claims, it was testified, were rejected because the man who made the contract did not sign it and make the affidavit provided by law. I believe before these claims are paid that an affidavit ought to be made by the man who made the contract to the effect that no one but the Government and the contractor had any interest in it and that the terms claimed were agreed upon. And an amendment ought to be adopted so that he would be rendered liable to the same extent he would have been if he had signed and sworn to the contract in the original instance.

Mr. ANTHONY. Mr. Chairman, I yield the remainder of my time to the gentleman from California.

Mr. COOPER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COOPER of Wisconsin. Is this general debate?

The CHAIRMAN. General debate; yes.

Mr. DENT. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. KAHN].

The CHAIRMAN. The gentleman from California is recognized for 27½ minutes.

Mr. KAHN. Mr. Chairman, this legislation is asked for by the War Department because there are some 6,600 agreements to be settled under this bill in this country alone, and the amount involved in these agreements is \$1,600,000,000. It is a very large amount, and if these contracts or agreements had been formally executed according to law the War Department would not be put to the necessity of asking for this legislation.

On the 11th of November last year, when the news came that an armistice had been signed, the War Department did that which any good business house would have done. It immediately notified the contractors of the country right there and then to stop the further making of supplies that were being turned out to win the war. Now, those gentlemen who had contracts that were properly executed in accordance with the provisions of the Revised Statutes have had no trouble at all in getting a settlement. There are local boards composed of men in the various departments who have been engaged in supervising the actual production prepared for or carried on and who know the nature of the contracts. They call to their assistance the officers and Government inspectors, who watch the making of the supplies for the Government and who have direct supervision thereof in the factories that are turning out the supplies. These inspectors and officers are there with their records to give assistance to the local boards that are investigating the matter. The Government, so far as I am informed, up to the present time has had excellent service at the hands of these inspectors. They have been a very efficient class of men. They have frequently rejected supplies that did not come up to the specifications. I want to say now that I think the country owes a debt of gratitude to the manufacturers and producers of the United States for their willingness to turn over to the Government all their facilities to speedily produce the supplies that were necessary for the winning of the war. And the workmen in the factories who gave their best ability toward turning out these supplies deserve the thanks of the country.

There are about four classes of cases that are involved in this legislation. The first class comprises agreements made by the Ordnance Department, which should have been signed by the Chief of the Procurement Division of that department. Instead they were signed by one of his principal assistants. The Comptroller of the Treasury ruled that the signature of this assistant did not comply with the statutory requirements for the execution of valid contracts. This legislation is required so as to enable the Government to settle all cases of this kind.

It often happened that the manufacturer was told that time was the essence of the contract; that he ought to put all his energy into the task of supplying the Government rapidly, be-

cause upon the rapidity with which the supplies could be secured would depend the duration of the war. The manufacturers went ahead in good faith to turn out their products as speedily as possible.

Now, when their claims were sent to the comptroller for his approval he called to the attention of the War Department the fact that the contracts on the part of the Government had not been properly executed by the Government and refused to authorize the payment of those claims. Of course later on the War Department corrected anything of that kind. No such contracts or agreements were entered into later than the comptroller's decision, because the War Department realized that the contracts would be invalid, and the contractors could not be paid.

Then there was a second class of cases. The Engineer Department for years had been in the habit of getting merchants to furnish them supplies, especially for river and harbor work, upon blank forms, the validity of which had never been questioned. Those forms were used in the early days of the war by the Engineer Department, and the supplies were furnished the Government. The forms specified in detail the character, amount, price, and time of delivery of the required articles. But the comptroller said: "That is invalid; you can not do it," and therefore a large number of cases of that kind are held in suspension.

A third class is that in which the War Department called manufacturers before it and informed them that the Government required a certain article. The manufacturer probably had never turned out that article, but he had certain machinery that could be adapted to the manufacture of that class of goods, and he said frankly to the Government: "I do not know what I can do in the matter of making a price for you. What I will do will be this: I will turn over my factory to the manufacture of this commodity. You put in your official inspectors. We will open our books; we will show you exactly what the cost will be, and then we will agree upon a price." There were no formal contracts entered into, because they could not enter into a formal contract under a condition of that kind.

Then there were, finally, other cases where the Government contemplated taking over large tracts of land for the purpose of manufacturing trinitrotoluol, or TNT, as it is usually called. They went on tracts of farm land and told the men owning it, "We are going to commandeer this land," or "We are going to condemn it, because we need this land for the manufacture of those commodities that will help us to win the war." In many cases the farmers went elsewhere and entered into contracts for the purchase of land many miles away from where they had been formerly. But they were dispossessed. Then the armistice was signed. The Government has not paid these farmers anything for the land. Later the Government found it would not require the land.

Now, those farmers, those men who gladly, in many instances, went off the land in order that the Government might have the proper acreage on which to build factories—and the most notable case is the one at Racine, Wis.—those farmers ought not to be compelled to wait indefinitely for their pay, because they have probably entered into contracts, into agreements for the purchase of new lands, and upon the payment to them of the price of the land taken by the Government depends their ability to pay for the new lands upon which they proposed to settle.

Now, those are the four classes of cases, as nearly as I can recall them.

Mr. HAMILTON of Michigan. Mr. Chairman, may I ask the gentleman a question?

Mr. KAHN. Yes.

Mr. HAMILTON of Michigan. I do not know whether it would be possible, but I want to ask the gentleman if he thinks it would be possible to so frame a bill as to validate those contracts which have been erroneously signed, and then put the others in a different class?

Mr. KAHN. That is one thing that the committee did not want to do. They did not want to validate the contracts, because they felt that these claims ought to be settled, and that by failure of the passage of legislation to validate the contracts the probability of a speedy settlement would be more likely to be accomplished.

Mr. HAMILTON of Michigan. May I further suggest this to the gentleman: Clearly where the contracts have been erroneously signed by some one in the War Department—for illustration, in a case where the other party to the contract has gone on providing material—clearly there is a case where the party ought to be paid, and the contract is there to speak for itself. There are two kinds of contracts that the gentleman has described.

Mr. KAHN. True; but if I can bring it to the gentleman's attention more specifically, I want to say that while the Govern-

ment itself dealt generally with only one individual, there were numerous subcontractors who obtained contracts from the main contractor, and the main contractor must take upon himself the settlement with his subcontractors. We felt that by refusing to validate those claims the contractor would speedily make his settlement with the subcontractors, and the thing would be wound up without unnecessary delay, whereas in all probability there would be indefinite delay by pursuing the other course.

Mr. HAMILTON of Michigan. Then you could have validated those contracts upon certain conditions specified?

Mr. KAHN. Probably in every contract that is involved there is a certain condition that involves just that particular contract. They are not all alike. They have variations. And so, in order to bring the thing to as speedy a conclusion as possible, the bill was agreed to by the committee in the form in which it is presented to the House.

Mr. REED. Mr. Chairman, will my colleague yield?

Mr. KAHN. Yes.

Mr. REED. Is it true that the comptroller has in the past approved and ordered payment upon improperly executed contracts?

Mr. KAHN. Well, I want to say that, so far as my knowledge of the present comptroller is concerned, I do not think that any invalid contract was recommended for payment by him.

Mr. REED. It has been stated on this floor to-day that, following old forms, certain departments had been in the habit of making unlawful contracts and these have been paid. When did this spasm of infallibility and efficiency strike the office of the comptroller?

Mr. KAHN. No; they have not been paid. That is the very reason why this legislation has been asked for, because the comptroller himself refused to pass favorably upon those contracts.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. KAHN. Certainly.

Mr. GREENE of Vermont. I think perhaps what the gentleman from West Virginia has in mind is the fact that one branch of the War Department in peace times—

Mr. REED. The engineering branch?

Mr. GREENE of Vermont. Yes; the engineering branch had been authorized to make what were called purchase contracts, and when the officers were called upon to make contracts for the department generally they used that form of contract until they were notified that they could not do it.

Mr. REED. By the new comptroller?

Mr. GREENE of Vermont. No; by the comptroller.

Mr. KAHN. Mr. Warwick has been in office for some time. Now, what is proposed by this legislation is to give these men who entered into agreements with the Government to turn out supplies for the winning of the war, or to do something that would help to win the war, the same right for the settlement of their claims as those contractors who have duly executed contracts.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. BANKHEAD. I would like to have the gentleman's construction of the proposition where a man who really had a bona fide contract which was invalid. If this bill passes, the question of the adjudication of the amount would be left entirely in the hands of the Secretary of War?

Mr. KAHN. The final payment; yes.

Mr. BANKHEAD. Now suppose, as a matter of fact, the Secretary of War was not willing to award to that man an amount which he held was due him; in other words, that the Secretary of War wanted to settle upon a basis which was not satisfactory, and that the facts might tend to prove were not satisfactory and just to the contractors. What remedy would the contractor have?

Mr. KAHN. He would have no remedy whatever. Even if we pass this legislation, he will have no remedy. He can not go into any court of the United States and establish his claim.

Mr. DENISON. His remedy would be to have a bill introduced in his behalf?

Mr. KAHN. Yes; exactly. He could go to the Committee on Claims or the House or the Senate with his claim, but Members are aware how few claims of that kind are ever passed by Congress.

Now, there is a serious condition that confronts many of these men. They have their capital tied up in this work. Many of them have had to borrow from their banks in order to meet the requirements of this Government. They now are paying interest every day, because their banks are carrying them along. I am told that several of these concerns have already gone into

bankruptcy and that many others are threatened with bankruptcy. Do you know what that means? It means the closing of many of these concerns before they can adjust their business so as to return to a peace-time basis. It means the throwing out of employment of their mechanics and laborers and forcing them upon the labor market of the country. I do not think the Members of this House want to see such a condition prevail. I imagine that the Members of this House feel that the Government ought to be just as honest as the citizens of the Republic; that every just claim ought to be paid, and that the men who, in the hour of the country's stress, came to the country's assistance should not be penalized because of some informality in the proper execution of their agreements with the Government.

Mr. EMERSON. This bill proceeds upon the theory that the War Department will deal fairly with these contractors. Now, perhaps it will. But should there not be some one—for instance, the President—to whom they could appeal in the event that they thought that they were unfairly dealt with?

Mr. KAHN. The process of dealing with these claims is this: I should state, however, that the War Department officials are dealing with the claims arising under properly executed contracts every day. Before the gentleman was here I stated that the matter is first taken up by a local board composed of officers of the Army who are attached to the particular branch of the military service that negotiated the agreement. In other words, if it be an ordnance matter, ordnance officers pass upon the claim. If it be a quartermaster's matter, officers of the Quartermaster's Department pass upon it. They make a finding. Then later the claim is presented to a second board, which is here in Washington, and is composed of officers in the respective bureaus who are specially selected for this purpose of review. Then the claims are finally sent to the Board of Contract Adjustment in the War Department. They pass upon these claims. They go over the papers. They review the whole matter and finally reach a determination. This is the third board to pass upon the claim. In the process of adjustment it goes through three separate and distinct boards, until it finally gets to the Secretary of War for his approval.

Mr. DENISON. Do these boards have a definite personnel?

Mr. KAHN. Yes.

Mr. DENISON. Would the gentleman object to putting into the bill an amendment requiring these claims to go in that way?

Mr. KAHN. I certainly would not object, but I am told, or rather the committee were told by the War Department that that is the very course they are now following and that they propose to continue to follow. They propose to continue to follow the same course which they have followed in adjusting all the differences heretofore. I do not think it is really necessary to put that in the proposed legislation, because that is the procedure that has been in vogue at the War Department since we have been in this trouble.

Mr. LEA of California. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. LEA of California. Can the gentleman tell me whether or not the Secretary of War has expressed any intention of so adjusting these claims as to protect the legitimate rights of subcontractors?

Mr. KAHN. Well, I do not know positively what it is their intention to do. I understand that it is the purpose of the War Department, before they make final settlement with the contractor, to see that he makes his settlements with his subcontractors, so as to fully protect them, before the War Department finally will pass upon his claim. I understand that is the department's purpose.

Mr. BLANTON. The gentleman has stated that these agreements should be treated with the same consideration as bona fide written contracts.

Mr. KAHN. Certainly.

Mr. BLANTON. Could any honest contractor object to a requirement being placed in the bill that would provide that the officer who caused the goods to be ordered should make the customary affidavit?

Mr. KAHN. That officer may be dead now.

Mr. BLANTON. But where he is living. I take it that 99 per cent of them are living.

Mr. KAHN. Oh, no. In the early stages of the war they were shifted around very rapidly, and many of the officers were sent right over to France to carry on the work there.

Mr. BLANTON. But is there any objection to that where the officer is living and accessible?

Mr. KAHN. I do not think that would meet with the requirements of the Revised Statutes. In fact, we were so told.

Mr. BLANTON. Should not the officer make an affidavit that he had no interest in the contract?

Mr. KAHN. I rather think that ought to be the case, but that is a matter that could be investigated by the men who will be charged with the duty of passing upon these agreements.

Mr. BLANTON. Several of them have been dismissed from the Army and Navy for having an interest in the contracts that they let, have they not?

Mr. KAHN. I do not know whether there were any dismissals. I know that in the Aircraft Board investigation it was brought to light that some of the Army officers had knowledge of what was going to be done and they gave the information to the concerns with which they had previously worked.

Mr. BLANTON. Have there not been courts-martial and convictions?

Mr. KAHN. I doubt whether there have been any convictions or courts-martial. I believe, however there were some indictments.

Mr. DENT. Will the gentleman yield to me?

Mr. KAHN. Certainly.

Mr. DENT. As to the suggestion that we should require the officer who made the contract to file an affidavit, he may be dead; he may be inaccessible; it may be practically impossible, and it is not fair to the honest contractors to put the burden on the officer to say that that must be done before the contractor shall be paid.

Mr. KAHN. And, furthermore, the contracts were entered into so rapidly at the beginning of the war, the requirements of the Government were so great, that I doubt whether a single officer who in this way was representing the Government could recall all the facts connected with the making of the contracts or agreements. It would be almost a physical impossibility for him to remember all the details. Take the Members of this House, who get dozens of letters every day, and ask a single one of them what was in a certain letter that he received three or four months ago. Without refreshing his memory from the files of his office, he probably would not remember the incidents referred to in the letter. So it would be almost a physical impossibility for an officer to recall all the conditions surrounding every agreement that was entered into by him on behalf of the War Department.

The Secretary of War has specifically stated to the committee that time is the essence of this thing. Many men who have their money tied up in various manufacturing plants are very anxious to get back to a peace basis. They want to continue the manufacture of those goods or commodities that they were accustomed to manufacture before we got into this war. We should help them in every way possible. We should provide them with the method by which their proper claims can be paid so that they can begin peace-time activities.

Mr. WINSLOW. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. WINSLOW. Does the gentleman think there was any good reason why the contracts could not have been executed concurrently with the execution of the orders themselves?

Mr. KAHN. Yes; I stated a little while ago that there was one line of claims where that was absolutely impossible. They were the claims of a concern that was called upon to manufacture a class of goods that had never been manufactured by them at any time. But they had machinery which could be converted to the use of manufacturing that class of goods. The manufacturer would say to the agent of the Government, "I will do this, I will turn over my facilities, but I can not tell what the thing is going to cost the Government because I have to find out what the cost is going to be to me. But I will let you put your inspectors into my factory, I will open the books, and you will have every facility for learning what it is going to cost, and then we will agree on the price and make the written contract."

Mr. WINSLOW. Very good, but could they not make the agreement or contract with that very condition in it?

Mr. KAHN. I do not think they could, because the Revised Statutes are specific upon the subject of making valid contracts and the provisions have to be followed; certain things have to be done, and they could not be done under such a condition of affairs as I have stated.

Mr. WINSLOW. Would the gentleman justify the department in urging manufacturers to begin the manufacture of articles when the Government knew that there was no immediate need for them?

Mr. KAHN. The purchasing department was trying to help win the war and the people of the country were anxious to win the war. The War Department's agents went to the factories. They knew they could not get all the supplies that were needed

in many different directions without having the cooperation of many new concerns that they induced to go into the manufacture of war materials for the purpose of turning out the needed quantities of these supplies. They went to the business concerns frankly and stated the Government's case. The manufacturers just as frankly stated their case to the Government. The Government said, "We need the stuff; go ahead." That was done in innumerable cases all through the war. The manufacturer, as a patriotic citizen, relied upon the good faith of his Government that he would ultimately get his pay. And it would be bad faith, in my opinion, on the part of the Government now to refuse to pay these claims for the settlement of which this law is now asked.

Mr. WINSLOW. I can agree to that; but the point I want to get at is whether or not the buying department was clothed with the proper commercial authority when they ordered manufacturers to produce articles when they could get the articles to meet the war necessities through the regular channels.

Mr. KAHN. Of course, every branch of the Navy and War Departments that could enter into contracts authorized the officers of these branches to enter into agreements for the furnishing of the required supplies. The gentleman from New York [Mr. LAGUARDIA] a while ago stated that anybody could issue orders for the manufacture of goods. The gentleman is entirely mistaken. The business of the country is not done quite as loosely as that. The departments had men whose duty it was to negotiate these contracts, and the men so designated were the only ones that could negotiate the contracts. But that is only one line of cases.

Mr. WINSLOW. A very small line.

Mr. KAHN. No; it is a considerable line, and a good deal of money is involved. There is another class of cases sought to be covered by the law. I stated a while ago that farmers in several parts of the country were told to quit their land; that the Government needed the land for erecting factories thereon that were to turn out munitions—turn out supplies that were needed to win the war.

The farmers got off the land. Their claims have not been paid. In some cases before the Government could get control of the entire tract of land that was needed for its purposes the armistice was signed. The farmers were told that the War Department would settle with them. They had no agreements that fixed amounts would be paid. Under the comptroller's decision these men, who in good faith moved upon new land, expecting to pay for that new land out of the funds which they would be paid by the Government, now find themselves high and dry because they can not get their money. It was intended to build a great big T. N. T. plant at Racine, Wis. They required some 2,000 acres at that place. There were two or three other parts of the country where the Government had practically condemned the land. The farmers were ordered off. They were told, at any rate, that no crops would be allowed to be planted during the current year. Those men have legitimate claims against the Government. They ought to be paid their claims. And yet without the passing of this legislation the Government is not in a position to enter into an agreement with these men. What is more, these men have no remedy in any court against the Government.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KAHN. Yes.

Mr. GREEN of Iowa. Is not my friend in error about that. In the deficiency appropriation bill we appropriated \$15,000,000 to pay for lands that the President might requisition and take over and pay for in his discretion. That is the effect of it.

Mr. KAHN. There is no appropriation provided in this bill at all. The President undoubtedly took over those lands, or some of them, but the legal formalities that the comptroller requires were not complied with.

Mr. GREEN of Iowa. But under the provisions of the deficiency bill none of those requirements was necessary. The President could pay what he pleased.

Mr. KAHN. Under section 120 of the national defense act we thought that we gave the War Department full authority to commandeer every business concern of the country if that were deemed necessary to win the war, if we got into a war. We found out that the language there was not broad enough to cover all of these cases.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. KAHN. I will.

Mr. KEARNS. Take, for instance, the land that was taken at Racine from the farmers. That was taken back in July some time.

Mr. KAHN. I do not remember just what the date was. My impression is that it occurred later than July.

Mr. KEARNS. Why has not the War Department made contracts with those farmers long before this time?

Mr. KAHN. I understand they were in process of negotiating at the time the armistice was signed.

Mr. KEARNS. But the armistice was not signed for five or six months after the land was taken. Why have they not made contracts with them?

Mr. KAHN. I do not know why they did not. I am not running the War Department.

Mr. KEARNS. The only question in my mind is why they should come in at this late day and ask for authority?

Mr. KAHN. The armistice was signed on the 11th of November. On the 12th of November the War Department immediately stopped all contracts. The department came to Congress as speedily as possible and asked for authority to pay these claims.

The CHAIRMAN. The time for general debate under the rule has expired. Under the terms of the rule the bill will be considered under the five-minute rule. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to adjust, pay, or discharge any agreement, express or implied, upon the basis of reasonable value but in no case greater than the agreed price that has been entered into, in good faith during the present emergency and prior to November 12, 1918, by any officer or agent acting under his authority, direction, or instruction, with any person, firm, or corporation for the acquisition of lands, or the use thereof, or for any supplies, material, or equipment to be used in the prosecution of the war, when such agreement has been executed in whole or in part, or expenditures have been made or obligations incurred upon the faith of the same by any such person, firm, or corporation prior to November 12, 1918, and such agreement has not been executed in the manner prescribed by law: *Provided*, That payment under such agreement shall not exceed the fair value of the property transferred or delivered and accepted by the United States, as determined by the Secretary of War, and where no property has been transferred, delivered, or accepted payment shall not be in excess of the actual cost incurred in preparation for performance, as such cost is determined by said Secretary: *Provided further*, That this act shall not authorize payment to be made of any claim under such agreements after June 30, 1919: *And provided further*, That the Secretary of War shall report to Congress at the beginning of its next session following June 30, 1919, a detailed statement showing the nature, terms, and conditions of every such agreement and the payment or adjustment thereof: *And provided further*, That nothing in this act shall be construed to confer jurisdiction upon any court to entertain a suit against the United States upon any agreement of the character herein provided for: *And provided further*, That no settlement of any claim arising under any such agreement shall bar the United States Government through any of its duly authorized agencies, or any committee of Congress hereafter duly appointed, from the right of review of such settlement, nor the right of recovery of any money paid by the Government to any party under any settlement entered into, or payment made under the provisions of this act, if the Government has been defrauded, and the right of recovery in all such cases shall extend to the executors, administrators, heirs, and assigns, or any party or parties: *And provided further*, That nothing in this act shall be construed to relieve any officer or agent of the United States from criminal prosecution under the provisions of any statutes of the United States for any fraud or criminal conduct: *And provided further*, That this act shall in no way relieve or excuse any officer or his agent from such criminal prosecution because of any irregularity or illegality in the manner of the execution of such agreement: *And provided further*, That the names of such contractors and the amounts of such partial or final settlements shall be filed with the Clerk of the House for the information of Congress and printed in the CONGRESSIONAL RECORD, or in the Official Bulletin, or as a public document, 10 days before confirmation and payment is authorized upon such contracts.

Mr. DENT. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

Mr. MANN. Mr. Chairman, a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. MANN. Under the rule which, I believe, provided for consideration of the amendment of the committee, is the committee amendment to be treated as original matter, so that an amendment to it is subject to an amendment?

The CHAIRMAN. Reading the section of the rule that the amendment reported by the committee shall be read and considered in lieu of the original text, the Chair would feel authorized in construing that to mean that the committee amendment shall be treated as the original text.

Mr. MANN. I think the Chair is right about that, but we ought to have the ruling.

Mr. CAMPBELL of Kansas. Mr. Chairman, I will say to the Chair and to the Members of the House that was the intention of the Committee on Rules in preparing the rule.

The CHAIRMAN. The Chair will so rule. The gentleman from Alabama offers an amendment, which the Clerk will report:

The Clerk read as follows:

Page 3, line 10, after the word "any," insert the words "foreign government or with any."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DENT. Also the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 3, line 15, after the word "such," insert the word "Government."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. MANN. Mr. Chairman, I would like to ask the gentleman from Alabama a question about this. Is there any knowledge as to the number of contracts that were entered into with foreign governments?

Mr. DENT. I have no knowledge as to the number.

Mr. KAHN. Mr. Chairman, if the gentleman from Alabama will permit, so far as the committee was informed, the agreements with foreign governments were not negotiated in accordance with the procedure set forth in our Revised Statutes, and practically all of the claims of the foreign governments will have to be settled under this provision of law.

Mr. MANN. Can the gentleman say how much they amount to?

Mr. DENT. I put that in the RECORD yesterday, from a letter written to me by the Assistant Secretary of War, Mr. Crowell. In one portion of the letter he says:

A recent cable states that the outstanding obligations of the American Expeditionary Forces on November 11 amounted to \$1,183,130,000.

The number of them he does not state.

Mr. MANN. What governments were they owing to?

Mr. DENT. The French, the British, and the Italian.

Mr. MANN. Does anyone know what the amounts were?

Mr. DENT. I do not know.

Mr. MANN. Of course the War Department knows, but does not give us that information.

Mr. DENT. I have not that definite information.

Mr. MANN. It would be a very easy matter, it seems to me, to divide the total and find out what each Government has owing to it if they wanted to give the information.

Mr. FOSTER. I think Mr. Stettinius was asked about that before the Committee on Rules, and he said he did not know the number of the contracts.

Mr. MANN. How can they reach the amount in dollars and cents without knowing?

Mr. FOSTER. I do not know, either.

Mr. MANN. Well, the gentleman, my colleague, knows they can not do it without knowing, and if they know it would be very easy to give the information.

Mr. FOSTER. Mr. Stettinius had charge of the work over there.

Mr. DILLON. Will the gentleman yield for a question?

Mr. DENT. I yield to the gentleman.

Mr. DILLON. Can the gentleman give any information as to the foreign government, whether such foreign government was allowed to represent this Government and at the same time the foreign government represented itself?

Mr. DENT. I really would like the gentleman to restate that question.

Mr. DILLON. I wanted to know if such foreign government could represent its own Government at the same time it represented our Government, so that it occupied a dual position of dealing with both parties?

Mr. DENT. Why, certainly not. Our Government would have its own representative, if that is what the gentleman means.

Mr. DILLON. Well, for instance, suppose that the Government now is binding our Government, could it sell something to this Government—

Mr. DENT. Oh, it can not do that. This simply adds to the bill authority to make settlement with foreign governments as well as contractors in this country.

Mr. DILLON. I have been informed in some instances those foreign governments have represented our Government and at the same time sold government property to our Government, and I wanted to know whether there was any truth in that.

Mr. DENT. I have no information upon it at all.

Mr. ALEXANDER. I read the hearings on that question and they are to this effect, that the foreign government had contracted with their nationals for certain supplies at certain prices, and our Government, our agents, through the foreign government, had their nationals furnish supplies at the same price. That was the form of the negotiation.

Mr. DENT. As I understood the gentleman, he seems to think the foreign government represented itself and our Government at the same time in the transaction.

Mr. ALEXANDER. There is nothing in the hearing showing there was anything like that.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am glad the gentleman from Illinois [Mr. MANN] has raised this question with the gentleman from Alabama, because it affords a better understanding as to why there is confusion in the minds of Members of Congress with regard to these bills. Anyone reading the hearings before the Committee on Rules would assume that the American manufacturers were rushing into bankruptcy because the Government has refused to pay their claims. There was such meager testimony in regard to these oral contracts that some good may have resulted from this discussion in this House. When the gentleman from Kansas asked the Secretary of War how much these claims amounted to in the aggregate, the Assistant Secretary of War, Mr. Crowell, promptly responded that there were as the present, so far as they knew, approximately 6,600 oral contracts, not written contracts, and that the aggregate amount they represented was about \$1,600,000,000.

Mr. KAHN. That is in America.

Mr. MOORE of Pennsylvania. Now, we find that the gentleman from Alabama answers that of this total amount of \$1,600,000,000 Mr. Crowell tells us he knows about \$1,183,130,000 goes to foreign governments.

Mr. KAHN. This is the additional amount.

Mr. MOORE of Pennsylvania. If it is additional, then, instead of these oral contracts amounting to \$1,600,000,000 they amounted to \$2,700,000,000; and yet the taxpayers of the Nation are appealing to the Committee on Ways and Means and the conference committee now in session to cut down the burden that must be levied upon them. Oh, I want these facts brought out. Let us understand the status of the American taxpayers. Granted that we had to do these things suddenly, granted that our agents had to do things in France, Italy, and in England, but also remember the American manufacturer has been suffering from embargoes, and can not to-day obtain shipping space to send his manufacturing material into some of the countries that now assume to control the high seas. We were asked in the Ways and Means Committee only two or three weeks ago to authorize another foreign loan of \$1,500,000,000, and we refused to do it. I presume there are some generous souls who think that unpatriotic, even though we have already lent \$8,500,000,000. Though we are not going to lend this additional \$1,500,000,000 we are going to pay—

Mr. LONGWORTH. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I do.

Mr. LONGWORTH. I do not think the gentleman stated it exactly correctly when he said we were to lend it. We were to authorize the Secretary of the Treasury to lend any part of it, or all of it, to such nations as he might see fit at any time.

Mr. MOORE of Pennsylvania. The gentleman states the case correctly, but what I wanted to do was to bring to the attention of my Republican friends and my patriotic Democratic friends, who must answer to the people for the tax burdens we are imposing, that the little bill of \$13,000,000,000 which France has presented to Germany for the destruction of property over there, some of which we are paying in this appropriation now, is almost exactly the amount of the deficit in the Treasury of the United States for the year 1919.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CALDWELL. Mr. Chairman, it is rather amusing to us on this side of the House to hear Republican critics go after this bill. In times gone by it has been the boast of Republican critics—and they were here in the times gone by—that the Republican Party was the party that looked after the business interests of our country, and yet all yesterday and all to-day we hear the criticism of the war horses on the Republican side of this House of the Democratic administration trying to take care of the business interests of this country, and the criticism that is made here is that we have not a sufficient amount of detailed evidence upon which we can base this legislation.

And if the gentleman would take time to look at the hearings before the Military Committee he would find that the greatest Republican that was drafted and brought into the War Department, Maj. Gen. George Goethals, of Panama Canal fame, was the man who came and stood sponsor for this bill and who failed to give the detailed information that a Democrat on this side of the House asked for, and the only criticism that was justified by the gentleman from Pennsylvania [Mr. Moore] and his esteemed associates, that he distinguished from the patriotic associates on this side, was criticism that ought to have been thrown at the Republican official who is responsible for this condition having grown up in the Quartermaster's Department while he was there.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. CALDWELL. I think I can not, my time has expired.

Mr. MOORE of Pennsylvania. I would like to call the gentleman's attention to the fact that I have read the hearings and am familiar with them.

Mr. KAHN. Mr. Chairman, I have listened with a great deal of interest to what the gentleman from Pennsylvania [Mr. Moore] has said. In fact, I always like to listen to him. But these agreements that were entered into with foreign Governments were made necessary because Congress itself in the years gone by refused to prepare this country for war. [Applause.] When we got into the war we had not the proper facilities for making heavy guns, for making aeroplanes in quantities, and for doing other things that were essential for engaging in or winning a war. England made them for us, and France made them, and Italy made them. We had to appeal to the Governments that were cooperating with us in this war to furnish us with needed ammunition, with needed guns, with flying machines, with powder and shells—with all those facilities that were required in carrying on the military operations of this Government. And so the Government of the United States got the Governments of England and France and Italy to appeal to their nationals in the various manufacturing lines to furnish our Government with the supplies that we needed over there to help win the war.

Mr. MADDEN. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. MADDEN. Right in that connection I would like to ask if the gentleman from California can tell us how many American guns we shot during the time of the American Army on the other side? I think it is true that there were none at all.

Mr. KAHN. I do not believe it is true. We had some naval guns over there which were used, and we had some hundreds of guns that we had sent from this country.

Mr. MADDEN. Sent them but did not use them?

Mr. FOCHT rose.

Mr. KAHN. Just a moment. I want to repeat my answer to my friend. Of course, the guns that we were sending over—and we were able to send them complete with carriages and all the appurtenances—were beginning to go over in considerable quantity at the time the armistice was signed; but, as a matter of fact, there were fully 500 American guns of various calibers that went over. But that is an object lesson for Congress. You can not make a cannon in a month. It takes six months in ordinary times to turn out a single piece of ordnance. A single cannon in ordinary times is six months in building. We turned them out in this war in as low a period as three months.

Mr. MADDEN. How long were we in the war?

Mr. KAHN. Eighteen months.

Mr. MADDEN. We did not get the cannon out.

Mr. KAHN. Let me tell the gentleman that in order to make a single cannon you have got to make gauges, and jigs, and tools, and dies, that require many months in their manufacture, before the Government can turn out a single cannon.

Mr. MADDEN. We heard many scientific lectures on that question in the House, urging the department to make the jigs and dies and tools and machines, but it is evident that they were asleep on the job.

Mr. KAHN. I want to say to my colleague that we gave the Ordnance Department the money to make these gauges and tools and dies, and they never used the money at all. Congress did that before the war. Congress appropriated the money. [Applause.]

Mr. SNYDER. Which side of the House did it?

Mr. KAHN. The Republicans and Democrats.

The CHAIRMAN. The gentleman from Kentucky [Mr. Fields] is recognized.

Mr. FIELDS. Mr. Chairman, the purpose of the bill under consideration is to confer upon the Secretary of War authority to settle a certain class, or classes, of claims against the Government growing out of informal contracts during the war or out of uncompleted contracts at the time the armistice was signed. During the war the needs of the War Department naturally appealed to the patriotism of the people, and acting through purely patriotic motives and in the belief that the Government would keep faith with the people and meet its moral obligations, the manufacturers and producers, the people generally, who were in position to contribute to the needs of the War Department, did so, and in many instances without waiting for the execution of formal contracts, as required by statute; and it was most advantageous to the Government for them to do so, for in many instances—in fact, in every in-

stance—the necessity for speedy production was so great that the department could ill afford to have production delayed for the completion of formal contracts, which, as a general proposition, would have required considerable time because of the continuous transferring of officials and the many changing conditions incident to the speedy building up of our Military Establishment from what it was when we entered the war to what it was when the armistice was signed. It was therefore patriotic on the part of those furnishing supplies to the Government to push production without awaiting the execution of formal and legal contracts. In fact, their failure to have done so would have subjected them to severe criticism; and, now that they have fulfilled their obligations to the Government, the Government must, in common decency and self-respect, fulfill its obligations to them, which it can not do without additional legislation. Hence the necessity of the passage of this bill.

Mr. Chairman, referring to some of the objections that have been raised to the bill, and especially to the objection of my friend from Ohio [Mr. Gordon], that the bill confers judicial powers upon the War Department, I will say that the bill is not so designed and will not confer such powers. Its purpose is to remove certain limitations which, under present circumstances, renders the War Department unable to meet its moral obligations over which there are no controversies. There is nothing in the bill to provide for or force the settlement of claims in controversy. There is nothing in the bill to force claimants to accept the terms offered by the Secretary of War when, in their opinion, his terms fail to meet or satisfy the moral obligations of the Government. If such controversies arise and can not be amicably settled by the Secretary of War and the claimant, the latter will have the same remedies at law that now exist. I therefore maintain that the objections of the gentleman from Ohio are not well founded.

The discussion of the merits of the bill was not, however, my object in taking the floor, as it has already been explained in detail by the chairman of the committee and others who have preceded me.

I desire to refer briefly to the reference that was made to the manufacture of guns by the gentleman from Illinois [Mr. Madden]. And in that connection to the criticism, severe and vicious criticism, of the Secretary of War that was made upon the floor on yesterday by the gentleman from Kansas [Mr. Campbell].

Mr. MADDEN. Will the gentleman yield? I did not say anything about the manufacture of guns. I said there were no guns on the battle line.

Mr. FIELDS. I accept the gentleman's statement. The gentleman from Kansas [Mr. Campbell] on yesterday delivered a tirade against the Secretary of War, and it seemed that the basis of his complaint was the fact that certain orders for munitions of war had been placed with foreign Governments by the War Department.

Mr. Chairman, I have observed that those who hang their hearts upon and wrap their souls around the great manufacturers and the special interests of the country have groaned in their agonies ever since the War Department placed certain orders with French manufacturers.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. I want to finish my statement first. But I will say for the information of the gentleman from Kansas that the Secretary of War explained that transaction fully when he appeared before the Senate committee, after the same criticism had been made of him last year, and showed that the placing of those contracts with the French Government was not an additional burden upon the French Government, as had been charged by some of his critics, but that in a conference between himself and the French and British commissioners it was decided that the placing of such contracts would be in the interest of the prosecution of the war, because France had the factories already equipped and was anxious to secure the orders, whereas it would have required, and did require, several months to equip American factories to do that particular character of work.

Mr. CAMPBELL of Kansas. Now, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. CAMPBELL of Kansas. If I made myself clear, as I intended to do, what I stated was that Gen. Pershing had to go to foreign contractors because of the failure of the War Department to make contracts early enough with our own manufacturers.

Mr. FIELDS. Does the gentleman know of any manufactories in America that were idle during the time that we were en-

gaged in the war? Were they not all operated to their maximum capacity? And since the Secretary of War and the British and French commissioners decided that the placing of these contracts with the French Government was to the best interest of the allied cause, should the gentleman from Kansas now criticize the American Secretary of War for so placing them? I maintain that he can not afford to do so.

It has been intimated that in the manufacture of guns by foreign Governments American manufacturers were not doing anything toward the preparation of these guns. Probably the public generally does not understand that the principal part of the work on 25,750 of these guns was completed by American manufacturers. In other words, they were furnished to the foreign Governments in the shape of forgings. The term "forgings" as applied to a gun would, if applied to a house, mean the completion of the house, all but the paint. The guns were completed in this country on through the forgings, and it was the finishing process which was completed by the foreign Government after the forgings were delivered to them; and the report of the War Department shows, as I have stated, that there were 25,750 of these forgings furnished by American manufacturers.

That should therefore relieve to a considerable extent the agonies of these gentlemen who have been registering such vicious complaints because these orders for guns were placed with French manufacturers.

The gentleman from Kansas alleged, if I heard him correctly, that the War Department had broken down, and that the American Secretary of War had shown his inability to meet the responsibilities imposed upon him, and as proof of his allegation he referred to the fact that dependents or beneficiaries of soldiers are not receiving their allotments, and so forth. I agree with him on that criticism. I believe that the men responsible for those delays should be criticised and even punished. But their failure to disburse allotments promptly does not go to prove that the War Department has broken down or that the American Secretary of War has proven himself inefficient in the prosecution of the war, because those delinquencies, unfortunate and deplorable as they are, are as a drop of rain to the ocean when compared with the achievements of the department since we entered the war.

Mr. Chairman, I have just received from the War Department a report showing its achievements, which I will print for the information of the House and the country, and which is as follows:

STATISTICS BRANCH, GENERAL STAFF, WAR DEPARTMENT.
Summary of all forces in the Army at time of its greatest strength,
Nov. 11, 1918.

[Figures are the latest available and are subject to revision.]

	Officers.	Men.	Total.
Army personnel in Europe.....	75,333	1,868,216	1,943,549
At sea, en route to Europe.....	1,162	21,072	22,234
Total.....	76,495	1,889,288	1,965,783
Marines (on duty with Army in Europe).....	784	26,504	27,288
Total, including marines.....	77,279	1,915,792	1,993,071
Siberian expedition.....	296	8,806	9,104
Total A. E. F. in Europe and Siberia.....	77,577	1,924,598	2,002,175
In United States.....	104,069	1,572,441	1,676,510
In insular possessions, Alaska, etc.....	1,977	53,758	55,735
Grand total in Army, excluding marines....	182,839	3,524,293	3,707,132
Grand total in Army, including marines....	183,623	3,550,797	3,734,420

Troops embarked and transported, by flag, of tonnage employed.

[Not including 30,600 marines and 9,677 nurses.]

	American.	British.	French.	Italian.	Total.
1917.					
May.....	1,033	685			1,718
June.....	12,261				12,261
July.....	5,437	7,551			12,988
August.....	5,458	12,793	72		18,323
September.....	14,813	18,809			33,622
October.....	28,216	14,913			43,129
November.....	10,518	12,498			23,016
December.....	37,471	11,369			48,840
1918.					
January.....	24,388	22,388			46,776
February.....	38,765	9,259	3		48,027
March.....	54,280	27,726	1,805		83,811
April.....	65,456	49,963	1,793		117,212
May.....	94,562	135,611	2,044	12,128	244,345
June.....	115,903	145,188	3,412	13,385	277,888
July.....	103,213	178,361	7,236	14,540	306,350
August.....	112,353	145,038	16,400	7,725	281,516
September.....	100,851	137,518	7,774	5,758	251,901
October.....	64,779	95,348	5,999	8,072	174,198
Nov. 21.....	5,692	22,356	2,153		30,201
Total.....	898,449	1,047,374	48,691	61,608	2,056,122

Cargo transported to the American Expeditionary Forces, April, 1917, to Nov. 1, 1918, short tons, by Supply Service.

[It has not been possible to separate shipments of Signal Corps proper and aviation material prior to August, 1918. Similarly, motor-transport cargo is distributed among the other services prior to August, 1918.]

	Quarter- master.	Engineer.	Ord- nance.	Signal.	Medi- cal.	Motor trans- port.	Avia- tion.	Red Cross.	Miscella- neous.	Total.
1917.										
June.....	11,000		4,400		400					15,800
July.....	5,700	400	800	3,700	1,200					11,800
August.....	14,100	2,100	500	900	1,400			400		19,400
September.....	24,600	9,600	12,900	1,300	3,000			1,600		53,000
October.....	35,700	55,600	10,400	7,600	2,500			2,800	300	114,900
November.....	22,600	44,000	7,000	1,700	700			1,200	700	77,900
December.....	62,900	65,700	36,700	6,100	2,200			4,900	1,000	179,500
1918.										
January.....	51,900	35,600	26,600	6,100	700			600	500	122,000
February.....	106,800	49,200	56,900	10,700	1,400			500	2,000	227,500
March.....	128,000	84,200	58,400	10,300	4,200			1,600	2,500	289,200
April.....	171,600	112,500	72,000	7,500	6,700			300	2,600	373,200
May.....	240,300	110,800	77,100	19,900	7,500			1,900	1,500	450,000
June.....	201,300	108,600	89,800	11,800	10,300			1,200	2,200	425,200
July.....	244,700	129,000	118,400	27,500	10,400			2,200	3,500	535,700
August.....	223,600	148,500	127,600	3,200	11,200	25,000	21,000	3,900	7,700	571,700
September.....	270,900	194,100	129,700	2,800	11,900	33,300	22,400	5,600	10,900	681,300
October.....	333,700	164,400	186,700	3,400	13,500	55,000	8,000	3,200	7,600	749,500
Total.....	2,149,400	1,314,300	999,900	115,500	88,900	113,300	51,400	31,900	43,000	4,897,600

Production of munitions in the United States for the United States Army from Apr. 6, 1917, to Nov. 11, 1918.

Artillery (complete units):	
75-millimeter guns.....	932
3-inch and 75-millimeter A. A. guns.....	97
4.7-inch guns.....	157
155-millimeter 5-inch and 6-inch guns.....	121
155-millimeter howitzers.....	144
Railway artillery.....	20
Heavy howitzers.....	176
Total guns.....	1,647

Artillery ammunition (complete rounds):

75-millimeter gun.....	15,164,000
3-inch and 75-millimeter A. A. and mt. gun.....	561,000
4.7-inch gun.....	342,000
3.8-inch and 4.7-inch howitzer.....	113,000
155-millimeter 5-inch and 6-inch gun.....	96,000
155-millimeter howitzer.....	751,000
Railway artillery.....	20,000
Heavy howitzer.....	156,000
Total rounds.....	17,203,000

Other ordnance:

Helmets	1,975,000
Machine guns	130,000
Machine rifles	52,000
Rifles	2,507,000
Pistols and revolvers	666,000
Rifle and machine gun ammunition—rounds	2,879,000,000
Pistol ammunition—do	328,000,000
Tractors	3,249
Tanks	69
Smokeless powder ¹ —pounds	198,000,000
T. N. T. ¹ —do	101,000,000
Ammonium nitrate—do	91,000,000
Picric acid ¹ —do	37,000,000

¹ Large quantities also manufactured for France and England.
Ordnance material shipped or delivered to American Expeditionary Forces.

	Floated to Nov. 15.	British and French deliveries to Nov. 11.	Total.
Artillery (complete units):			
75-millimeter guns	143	1,888	2,031
4.7-inch guns	64		64
155-millimeter howitzers		747	747
5-inch S. C. guns	26		26
6-inch S. C. guns	72		72
155-millimeter guns	110	226	242
8-inch howitzers	96	141	237
9.2-inch howitzers		37	37
8-inch S. C. guns, railway mounts	3		3
14-inch navy guns	8		8
75-millimeter A. A. guns	26	52	78
Total guns	454	3,091	3,545
Artillery ammunition (complete rounds):			
75-millimeter ammunition	8,595,000	2,614,000	11,209,000
4.7-inch ammunition	242,000		242,000
155-millimeter howitzer ammunition	199,000	1,126,000	1,325,000
155-millimeter gun ammunition		39,000	39,000
5-inch and 6-inch S. C. gun ammunition	19,420		19,420
8-inch howitzer shell		311,000	311,000
9.2-inch howitzer shell	109,000	104,000	114,000
8-inch S. C. gun shell			
14-inch gun shell	1,000		1,000
Total rounds	9,066,420	4,194,000	13,260,420
Other ordnance:			
Rifles	1,800,000		1,800,000
Pistols and revolvers	615,000		615,000
Machine guns	49,350	4,158	53,508
Machine rifles	38,000	33,915	71,915
Rifle and machine-gun ammunition	1,629,900,000	93,900,000	1,723,800,000
Pistol and revolver ammunition	233,848,000		233,848,000
Grenades	1,745,000	5,508,000	7,253,000
Carbons (75 and 155 millimeter)	5,000	2,676	7,676
Tractors	1,547	348	1,895
Tanks	25	341	366

¹ Without recuperators.

Total floated in column 1 includes quantities later sunk.
 British and French deliveries in column 2 exclude guns lent temporarily to the United States, and ammunition furnished direct by the French and British to troops in the field. They also exclude guns shipped to the United States for training purposes or turned over from British orders in United States.

Production of munitions in the United States for Great Britain and France from Apr. 1, 1917, to Nov. 11, 1918.

ARTILLERY.¹

	Com- plete units.	Ex- tra guns.	Ex- tra car- riages.	Lim- bers and ve- hicles.	Forgings.			
					Tubes.	Recu- pera- tors.	Sets of jackets.	Extra jackets.
For Great Britain:								
15-pounder field guns	38	200						
4.5-inch howitzers	97	4		44				
8-inch howitzers	92			100				
9.2-inch howitzers	134	12		134				
Total	361	216		278				
For France:								
37-millimeter infantry guns	70			70				
75-millimeter field guns					10,620	575	3,432	
120-millimeter guns		100			312		326	72
145-millimeter guns, model 1916					148		33	275
155-millimeter howitzers		275			2,259		2,244	167
155 Schneider guns		100			1,189		356	1,632
155 Fillion guns		50	50		326		55	
220-millimeter howitzers					290		242	
220-millimeter guns					79		110	18
Total	70	525	50	70	14,623	575	6,798	2,184
Grand total	431	741	50	348	14,623	575	6,798	2,184

¹ Excluding naval guns.
² Sets, plus 16 extra transport wagons.
³ Allotted to French from Ordnance Department orders.

Production of munitions in the United States, etc.—Continued.

ARTILLERY AMMUNITION.

	Forgings.	Machin- ings.	Complete rounds.
For Great Britain:			
13-pounder shell			57,300
4.5-inch howitzer shell	100,310		
6-inch howitzer shell	2,000,491	2,599,371	
8-inch howitzer shell	558,228	167,712	
9.2-inch howitzer shell	610,972	121,290	
12-inch shell		437	
For France:			
37-mm. gun shell			3,519,740
Total	3,568,001	2,888,840	3,577,040

¹ In addition to rounds fully completed.

Airplanes and engines produced and shipped to the American Expeditionary Forces Apr. 6, 1917, to Nov. 11, 1918.

PLANES.

Type.	Produced.	Shipped overseas.
Combat—DH-4	3,227	1,885
Combat—Handley Page (parts)	101	100
Training—Elementary	5,346	
Training—Advanced	2,474	
Total	11,148	1,985

ENGINES.

	Produced.	Shipped overseas.
Combat—Liberty	13,574	14,383
Combat—Hispano (180)	469	245
Training—Elementary	10,568	
Training—Advanced	5,221	200
Total	29,832	4,828

¹ Does not include 1,025 consigned to allied Governments.

In addition, 2,676 combat planes equipped with engines were received from allied Governments.

United States squadrons at the front.

A squadron is equipped with from 15 to 25 planes:

Apr. 30, 1918	3
May 31, 1918	12
June 30, 1918	13
July 31, 1918	14
Aug. 31, 1918	26
Sept. 30, 1918	32
Oct. 31, 1918	43
Nov. 11, 1918	45

Comparison enemy planes brought down by United States forces and United States planes brought down by the enemy.

United States planes lost to enemy	271
Enemy planes lost to United States forces (confirmed losses; in addition there are 354 unconfirmed)	491

Transportation equipment produced and shipped to American Expeditionary Forces Apr. 6, 1917, to Nov. 11, 1918.

RAILROAD TRANSPORTATION.

	Produced.	Shipped overseas.
Standard gauge locomotives	1,691	1,141
Narrow gauge locomotives	455	496
Standard gauge cars	19,516	16,372
Narrow gauge cars	4,088	3,651

¹ 350 standard gauge locomotives and 791 standard gauge cars have been purchased in Europe for the A. E. F.

AUTOMOTIVE TRANSPORTATION.

	Produced.	Shipped overseas.
Trucks, two-wheel drive	55,563	30,417
Trucks, four-wheel drive	16,931	9,429
Ambulances	10,833	6,981
Motor cars	17,665	6,981
Motorcycles	28,310	16,188

Clothing and equipage stocks overseas, Nov. 1, 1918.

(Stocks on hand in France and days' supply, based on Gen. Pershing's new automatic allowances effective Nov. 1, 1918.)

	Stock in United States.	Stock over- seas.	Number of days 2,000,000 men could be supplied with stock overseas.
Blankets	4,294,000	1,119,000	425
Drawers, winter	15,746,000	5,301,000	292
Jerkins	1,405,000	1,044,000	159
Coats, denim	3,991,000	1,419,000	154

Clothing and equipment stocks overseas, Nov. 1, 1918—Continued.

	Stock in United States.	Stock overseas.	Number of days 2,000,000 men could be supplied with stock overseas.
Puttees, woolen.....	5,231,000	3,356,000	149
Trousers, denim.....	3,374,000	1,842,000	140
Boots, rubber, hip.....	1,199,000	551,000	140
Shirts, flannel.....	6,710,000	3,033,000	136
Stockings, wool, heavy.....	16,290,000	8,753,000	134
Coats, wool.....	4,142,000	2,141,000	126
Shoes, field.....	8,850,000	2,033,000	103
Gloves, wool.....	3,734,000	2,682,000	82
Paulins.....	38,000	21,000	80
Breeches and trousers, wool.....	6,791,000	1,789,000	75
Overcoats.....	3,691,000	477,000	73
Raincoats.....	1,620,000	550,000	59
Undershirts, winter.....	13,800,000	1,231,000	55
Mittens, leather.....	3,070,000	661,000	51
Caps, overseas.....	2,931,000	189,000	14

Mr. Chairman, this report shows that the American Department of War under the management of Newton D. Baker, whom the gentleman from Kansas [Mr. CAMPBELL] criticizes and indicts for incompetency, sent more men to France from May, 1917, to November, 1918, than Great Britain sent during the entire four and a third years that she was engaged in the war and moved more tonnage across the seas than was ever moved in a like period, and that in each activity of the department directed to the prosecution of the war it has made the world's greatest record, a record that has never been equaled and that will, in my opinion, never be excelled. Oh, but the gentleman from Kansas said, "What have we got for all this expenditure of money?" Mr. Chairman, I thought that every American citizen, and especially every Member of the American Congress, felt and believed that America had played a potent part in the winning of this war until I heard the remarks of the gentleman from Kansas.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Not just now. The gentleman said, "What have we got?"

Mr. CAMPBELL of Kansas. What I said was that we had less in units of arms and less in units of ammunition and less in munitions of war for the money we spent than any country engaged in this war and that we had spent more money than any country had ever spent in the history of mankind.

Mr. FIELDS. Oh, I will let the gentleman make his speech in his own time.

Mr. CAMPBELL of Kansas. That is what I said.

Mr. KAHN. Mr. Chairman, will the gentleman yield to me?

Mr. FIELDS. Mr. Chairman, when we entered the war the world recognized the fact that the entente allies were fighting with their backs to the wall, and as a result of our entry into the war we have overthrown the German military machine and got the Kaiser's goat. [Applause.]

Mr. KAHN. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. KAHN. In answer to the statement of the gentleman from Kansas [Mr. CAMPBELL], I would also call his attention to the fact that this Government pays its soldiers more than any other country in the world. [Applause.]

Mr. FIELDS. Certainly; and so are labor and transportation charges greater here than in any other country; in fact, every commodity, everything, is higher here than anywhere else in the world, and in view of that fact and the unparalleled achievements of the Secretary of War and the department of which he is the head, it ill becomes the gentleman from Kansas to rush to the floor of this House, after the victory we have won, and try to create the impression throughout the country and the world that the Government of which he is a part has not been a potent factor in the winning of this war. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired. The gentleman from Vermont [Mr. GREENE] is recognized for five minutes.

Mr. GREENE of Vermont. Mr. Chairman, it is obviously impossible to discuss this bill from all the angles that have been suggested in this debate in a simple five minutes, and one must be content therefore to take up only one or two phases of the subject.

Mr. MADDEN. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. GREENE of Vermont. Yes.

Mr. MADDEN. I would like to have the gentleman discuss the bill.

Mr. GREENE of Vermont. That is what I will do if I get the time.

Mr. MADDEN. And the importance of passing these claims, and omit discussing how the war was fought.

Mr. GREENE of Vermont. That is exactly what I had in mind to do. It is not a question of reviewing the conduct of the War Department in this war, but the question of the Government of the United States paying its just and lawful debts, whether anybody has a legalized scrap of memoranda of them or not.

Now, that is the view and intent of the committee, notwithstanding the necessary policy of the War Department in making tentative contracts, either orally or in the shape of memoranda in one form or another, in order that the work might commence immediately, and without waiting for some decision or the completion of some convenient detail, for a formal contract to be signed. We have sought to take into account all those conditions and perplexities attending the last few contracts that did not happen to be formally completed in writing as required by law when the clock struck 12 on this armistice.

For a year and six months and more we have gone on allowing the War Department to do these various things. Sometimes it started out with nothing but a telephone message over the wire directing somebody to go ahead and begin operations, saying the papers would follow. This would be done by the contractor, and finally the formal contract required by the statute would come along and be signed. These contractors have gone on with the work, and in the course of time the formal contract has been forwarded to them and signed and returned and filed, and the Comptroller of the Treasury has allowed payment. That same process has gone on over and again in thousands and thousands of cases all through the year and seven months. Then all at once the great warp and woof of these enormous activities has been cut, because the clock struck at midnight on a certain day, the edge where the cutting took place becomes a selvage, and those people who are left on that selvage are suddenly suspected by some gentlemen as somehow being possible parties to a possible fraud, simply because their edge is not like the complete pattern that runs up to it. I can not understand why that should be.

Mr. GOOD. Will the gentleman yield?

Mr. GREENE of Vermont. I should be glad to yield, but I have not the time. The gentleman is experienced on the floor, and knows how difficult it is to make a statement like this in five minutes.

I can not understand why we should undertake to hold up the payment on these last transactions and still permit the long succession of similar processes to stand because they had come to completion and to the formal signing of statutory contracts. I do not see why we should hold up the last ones and allow the others to pass unchallenged. I do not see why any man should be put to any greater burden in this matter than the others, so long as he has rendered his service and given what was contracted for to the Government.

Neither can I understand another phase of it, which comes about in the practical operation of this thing. I have a case in mind which does not involve a great trust or one of these great munition monopolies that people seem to be so afraid of. It involves a typical case that probably is duplicated all up and down the land, where people owning a machine shop, comparatively small and unpretentious as modern industrial plants go, the capital stock probably not amounting to more than \$100,000, found that their machinery was adaptable to the making of shrapnel shell and went to work on it at the instance of the Government. They performed several contracts for the Government, all of which went through these stages of development, from the first verbal instructions to the final completion of the papers according to the statute, and the payment of the money by the Treasury. They did that several times, and then, just a few weeks before the armistice, they got the usual informal telegram or telephone message, "Go ahead and make us some more of these things." Being good patriots they took the Government at its word. They trusted to the good faith of the United States of America and went on and started another order, got their raw materials, engaged their workmen in the various processes, and bought or used \$50,000 or \$60,000 worth of material which will be spoiled if the work is not completed. At a certain time on a certain day, let us say, because of the armistice, everything was stopped, leaving them just short by a few days of having a formal written contract. Therefore, there is now no authority of law to pay these men. If we hold payment up by any commission or board, or reference to any long-drawn-out process of that kind, you and I know what will

happen. The concerns like this one that have got \$50,000 or \$60,000 worth of money tied up in raw materials and labor will simply be wiped out of existence by the delay. They can not finance themselves in such a delay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREENE of Vermont. I ask for five minutes more.

The CHAIRMAN. The gentleman from Vermont asks that his time be extended five minutes. Is there objection?

There was no objection.

Mr. GREENE of Vermont. We know what will happen. Those people will simply be wiped out of existence. And their case is duplicated all up and down this land from one end of it to the other, where patriotic men were able to turn some little plant of one kind or another over to the service of the Government and were patriotic enough not to require the Government to give a bond to pay the bill before they went ahead to help the Government to fight the enemy in a war.

Now, here is another phase of this matter: We understand from a statement from Mr. Dorr, of the War Department, which has been put into the report, that certain of these transactions, having been made formal contracts and reduced to writing, and, as it was supposed, having been completed in accordance with law, turn out upon second inspection to be missing in some technical detail or to be wrong in some technical detail. Nobody at the time suspected that there was any disagreement as to the terms, nor is there now. Nobody had any thought about the matter until the comptroller, whose business it is to see if he can find flies on barn doors, has found a fly on this barn door. He has found that some contract does not literally comply with the statute, although it was meant to comply with it in honest intention. So he says, "I can not by authority of law pay you any money on that contract until it is amended."

Mr. HASTINGS. Give us some illustrations of that.

Mr. GREENE of Vermont. There are illustrations in these purchase orders of the Engineer Corps, and also in the Ordnance Department, where the wrong man signed the papers.

There is another phase of this thing which to my mind is a great deal more significant, perhaps, than any of the others.

It is claimed by our friends who object to this that somehow by this statute we are going to invest the War Department with judicial powers, that we are going to erect in the War Department a court, and curiously enough we are going to allow one party in the contest to be the judge of the case. That is not true. That is a misunderstanding and a misapprehension of the facts. If you will look at formal contracts that were completed you will find that the Secretary of War reserved the right of cancellation at any stage of the fulfillment, and if he had—as he did in instances—invoked his right to cancel the contract before the term of it had been completed, then there would have been left for the War Department to adjudicate precisely the same condition of affairs that arises under these other contracts that were not reduced to writing, contracts that had been suddenly stopped by the armistice.

Under formal contracts men had begun to go into the process of manufacturing; they had purchased raw material; they had engaged labor and begun to expend money, when all at once the Secretary of War invoked the right of cancellation. What happened? There were certain damages that had to be ascertained, there were uncertain damages that had to be determined. Parties had to get together, as between the contractor and the War Department, and arrive at the damages under the contract. That has been going on through a year and six months, through the machinery of the War Department, and we have not complained.

Now this bill proposes to take care of these cases of informal contracts just the same as was done by reason of the cancellation clause written into the formal contracts.

We have cases now where contracts have not got to the written stage, but where the cancellation clause may be said to be injected into them just the same by the effect of the armistice. The Secretary of War wants to do the same thing by these honest men that he did with other honest men who had their contracts in writing. But people are suspicious and say it is making him a court. It is not making him a court now any more than in the other case.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GREENE of Vermont. I will.

Mr. LONGWORTH. Was it not expected by everybody that these contracts would be carried out by both parties in good faith, and was it not only the position taken by the comptroller that has brought about this situation?

Mr. GREENE of Vermont. Absolutely. On the morning of the day that the armistice was signed the War Department

and these contractors were going ahead with the utmost good faith; the patriotic manufacturer was doing the work and trusting in the good faith of the Government, and the Government relied upon the patriotism of the manufacturer to do it.

The CHAIRMAN. The time of the gentleman from Vermont has expired.

Mr. GREENE of Vermont. I ask for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREENE of Vermont. So that on this morning when this business was going along in absolute good faith between the contractor and the department, nobody had the faintest idea that a to-morrow was going to see any change in the relations between the parties. And there never has been any change between the parties. Nor has the contractor and the War Department come to any disagreement about these contracts. Time was the essence in the case, and the haste occasioned by it brought about the failure to start with formal contracts. And so time, unfortunately, swinging back on the return beat of the pendulum, has been the cause of failure of payment, because the clock struck on a certain day before the agreements had been put into writing.

If we are to go in now on the theory that, because the War Department has done something technically wrong in working in great haste under pressure of war, so men who are honestly creditors of the Government to-day shall be penalized for the department's omission by withholding their pay, what sense of justice will the people of the United States think there is in the proposition? These men are not responsible.

I do not doubt that the War Department has been guilty of errors in the conduct of these war preparations, and I have no doubt that some of the contracts that have been made have been used as a means by which unscrupulous men have imposed upon the good faith of the Government. I do not doubt that some bad contracts were made, filled, and settled by payment in the course of this year and a half of unparalleled war emergency. Perhaps some bad contracts are actually on the way to settlement now. But I think it is still fair and reasonable to believe that the most of these contractors were honest, as I presume 90 per cent of our whole American society is, and we might wisely apply the spirit of the well-known proposition of Blackstone by saying that we can well afford to pay 10 dishonest men so that the 90 per cent of honest men will be done no wrong but will get what is due them. [Applause.]

Mr. TOWNER rose.

Mr. DENT. Mr. Chairman, I have no desire to cut off debate, but I hope the gentleman will let me pass these other committee amendments.

Mr. TOWNER. I shall only take five minutes and perhaps not that. Mr. Chairman, I desire to correct what perhaps may be a wrong impression which the committee may have received from some remarks by the gentleman from New York [Mr. CALDWELL]. The gentleman from New York gave the impression, I am quite sure, that he himself was strongly in favor of this bill. I was surprised in reading the hearings, because I read this on page 7 of the hearings before the committee. Mr. CALDWELL, the gentleman from New York, was interrogating Gen. Goethals, and this was the question he asked, or rather the statement that he made:

Mr. CALDWELL. Here is the proposition: A law was on the statute books stating that these contracts should be made in such and such a way. This being a country of laws, it was expected that the men who hold executive office would comply with the laws passed by the Congress of the United States. Yet, in utter disregard of the law they continued to make these agreements or contracts which are not legal, and now they are asking Congress to say that what they, God's anointed, did shall be paid for with the people's money.

And then the gentleman from New York, doubtless with great emphasis, added:

And I will not vote for such a proposition as that.

[Laughter and applause.]

Mr. Chairman, the second proposition that I was surprised to ascertain from these hearings was this: I understood the gentleman from New York [Mr. CALDWELL] to say to the committee that Gen. Goethals was very strongly in favor of the propositions contained in this bill, and immediately following Mr. CALDWELL's statement I read the following from the hearings:

Gen. GOETHALS. That is all right. We are just telling you the conditions, and it is up to you to pass the bill or not, as you see fit. I am perfectly willing to tell the contractors that they have their recourse to the Court of Claims.

So it would hardly be proper or fair to Gen. Goethals to say that he himself was in favor of this method of settling these claims. He himself declares that he would be perfectly satisfied if these gentlemen had their recourse in the Court of Claims.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. I see the gentleman from New York about to rise, and I should be very glad to yield to him if he so desires. [Laughter.] I yield to the gentleman from Pennsylvania.

Mr. CALDWELL. I gladly give way to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I wanted to refer the gentleman to page 31 of the hearings, where the gentleman from New York [Mr. CALDWELL], in interrogating the comptroller, said:

Why would it not be the best plan to give the Court of Claims authority over these cases?

And I would like the gentleman to refer to page 34 of the same hearings, in which the gentleman from New York [Mr. CALDWELL] is made to say:

Would there be any provision under this bill by which anyone could restrain the Secretary of War? Do you not say in this bill the allowance made by the Secretary of War shall be final and conclusive? Neither you nor I nor anybody else expects the Secretary of War himself to pass on these things.

Then, if the gentleman will permit, I would like to quote the gentleman from New York still further. Interrogating the comptroller he said:

When these contracts were made there was talk in the Halls of Congress and on the streets of our country to the effect that men formerly employed by these great contractors were the people who were giving the contractors all the contracts. Under this bill those men will be put on boards to pass on the question as to what their former bosses are going to get when the war is over. After we have won there is no need of paying tribute for winning the war.

[Laughter.]

Mr. TOWNER. Mr. Chairman, in reply to the gentleman's interrogatory, I will say that he himself has stated all that is necessary.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CALDWELL and Mr. MADDEN rose.

Mr. CALDWELL. Mr. Chairman, I think I am entitled to recognition.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. CALDWELL. I think I ought to be entitled to five minutes now.

Mr. MADDEN. But the gentleman just talked.

Mr. CALDWELL. I know; but the gentleman must understand that I am both a Democrat and a Republican.

Mr. MADDEN. I do not think the gentleman is either. [Laughter.]

Mr. CALDWELL. And now they have jumped on me as a Republican. [Laughter.]

The CHAIRMAN. The gentleman from New York, the Chair thinks, is entitled to be recognized.

Mr. MADDEN. The Chair is always fair, and I would like to be recognized after the gentleman from New York.

Mr. CALDWELL. Mr. Chairman, I will frankly admit that the bill that was presented to us by Gen. Goethals was so far objectionable that I could not support it, but if the Committee of the Whole will look at the bill it will see that every word of the original bill has been stricken out, and the Military Committee has in effect proposed a new bill which carries checks and balances that relieve it of the trouble that was presented by the Republican, Goethals. Notwithstanding the fact that the record shows that Gen. Goethals said he was willing to send the matter to the Court of Claims, the accent of his voice was such as to indicate that he felt that it would be a shame to do so. The gentleman from Iowa [Mr. TOWNER] was not there, and I was, and I will leave it to the Republican members of the Committee on Military Affairs if I have not properly interpreted the remarks.

Mr. KAHN. The chairman of the committee introduced the bill and he was requested to do so by the Democratic Secretary of War.

Mr. CALDWELL. And he sent the Republican, Goethals, down there to follow it up.

Mr. LONGWORTH. He was the only able one they had.

Mr. MADDEN rose.

Mr. DENT. Mr. Chairman, before the gentleman from Illinois uses his time, I ask unanimous consent that at the conclusion of his remarks all debate upon this amendment be concluded.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate upon the pending amendment be closed in five minutes. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Chairman, I was very much gratified to learn from the gentleman from New York [Mr. CALDWELL] that the Committee on Military Affairs had sense enough to provide checks and balances with which to pay these bills. [Laughter.] Of course, you could not provide the checks un-

less you had the balances, and now I am surprised to find that this very same committee, with all these wise men aboard, are coming before the House requiring the Treasury of the United States to furnish the balances, while they are providing the checks. Seriously, however, the Government of the United States was compelled to enter into the contracts, and whether it entered into contracts with France or England or Italy or with American citizens or corporations makes no difference. We were engaged in a great struggle. We tried to do the best we could. We were being urged to win the war, to speed up, and it took some urging on the part of Congress sometimes to force the executive branches of the Government to speed up; but when they finally did awaken to the importance of the situation they got busy. Whether it was necessary to make a written contract, or a telegraphic contract, or a verbal contract, or a telephonic contract makes no difference. The object was to get results, and it would not make any difference if you continued the war for the next 10 years. When the war was over the same condition would obtain that applies now. Unfinished contracts would be in existence, claims for damages would be justified, factories that were turned over to the Government would be where they had to be converted to civil use. These factories during the process of conversion to civil use will be idle, and claims, and proper claims, must be made against the Government. Supplies that have already been furnished by contractors not now needed are on hand ready for sale to somebody who will buy them, and they ought to be paid for. Whether the contract was completed or only begun, the measure of damages must be ascertained. The Government of the United States can not afford to be less than just, and it will be just.

No man should receive a dollar that is not due him. Every man should receive every dollar due him. [Applause.] The United States Government has its reputation at stake. It can not afford as a Government to do what an individual would not be permitted to do, and we, as the representatives of the American people, can not afford to say that any man living within the confines of America patriotic enough to turn everything over to the Government to win the war must now be considered as an outcast and unworthy of confidence. We can not afford to say here that the Secretary of War, who had power to adjust a contract legally made, must not have the power to adjust a contract, whether legally made or not, if it was made in good faith. The time has come when somebody must be trusted. These adjustments must be made. Losses on the part of American citizens can not be tolerated by the Congress or by the Government.

We can not afford to take the chances of creating panic, and whether the claims amount to \$1,600,000,000 for American citizens and European governments, or \$1,100,000,000 more for European governments, or whether those two figures measure the amount of responsibility, or whether the responsibility is twice as great, yet if there is a legal claim against the Government it must be met, and it ought to be met in all fairness as promptly as possible, trusting somebody to do the thing that should be done, assuming that the Government functionaries, whether they be the Secretary of War or the President of the United States, or whomsoever may be charged with this responsibility, will do his duty as he understands it. He should ascertain the facts, report upon the conditions as they are found to be, and pay the balance due to whoever it may be found to be due without any undue delay, and if in the consideration of the settlement of this question any person is found to have done wrong we have our remedy in the law. [Applause.]

The CHAIRMAN. Under the order of the committee all debate is closed on this amendment, and the question is on the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. DENT. Mr. Chairman, I offer the following additional committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Add as an additional proviso: On page 5, line 10, at the end of the bill, add the following:

"Nothing in this act shall be construed to authorize payment to be made upon any agreement of a character other than referred to unless the agreement or some memorandum thereof was at the time reduced to writing by an authorized officer or agent of the Government."

Mr. DENT. Mr. Chairman, I do not know but what that amendment might embarrass the department in the settlement of these contracts. This is a committee amendment which was agreed to in the committee, and it was agreed to because the Secretary of War stated before the Committee on Rules emphatically that practically all of these contracts had been reduced to some sort of written form in the War Department, and

it was on such written memoranda that they expected to settle those contracts, and it is for that reason that the amendment is offered.

Mr. MANN. Will the gentleman yield?

Mr. DENT. I will.

Mr. MANN. Many of these contracts, so called, were entered into, and orders were made by telegraph, possibly by mail and by long-distance telephone. Of course, the person furnishing the material had no knowledge and could have no knowledge as to whether the officer who telegraphed him or wrote him or telephoned him sat down and made a written memorandum of what he had done. Now, this is a bill by which you select one man out and pay him and on the same terms, as far as another contractor is concerned, you do not pay him.

Mr. DENT. I agree with the gentleman from Illinois; but the information that the Rules Committee had was to the effect that every one of these telegraphic and telephonic orders had been put in some sort of a written form by the officer who dealt with the transaction, and that is the reason—

Mr. MANN. Well, a copy of the telegram would not be a written memorandum, and a letter itself would not be a written memorandum.

Mr. DENT. A copy of the telegram would not be a written memorandum?

Mr. MANN. Certainly not.

Mr. DENT. It depends on whether it is broad enough.

Mr. FOSTER. I think what the War Department claims is that where they gave a telegraphic order it was based on previous memorandum made by War Department officials.

Mr. MANN. There were many cases throughout the country where officials of the War Department went to cities, went to factories, and themselves personally gave orders which had been under consideration. They could have no written memorandum made at the time.

Mr. FOSTER. They stated it was within the War Department now—all of these—and that all of these were based on that sort of a memorandum.

Mr. MANN. There is so much inefficiency in the War Department I doubt very much whether they have half of such cases with proper memoranda.

Mr. DENT. As I said at the beginning, I rather question whether or not the committee was wise in offering this amendment now, upon reflection, but it was offered in the committee and adopted by the committee upon the statement that there was a written memorandum of every contract, and they propose to settle on these memoranda.

Mr. BARKLEY. Will the gentleman yield?

Mr. DENT. I will.

Mr. BARKLEY. If this amendment was adopted and there was one case where that sort of a memorandum may not have been made, then it can not be paid?

Mr. DENT. That is true, and that is the reason why I am inclined to think perhaps—

Mr. McKENZIE. Will the gentleman yield?

Mr. DENT. I do.

Mr. McKENZIE. Was it not stated before our committee that there were no such cases where there was not a memorandum of some character in the War Department?

Mr. DENT. That is true.

Mr. McKENZIE. And it seems to me it would be a most violent presumption for the Congress of the United States to assume that some man should after the armistice had been signed come out and say, "Well, I had some certain form of contract with the War Department," and not a single memorandum of any character there. While this legislation may be considered of doubtful wisdom, judging from such speeches we have heard here to-day, surely this amendment would not make it more doubtful.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I ask for three minutes more.

The CHAIRMAN. The gentleman from Alabama asks that his time be extended for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ELSTON. Does the gentleman have any apprehension that the use of the word "memorandum" here will put it in the class of construction that the word bears in connection with the statute of frauds? Does not the gentleman think that possibly the use of the word "record" would be better than the word "memorandum"? That is, the word "record" would be much less formal, I think.

Mr. DENT. I see the gentleman's point. There might be something in that.

Mr. ELSTON. After this becomes a law, of course, the word "memorandum" would be susceptible of the very strict construction it has in connection with the statute of frauds.

Mr. DENT. I do not think so, in view of the fact that the amendment as originally offered by a member of the committee contained the language of the statute of frauds, and if I may, without violating the rules of the House, I will say that the gentleman from Illinois [Mr. McKENZIE] moved to amend so as not to make this apply.

Mr. ELSTON. If the gentleman will permit a moment, that, of course, would not be a part of the statute and would not be read with it. I think the use of the word "record" there would cover most any kind of a memorandum in connection with the contracts.

Mr. LaGUARDIA. Is not the purpose of this amendment to do what the gentleman from California [Mr. Elston] seeks to avoid? Is it not the purpose to have this come within the requirements of the statute of frauds, and so to shut out all claims of speculative profits?

Mr. ELSTON. I had reference to the matter of time.

Mr. DENT. No; it is not the purpose.

Mr. LaGUARDIA. I was in hopes that it was.

Mr. DENT. It is not the purpose of this amendment to make the contract come within the provision of the statute of frauds. If it did, that would destroy the purpose of the bill.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask that the amendment of the gentleman from Alabama may be read once more. There is confusion here as to just what it is.

The CHAIRMAN. The Clerk will report the amendment.

The amendment was again reported.

Mr. COOPER of Wisconsin. Mr. Chairman, that amendment, should it be made law and be enforced, would work a great hardship to some innocent people, for it would absolutely deprive them of any opportunity to have their claims settled. I can make this plain by presenting some of the principal facts of a case in which a number of my constituents are interested. These facts were told me at my home in Racine on November 19 last by three farmers, whose farms were all located a few miles north of Racine. These men said that in September last—about the middle of the month, I believe—a man representing himself to be an agent of the United States Government came to their homes and endeavored to secure 30-day options on their farms, at the same time saying that the Government was going to buy 2,000 acres there of contiguous land, with a view to establishing a great T. N. T. plant. The farmers who called on me had some of the option blanks which the agent had left with them. These were not printed at all, being merely typewritten carbon copies, from which the words "the United States Government" or "the Government of the United States," customary in blanks used by or for the Government, were omitted. Blank spaces were left for these words. The agent went from farmer to farmer and said, "We want your land for the purposes of a T. N. T. plant. We want you to sign this option. Of course, it is really immaterial to us whether you sign or not, for in any event the Government of the United States will take your land."

These farmers told me that when they asked for evidence of his authority to act for the Government he pulled something out of his pocket and read it without showing it to them. They took it for granted that he had the authority. And I believe that he had. Although the blanks contained the customary statement, "In consideration of \$1 in hand paid," they told me also that none of them had ever received one cent of the dollar which those who signed options had receipted for.

Before the 30-day options had expired men claiming to be agents of the Government took 2,000 acres of contiguous land, land on which options had been given and land on which options had not been given, and put all over it signs bearing the words "Property of the United States Government"

The men who called on me had given no options. They said to the agent, "When are we going to get our money?" The reply was, "You will get it very soon. The Government will settle up with you." Thereupon all the farmers on the 2,000 acres moved away with their families. Some of them took options on homes in the city of Racine, and others on farm lands elsewhere.

They received nothing, as I have said, for their farms. This left some of them without means to pay for the property on which they themselves had taken options. Winter was coming on, and there they were.

Most, if not all, of this land was taken about the middle of October, when everybody knew that the Germans were defeated.

Now, we want these men to be paid. Their property was trenched—dug up; railroad tracks were put down; buildings were erected; and all without paying even one penny to any of the owners of the farms thus seized.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I would like to have three minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. DUPRE. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. DUPRE. Has the gentleman any doubt in his mind as to the authority of these men who came along and made those contracts? It seems to me it is a very dubious proposition.

Mr. COOPER of Wisconsin. Well, it looked dubious to me, Mr. Chairman, until I went up to the War Department and was informed that these agents had acted with the authority of the Government. In the office of the Assistant Secretary of War I dictated to a stenographer a statement of the facts of the Racine case. Two or three days later—I think the next day—some one, I do not know who, telephoned me from the War Department saying that the Racine case was one of great merit, and that it would receive prompt attention.

On November 19, after these farmers called on me, I telegraphed a statement of the facts to the Secretary of War and asked what the department was going to do about the matter. On December 6 I received a letter from the Assistant Secretary of War in reply to my telegram, in which he says:

The situation which you mention seems to require immediate attention. I have therefore caused a special investigation to be instituted in this matter, and it will be expedited as rapidly as possible.

Yours, very truly,

BENEDICT CROWELL,
Assistant Secretary.

Over to the left and near the signature were the initials "C. W. H." I do not know who he is.

Now, as I say, those farmers ought to be paid. Some of the property is practically destroyed for agricultural purposes. They are bound by contracts into which they subsequently entered for the purchase of other real estate. They are subject to a very great hardship. The question is, Mr. Chairman, whether this bill, which would authorize the Secretary of War to settle and adjust these cases, would allow the Secretary of War to appoint for the adjustment of these claims or other claims arising out of similar circumstances any of the men who authorized or conducted the negotiations or work on behalf of the Government. The farmers and other honest claimants ought to be paid promptly and in full. We ought to insist on knowing all about why there was such haste in attempting to establish a great T. N. T. plant to cover 2,000 acres during the very closing days of the war, when we knew that the German armies had met with overwhelming defeat.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. GORDON. Does the gentleman think these people ought to be paid for the land and keep it, too?

Mr. COOPER of Wisconsin. No; but I think they ought to be paid for the land, those who gave options and those who did not give options, the Government having taken over the property of all.

Mr. GORDON. Do you claim that would not be exercised under this authority if the bill is adopted?

Mr. COOPER of Wisconsin. There is no memorandum nor option in some cases. They took the land of some men who had given no option. And if this amendment should be adopted, then in cases where there is no memorandum or option the farmer could not have his claim settled.

Mr. GORDON. There is an implied contract on the part of the Government if it took it.

Mr. COOPER of Wisconsin. But does not the gentleman from Ohio see that there is no written memorandum?

Mr. GORDON. But there is an implied contract by the very act of the Government.

Mr. COOPER of Wisconsin. But this provision that I have read specifically provides that there shall be a memorandum, or otherwise there can be no adjustment or payment of the claim. There would have to be a suit.

Mr. GORDON. But this does not preclude payment by the Government for stuff that it has actually taken. Those claims are not covered by this bill.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I want three minutes more.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for three minutes more. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. In view of what has been said by gentlemen, I would like to ask the chairman of the Committee on Military Affairs if the contention of the gentleman from Ohio [Mr. GORDON] is correct. Under the amendment now pending, which would specifically prohibit the payment of any claim for which there is not a memorandum, if a man's property has been taken without any option, there being no written agreement signed by him at all nor by the Government, would he get any pay?

Mr. DENT. I will say to the gentleman very frankly that if this amendment is adopted it is my construction of it that unless the officer or the agent of the Government who handled the transaction did file some written memorandum as to the transaction, he could not get payment.

Mr. COOPER of Wisconsin. That is as I understand it, and in the absence of anything of that kind these farmers in my district whose property was taken without their having signed an option and without there being any written agreement by the Government to take their property or any memorandum made at that time would be absolutely barred.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. GOOD. Without that agreement they would not fall within the class provided for by this bill.

Mr. COOPER of Wisconsin. I think they would.

Mr. GOOD. It applies to those between whom there is an agreement of some kind with the Government—between the Government and the claimant.

Mr. COOPER of Wisconsin. I think the gentleman is mistaken. If he will look at line 17 he will see the language, "and such agreement has not been executed in the manner prescribed by law." That language covers implied contracts. Moreover, in line 4, page 3, the bill specifically mentions agreements "express or implied."

Mr. GOOD. But there was no meeting of the minds in those instances.

Mr. MCKENZIE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. COOPER of Wisconsin. Yes; I yield to the gentleman from Illinois.

Mr. MCKENZIE. I simply desire to ask the gentleman from Wisconsin if he does not understand it to be the law that where the Government of the United States takes property under its power to commandeer—takes possession of any property, either real or personal—it is bound to pay the fair valuation of that property, regardless of whether there is a contract or not?

Mr. COOPER of Wisconsin. That is very true.

Mr. FIELDS. They did not resort to commandeering proceedings there.

Mr. COOPER of Wisconsin. Very true; but if Congress should pass a law providing that no claim of that kind shall be adjusted, paid, or discharged unless there is a memorandum, then the law which the gentleman has just cited would not control. The last law passed by Congress would govern that transaction, and these farmers could not have their claims adjusted or paid through negotiation or mutual agreement. They would have to litigate.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing therein a letter which I wrote on the subject of this T. N. T. plant at Racine.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The letter referred to is as follows:

WASHINGTON, D. C., December 6, 1918.

MR. VINCENT NOVAK,
Box 85, R. F. D. 1, Racine, Wis.

DEAR SIR: Referring to the subject of the proposed T. N. T. plant, North Racine, about which we had a conversation, I have to inform you that a letter from the War Department addressed to me at Racine was forwarded and received here. The letter is dated November 25, but did not reach me until yesterday. This is the first word in reply to my telegram to the War Department, sent November 19, that I have received.

After some preliminaries the letter, which is signed by the Assistant Secretary of War, concludes as follows:

"The situation which you mention in your telegram seems to require immediate attention. I have therefore caused a special investigation to be instituted in this matter and it will be expedited as rapidly as possible.

"Yours, very truly,

BENEDICT CROWELL,
Assistant Secretary of War."

The letter also contains the statement that the department is making every effort to determine as soon as possible all the questions involved in each of the problems which have arisen out of the sudden cessation of hostilities, and that upon the determination of such questions in each case where the department has caused damage every law-

ful step toward making prompt reparation will be made. The Assistant Secretary says also that some of the cases are more urgent than others by reason of the hardships which may result from delay, and then says that he will take up the Racine case at once.

I will call at the War Department this afternoon or to-morrow morning and do everything that I can to have the difficulties with the property owners properly settled.

Yours, very truly,

HENRY ALLEN COOPER.

Mr. SHALLENBERGER. Mr. Chairman, I want to call to the attention of the gentleman from Wisconsin the fact that the very case he refers to was brought before the committee. The gentleman from Illinois [Mr. McKENZIE] asked Mr. Dorr, who represented the War Department upon this particular matter, to give a specific case that would be affected by this law, a case that they sought to remedy under this law, and his reply was:

Mr. DORR. I might mention one which was brought to my attention this morning. That was the case where the Government was planning to build a T. N. T. plant at Racine, Wis. At the time the armistice was signed it became evident that that plant ought not to be proceeded with. The plant was just beginning, and it had been necessary to get some land for it, and that land had been occupied; options had been given; there was a question of titles to look up; and the whole matter could not wait for the adjustment of the technicalities of the real estate law in the matter, and the Government was occupying the land. There were farmers who had their all in their little places and had turned over the occupancy of that land to the Government, and the Government naturally wants to make some compensation to the owners, to give them relief, and I do not see how we are going to do it. There was a very urgent telegram from that locality urging the department to make prompt settlement in the matter. I do not see how that can be done without enabling legislation.

He asked this law for the express purpose of taking care of this case and others like it, and this bill is drawn to enable the War Department to take care of it, and his statement is that options and memoranda had been given which will enable them to do so.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. SHALLENBERGER. Certainly.

Mr. COOPER of Wisconsin. The gentleman will observe that in that statement the witness declares that options had been given.

Mr. SHALLENBERGER. Yes.

Mr. COOPER of Wisconsin. But options were not given in some cases, but the property was taken.

Mr. GORDON. There is an implied contract to pay for it, then.

Mr. COOPER of Wisconsin. Exactly; but if you abrogate the implied contract by a specific statute which says you shall not pay on the implied contract, that you shall not pay unless there is a written memorandum of agreement, that repeals it pro tanto, of course.

Mr. SHALLENBERGER. I will say to the gentleman from Wisconsin that the general statement was made to the committee that there was no case where a memorandum did not exist. Therefore we propose this amendment to the bill. Furthermore, in this particular case Mr. Dorr stated that options had been given, and that these men did have memoranda showing the contract and the amount the Government was to pay. Of course, if that is not true, then it does not come within this amendment.

Mr. COOPER of Wisconsin. Mr. Chairman, the farmers who called on me on the 19th of November last, intelligent, educated men, were positive in declaring that they had not given options, and had nevertheless been compelled to move off of their property. They knew better about the facts than did the witness just quoted by the gentleman from Nebraska [Mr. SHALLENBERGER].

The CHAIRMAN. The time of the gentleman has expired.

Mr. GORDON. Mr. Chairman, the case cited by the gentleman from Wisconsin [Mr. COOPER] of these men who refused to give an option is a case where there was no contract and no pretense of a contract, of course; but if the Government took possession of their land, by operation of law an obligation was created for the Government to pay the reasonable value of that land.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption right there?

Mr. GORDON. Yes.

Mr. COOPER of Wisconsin. These men did not refuse. They were handed this document to read over, and before they consented or made up their minds what to do the property was taken.

Mr. GORDON. Oh, well, then, that does not alter the facts at all. If the Government takes property, which the Government can only lawfully do in time of war, that creates an obligation on the part of the Government to pay the reasonable value of that property.

Mr. VENABLE. Will the gentleman yield?

Mr. GORDON. Yes.

Mr. VENABLE. Of course I suppose it is generally conceded that if the Government takes the property of a citizen, the citizen has a right to go into court, vindicate his rights, and receive payment?

Mr. GORDON. Certainly. He could sue in the Court of Claims on that very thing.

Mr. VENABLE. But do you contend he could do it under this bill?

Mr. GORDON. No; not under this bill.

Mr. BLANTON. He would not be limited to the Court of Claims. He could go into the Federal court of his locality.

Mr. VENABLE. However, if this amendment is adopted, will it not be a prohibition upon the Secretary of War to prevent his paying any claim, however meritorious, unless there was some sufficient memorandum in writing?

Mr. GORDON. Not if the goods have been delivered; certainly not; and this statute is not intended to cover those cases at all.

Mr. VENABLE. When it specifically states that no claims shall be paid unless there was a memorandum?

Mr. GORDON. Certainly. The purpose of this legislation is to provide for the adjudication of contracts not executed. Now, in the case cited by the gentleman from Wisconsin [Mr. COOPER] the contracts were executed and possession of the property was taken. In two instances no agreement had been entered into, but the Government seized the property, anyway, and thereby, by operation of law, there arose an obligation upon the part of the Government to pay the reasonable value of that property.

Mr. VENABLE. Is there anything in the bill which confines it to contracts that are not executed? Regardless of what you construe the intent to be, does it not prescribe a number of informal claims that were bad because they did not come up to the statutory requirement as to form?

Mr. GORDON. Yes; but the cases which the gentleman refers to do not come within this statute.

Mr. VENABLE. And then you say that none of these contracts shall be satisfied and the moral obligation discharged unless there is a sufficient memorandum.

Mr. GORDON. Yes; sufficient to determine the contract.

Mr. VENABLE. Would not the court construe that as prohibiting the payment by the Government in the case mentioned by the gentleman from Wisconsin [Mr. COOPER]?

Mr. GORDON. Certainly not; and I will tell you why.

Mr. VENABLE. I wish to understand why.

Mr. GORDON. These men to whom the gentleman from Wisconsin referred as not having given an option upon their land, but whose land was seized by the Government, can present a claim for the value of that land to the War Department. If the War Department refuses to pay it or they are unable to agree upon a price, they can commence a suit in the Court of Claims against the United States for the recovery of it. Not a single one of the claims covered by this bill can be sued for in the Court of Claims without express authority of Congress.

Mr. DILLON. Will the gentleman yield?

Mr. GORDON. I will.

Mr. DILLON. Suppose the Government took possession of the business, or took possession of the land, and holds it a week or a day through the commandeering process, does the gentleman claim that the Government has got to buy the land or pay for the use?

Mr. GORDON. Of course, the Government has got to make some just settlement in the matter.

Mr. JOHNSON of Washington. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Washington. Is debate exhausted?

The CHAIRMAN. The Chair will read the rule:

When general debate is closed by order of the House, any Member shall be allowed five minutes to explain any amendment he may offer, after which the Member who shall first obtain the floor shall be allowed to speak five minutes in opposition to it, and there shall be no further debate thereon.

Mr. STEVENSON. Mr. Chairman, I offer an amendment to the committee amendment. I think it will not be objected to by the committee.

The Clerk read as follows:

Strike out of the proposed amendment the words "at the time," and insert the words "on or before November 12, 1918."

Mr. STEVENSON. Mr. Chairman, I do not care to take up much time in the discussion of this proposed amendment. The term "at the time" is exceedingly indefinite. Certainly none of the quasi contracts were entered into after the 12th of November. The armistice took effect at midnight, the 11th of November, 1918. In order to give them sufficient latitude to get in, if you adopt the amendment you ought to allow the memorandum

to be made during the period up to the 12th of November, 1918, and remove all discussion that will arise over what "at the time" means. Does that mean some hour, some day, or some week? "At the time" is indefinite.

Now, there is one other matter I wish to allude to. It seems to be advocated here—and I was at first impressed with it—that where the Government took possession of property, as related by the gentleman from Wisconsin [Mr. COOPER], and received property, that that was provided for under the general law, and the Government had it to pay for, regardless of this act. But this act undertakes to deal with that very condition, because you find in the proviso, line 18, the following:

Provided, That payment under such agreement shall not exceed the fair value of the property transferred or delivered and accepted by the United States, as determined by the Secretary of War, and where no property has been transferred, delivered, or accepted payment shall not be in excess of the actual cost incurred in preparation for performance, as such cost is determined by said Secretary.

That brings the case cited by the gentleman from Wisconsin within the control of this act. I am inclined to think that the whole amendment is vicious, and if it is adopted it ought to be adopted with the provision fixing an absolute date on which the memorandum was filed.

Mr. DENT. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be concluded in 30 minutes.

Mr. MANN. Debate on what?

Mr. DENT. On the committee amendment and all amendments thereto.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate on the amendment proposed by him and all amendments to that amendment be concluded in 30 minutes. Is there objection?

Mr. ELSTON. Reserving the right to object, I would like to ask the chairman of the committee whether he expects to continue the session until this bill is disposed of?

Mr. DENT. I certainly do. This is the last committee amendment.

The CHAIRMAN. Is there objection to the request?

Mr. MANN. Reserving the right to object, if 30 minutes' time is allowed and members of the committee seeks recognition in favor of the amendment, will they first be entitled to recognition?

The CHAIRMAN. Under the rules of the House, as the gentleman knows, each member of the committee is entitled to preferential recognition. The Chair does not think that when a member of the committee has spoken once that he is entitled to preferential recognition again.

Mr. MANN. That is true, with the modification that first a member of the committee in favor of the amendment is entitled to recognition and then one who is opposed to the amendment.

Mr. FIELDS. I am a member of the committee and have been trying to get recognition for some time.

The CHAIRMAN. The Chair has recognized the gentleman from Kentucky once. [Cries of "Vote!" "Vote!" "Vote!"] The question is on the amendment offered by the gentleman from South Carolina to the committee amendment.

The question was taken, and the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on the committee amendment as amended by the gentleman from South Carolina.

Mr. GREEN of Iowa. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Page 5, line 10, after the word "contracts," strike out the period and insert a colon, and add the following:

Provided further, That no payment shall be made on any claim made under this act until affidavit has been made by the officer or agent, if living, who, on behalf of the War Department, made the agreement or arrangement upon which said claim is based, that it was entered into or made without any benefit or advantage to himself, and that he is not interested, directly or indirectly, in whatever may be paid thereon.

Mr. DENT. I reserve a point of order on that.

Mr. PARKER of New Jersey. Mr. Chairman, I make the point of order that that is not an amendment to the amendment.

The CHAIRMAN. The Chair will state to the gentleman from Iowa that the amendment of the gentleman from South Carolina has already been adopted.

Mr. GREEN of Iowa. Mr. Chairman, I was under a misapprehension and I withdraw the amendment.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Alabama as amended by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. DENT) there were 50 ayes and 67 noes.

So the amendment was rejected.

Mr. MCKENZIE. Mr. Chairman, I offer the following amendment, to come at the end of the bill, which I send to the desk and ask to have read.

The Clerk read as follows:

At the end of the bill add the following:
"And provided further, That all authority heretofore authorizing the Secretary of War to acquire real estate, by purchase or otherwise, by any act or acts of Congress providing for the existing emergency is hereby repealed, and that any unfinished contracts for the acquiring of real estate are hereby canceled, and that hereafter the Secretary of War or his agents shall not be permitted to acquire title to any real estate, by purchase or otherwise, until specifically authorized so to do by act of Congress and the providing of an appropriation by Congress to pay for the same when such purchase is duly authorized."

Mr. DENT. Mr. Chairman, on that I reserve the point of order.

Mr. MCKENZIE. Mr. Chairman, I am not going to take up the time of the committee to discuss this amendment at any length. I think you all understand the purpose of it. The purpose is to prevent the War Department from purchasing any more real estate. Under the war power and under the law passed by Congress they have been enabled to buy large tracts of land, and the testimony before our committee a few days ago on a proposed artillery field gave notice to the committee that they are going right along taking options and buying land, and while we are now involved in the discussion of this bill to make settlement for these hundreds of contracts that have been heretofore entered into, many of them irregular or informal, it seems to me time now, since we are at peace, to stop the further purchase of real estate unless it is specifically authorized by Congress and an appropriation made to pay for it.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. MCKENZIE. Yes.

Mr. McKEOWN. I will ask the gentleman if the War Department has not now, at this time, title to a large acreage at Fort Sill, Okla., where they are conducting artillery schools, without buying any more land?

Mr. MCKENZIE. That is true. I do not care to say anything further.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. MCKENZIE. Yes.

Mr. MAPES. The gentleman's amendment contains this language:

And that any unfinished contracts for the acquiring of real estate are hereby canceled.

Mr. MCKENZIE. Yes.

Mr. MAPES. In my district there is a case somewhat similar to the situation in the district of the gentleman from Wisconsin [Mr. COOPER]. The Government established a picric-acid plant and took possession of the land of about 40 people. Options were given in most cases, but those options have now expired. The Government took possession of the land, but the owners have not yet received pay for their land, although they were obliged to get off the land and they lost their crops and the use of the land entirely. Substantial buildings were put up on the land and it is no longer suitable for the use of the original owners. What effect would the gentleman's amendment have on a situation like that?

Mr. MCKENZIE. I would say to the gentleman from Michigan that under the bill now pending in the committee those gentlemen will get settlement through the War Department, and what I am aiming at is to cancel all unfinished contracts and prevent the War Department from entering into any more, in order that we may get a final settlement of this whole thing and know where we are at.

Mr. MAPES. Is not the language of the amendment so broad that it would cancel these proposed contracts and prevent those men from getting pay for their land?

Mr. MCKENZIE. No; it would cancel the contract, but they would get their pay under the legislation now pending.

Mr. ELSTON. Does the gentleman mean by "unfinished contracts" contracts on which full payment has not yet been made? Let us say a contract was entered into where payment is to be made in installments, where the Government has made improvements and wants to keep the land. Suppose the Government has not paid in full, would that be an unfinished contract?

Mr. MCKENZIE. It would not be, because in that case the title has passed.

Mr. ELSTON. Oh, no; the title has not passed. I am speaking of an executory contract, where all payments have not been made and the deed, therefore, has not yet passed to the Government. I think the phrase "unfinished contracts" is rather dangerous to use for the object the gentleman wishes to accomplish, viz, to prevent the Secretary of War from making further contracts for the purchase of land.

Mr. SUMNERS. Mr. Chairman, will the gentleman yield?

Mr. MCKENZIE. Yes.

Mr. SUMNERS. I would like to ask the gentleman how he construes his amendment as applied to this situation, where the Government has an option on real estate and has erected valuable improvements and contemplates availing itself of them? If the contract is canceled, the Government is left with a valuable improvement upon land which it does not own, with no power to acquire title save through condemnation, and I am not sure that in a condemnation suit any estimate of the value of the land covered would be such as to take advantage of the improvements that have been put upon the land.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DENT. Mr. Chairman, I make the point of order much as I dislike to make the point of order on an amendment of this kind.

The CHAIRMAN. What is the gentleman's point of order?

Mr. DENT. That it is not germane to the purposes of the bill.

The CHAIRMAN. The Chair is ready to rule.

Mr. MCKENZIE. I do not care to argue the question, because I think the Chair is familiar with parliamentary procedure.

The CHAIRMAN. The Chair has nothing to do with the merits or demerits of the proposition, but the Chair is called upon to rule upon the technical proposition as to whether or not the amendment is in order on this bill under the rules of the House. The subject matter before the House is a bill "to provide relief where informal contracts have not been made in the manner required by law." The amendment offered, in the opinion of the Chair, does not relate to the subject matter of this bill at all—is not germane to it—but repeals certain statute law and provides that hereafter officials of the department shall not buy land for Government use unless they have specific authorization from Congress so to do. The Chair does not believe the amendment is germane to the subject matter of this bill and sustains the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment to the bill.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. MOORE of Pennsylvania offers the following amendment to the bill: "Strike out all after the word 'that,' on line 3, page 3, and insert"—

Mr. STAFFORD. Mr. Chairman, a question of order.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. I wish to offer an amendment to perfect the text.

The CHAIRMAN. The Clerk will have to report the amendment.

Mr. STAFFORD. But the motion, as disclosed by the reading, is to strike out all and offer a substitute—

The CHAIRMAN. The Clerk will report the amendment.

Mr. MOORE of Pennsylvania. That is not correct, I include the whole bill.

The Clerk read as follows:

Strike out all after the word "that," on line 3, page 3, and insert the following:

"There is hereby created a committee on war-contract expenditures, to consist of the Secretary of War, the Attorney General, two Members of the Senate, one a Democrat and one a Republican, to be appointed by the President of the Senate, and four Members of the House of Representatives, two Democrats and two Republicans, to be appointed by the Speaker of the House of Representatives.

"Sec. 2. That the Secretary of War, with the approval of the committee on war-contract expenditures, be, and he is hereby, authorized to adjust, pay, or discharge any agreement, express or implied, upon the basis of reasonable value but in no case greater than the agreed price that has been entered into, in good faith during the present emergency and prior to November 12, 1918, by any officer or agent acting under his authority, direction, or instruction, with any foreign Government or with any person, firm, or corporation for the acquisition of lands, or the use thereof, or for any supplies, material, or equipment to be used in the prosecution of the war, when such agreement has been executed in whole or in part, or expenditures have been made or obligations incurred upon the faith of the same by any such government, person, firm, or corporation prior to November 12, 1918, and such agreement has not been executed in the manner prescribed by law: *Provided*, That payment under such agreement shall not exceed the fair value of the property transferred or delivered and accepted by the United States, as determined by the Secretary of War, and where no property has been transferred, delivered, or accepted payment shall not be in excess of the actual cost incurred in preparation for performance, as such cost is determined by said Secretary: *Provided further*, That this act shall not authorize payment to be made of any claim under such agreements after June 30, 1919; *And provided further*, That the Secretary of War shall report to Congress at the beginning of its next session following June 30, 1919, a detailed statement showing the nature, terms, and conditions of every such agreement and the payment or adjustment thereof: *And provided further*, That nothing in this act shall be construed to confer jurisdiction upon any court to entertain a suit against the United States upon any agreement of the character herein provided for: *And provided further*, That no settlement of any claim arising under any such agreement shall bar the United States Government through any of its duly authorized agencies, or any committee of Congress hereafter duly appointed, from

the right of review of such settlement, nor the right of recovery of any money paid by the Government to any party under any settlement entered into or payment made under the provisions of this act. If the Government has been defrauded, and the right of recovery in all such cases shall extend to the executors, administrators, heirs, and assigns, or any party or parties: *And provided further*, That nothing in this act shall be construed to relieve any officer or agent of the United States from criminal prosecution under the provisions of any statutes of the United States for any fraud or criminal conduct: *And provided further*, That this act shall in no way relieve or excuse any officer or his agent from such criminal prosecution because of any irregularity or illegality in the manner of the execution of such agreement: *And provided further*, That the names of such contractors and the amounts of such partial or final settlements shall be filed with the Clerk of the House for the information of Congress and printed in the CONGRESSIONAL RECORD, or in the Official Bulletin, or as a public document, 10 days before confirmation and payment is authorized upon such contracts.

Mr. DENT. Mr. Chairman, I reserve a point of order.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Is it in order for the gentleman to offer his amendment as a substitute before amendments to perfect the text are included?

The CHAIRMAN. The Chair would state that the substitute, of course, is nothing but an amendment, and the Chair thinks it is in order at this time to offer an amendment in the nature of a substitute. The Chair, however, believes that if any of the Members have an amendment to perfect the text those amendments should be voted on before the vote is taken on the substitute.

Mr. STAFFORD. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Whether the gentleman is now in order to proceed to discuss his amendment and after he has had the floor whether it is then in order to offer an amendment to perfect the text?

The CHAIRMAN. The Chair thinks so.

Mr. STAFFORD. I desire to offer an amendment to perfect the text.

The CHAIRMAN. The gentleman from Pennsylvania has the floor.

Mr. MOORE of Pennsylvania. Mr. Chairman, the amendment before the committee now is the committee amendment to the House bill literally as printed, except that it includes the two amendments which were just passed by the committee as offered by the Committee on Military Affairs, and which have been inserted at the proper places, and a new provision, which is as follows:

That there shall be created a committee on war-contract expenditures, to consist of the Secretary of War, the Attorney General, two Members of the Senate, one a Democrat and one a Republican, to be appointed by the President of the Senate, and four Members of the House of Representatives, two Democrats and two Republicans, to be appointed by the Speaker of the House of Representatives.

That is new. It creates a committee on war-contract expenditures. That is all. The next paragraph starts out with the declaration "that the Secretary of War"—and this is new—"with the approval of the committee on war-contract expenditures, be, and he is hereby, authorized," and so forth, to do everything that is set forth in the printed bill. The whole proposition is that we, in response to what appears to be a public demand, shall offer to the Secretary of War congressional cooperation in the matter of the settlement of these large contracts.

I endeavored a little while ago to explain just how this might be done and how simple it would be. It should be no embarrassment to the Secretary, except that of fixing a time for meeting this congressional committee, and the Attorney General to cooperate with him as to those particular contracts he properly audited, and which are ready for approval, or for further investigation if it be found that there should be any newly discovered evidence or any reason why they should be further examined.

I hesitated about placing with the President the authority to appoint a committee or a commission, because it might be said that putting the power in the hands of the President at this time and requesting him to appoint a commission—he being absent from the country—would mean delay. For the same reason I am not quite satisfied that the Senate amendment creating a commission would avoid delay, which everyone seems to want to avoid, because the Senate amendment proposes to create a commission that shall be paid a salary of \$10,000 per member. That, of course, as we all understand, would mean a long period of service. There is nothing in this proposed amendment except the creation of a committee to cooperate and, if need be, to assist the Secretary of War to see that these contracts are valid, that there is no imperfection or irregularity with regard to them, and that they are properly and promptly paid if found correct. That is the sum and substance of the

proposition—that the Congress of the United States shall have oversight and supervision along with the Secretary of War as to contracts, both foreign and domestic, that we are now informed will mount up to more than \$2,700,000,000. How many I am unable to say. The Assistant Secretary of War has indicated in the hearings that the American contracts will number six thousand six hundred and odd.

Mr. TILSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. TILSON. I would like to know from the gentleman what he thinks six Members of Congress, two Senators and four Representatives, could do toward informing this House as to the details of 6,000 contracts in addition to other duties that they must perform, in view of the fact that most Members of Congress, perhaps I might say all of us, would have very little, if any, technical knowledge of the subject covered by those contracts?

Mr. MOORE of Pennsylvania. That is a fair question. It was asked by the gentleman from Texas [Mr. EAGLE] a little while ago, and I attempted to answer it then. The answer was this: The public would be better satisfied and Congress would be better satisfied to know that Members appointed by the Vice President and the Speaker had satisfied themselves that the procedure at the War Department was regular. As to the matter of time and the excess of service that some of us think we perform, I stated then, and I repeat, that no Member appointed upon this committee by the Vice President or the Speaker would hesitate one minute about responding to the call of the Secretary of War to look over his lists. There are 435 Members of the House and 96 Members of the Senate.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent that I may have five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. There are 435 Members of the House and 96 Members of the Senate. And every one of them is in direct communication with the American public. More than 100,000 people do their official correspondence with and through these Members of the Senate and the House. We know, just as the gentleman from New York stated in the case that was brought to his attention a little while ago, when some one "read the hearings on him," that the Secretary of War personally can not attend to all the details of his department. We have multiplying evidence of that fact now, with respect to war-risk claims, contracts, and all sorts of business respecting the discharge of soldiers, and things of that kind.

If the Secretary of War relies upon his subordinates and those subordinates in the matter of contracts are men who have had some interest in the contracts or the awarding of contracts, what more reasonable than that he should welcome the cooperation of Members of Congress to look at his lists? There are six thousand six hundred and odd contracts. Yes; it would take a long time to look over that list. But I assume when the Secretary of War calls its first meeting and this Committee on Expenditures should assemble, he would have a list of at least a thousand contracts ready for their approval or their disapproval, and if they observed that contract No. 1 was made by a distinguished firm of builders, that it had been properly audited, that the amounts were accurately stated, it would not take that committee long to say, "Pass that," and "Pass No. 3; pass No. 4. But hold up No. 1102. I have had a communication about that from one of my constituents. A gentleman has complained to me through the House or the Senate in respect to that contract. Lay that aside until we can make an investigation." And it might happen that there would be dozens of such contracts necessitating further examination and inspection for reasons not known to the Secretary.

Gentlemen, never in the history of the world have we entrusted to individuals such power and confidence as have been reposed by Congress in our public officials in this war. And they have done some extraordinary things. Give them credit for that. But we must not let them get it into their heads that Congress does not still exercise its powers and its prerogatives. We are voting away, if we pass this bill, \$2,700,000,000. That is a tremendous tax against the people of the United States. Over in a small room across the way we are now discussing the problem of how to cut down the tax bill from \$3,000,000,000 to \$6,000,000,000, and here you are spending, or proposing to spend, nearly one-half of the latter amount, about which as a tax proposition there is so much complaint.

I do not reflect upon a single officer of the department with respect to this bill, except to say that sometimes they are over-

confident and sometimes they have not welcomed that scrutiny which we, if we had been elected by the people, would have welcomed if we had been in their places.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. PURNELL. Does not the gentleman think that this committee ought to be composed of high-class expert accountants, who can devote all their time to this business and receive pay for it?

Mr. MOORE of Pennsylvania. My information is that they have all the expert accountants down in the War Department now that the country and the Government affords.

Mr. PURNELL. Well, then, say business men.

Mr. MOORE of Pennsylvania. Then it would mean compensation and delay—the very thing that most of the people have been protesting against. You appoint this congressional committee and let the Secretary lay his cards on the table—that is all he has to do—and if that committee has no information, if no one has made complaint, if there has been no correspondence affecting the contract, if the audit seems clear and plain and just, let the settlement be made. But if there shall be one in a hundred, or two in a hundred, or one in a thousand that savors of crookedness or connivance or favoritism, let it be held up for further information.

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. JUUL. I would like the gentleman to say whether he knows if there is an itemized list, or what is approximately an itemized list, in the possession of any Member of this House as to the number of items, and what they consist of, and their amount?

Mr. MOORE of Pennsylvania. I read the hearings as carefully as I could, and I did not find that any officer of the War Department was prepared to give that list, and I have heard it stated that one of them said it would take as many as 200 clerks quite a long period of time to prepare the list, which seems to justify the suggestion that congressional oversight would do no harm.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SLOAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska, as the Chair understands, offers an amendment to perfect the text. The Clerk will report the amendment.

Mr. SLOAN. My amendment is at the desk.

The Clerk read as follows:

Amendment offered by Mr. SLOAN: Page 3, line 8, strike out "twelfth" and insert "eleventh."

Mr. SLOAN. Mr. Chairman, I move to strike out the date, the 12th, which is selected as a focal date here, and insert "eleventh," for the following reasons: First, there was no occasion for any officer of the War Department to enter into any new contracts on the business day of November 11; second, there was no reason why any contractor should impose upon his country, even if the opportunity should present itself for a new contract, after the armistice was signed.

The armistice was signed in the morning of November 11 over there, which was late at night November 10 over here. I read from the Washington Post of November 11—and the Washington Post is a morning paper—this statement:

Germany surrenders. The war is over. The armistice has been signed. It was signed at 5 o'clock this morning, French time. This announcement was made at 2.45 o'clock this morning officially at the State Department.

Now, at that time there is a record, I understand, which shows that the Government had charge of the means of communication, the wires of this country, and there was communication available to every part of this country, and there was no officer in this country but who was reachable at that time, to have stopped further negotiations and entering into new contracts. It seems to me that if we would safeguard the Government's interests and at the same time have due regard for the rights of contractors who were careful in making their contracts, we should change that date from the 12th of November to the 11th.

As I suggested this morning when I was speaking to this question in a general way, the nearer you come to the final time fixed in the bill the closer should be the investigation given to each of these alleged contracts and the greater likelihood there would be that they might be fraught with fraud or irregularity. I do not think we should attempt to validate any contract that was made after the armistice was signed, after an opportunity was given for every official of the War Department and everybody interested to know that fact, and therefore for preparing themselves and protecting themselves against a mistake in the contract or a question of authority.

I want to say in passing at this time that I do not understand that there are many Members of this House who do not desire to pay every obligation honestly entered into by the Government with any contractor. The Government should pay every dollar honestly due, regardless of the formality or informality of these contracts. But I think the American people would be better satisfied if the tribunal that determines their validity, or determines the good faith of these contracts, were some other tribunal than the tribunal named in this bill, and for that reason I heartily agree with the proposition presented by the gentleman from Pennsylvania [Mr. MOORE].

Mr. DENT rose.

The CHAIRMAN. The gentleman from Alabama [Mr. DENT] is recognized. Is the gentleman opposed to the amendment?

Mr. DENT. I am opposed to the amendment.

The CHAIRMAN. The gentleman from Alabama is recognized.

Mr. DENT. Mr. Chairman, I reserved a point of order on this amendment. I am under the impression that this amendment is not germane to the proposition involved here. But I am going to withdraw that reservation and leave it to the House to say whether or not at this particular stage of the game they are willing to say that the War Department shall not settle the contracts that happen not to have been formally and ceremoniously executed when they have the right to settle millions of dollars of contracts that were formally executed; and I ask unanimous consent that all debate on the amendment of the gentleman from Pennsylvania [Mr. MOORE] and the amendment thereto be now concluded.

Mr. GARRETT of Tennessee. Does the gentleman withdraw his point of order?

The CHAIRMAN. The gentleman withdraws his point of order.

Mr. GARRETT of Tennessee. I am very much disposed to renew the point of order. I make the point of order, Mr. Chairman, that the amendment of the gentleman from Pennsylvania is not germane.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MANN. It is clearly germane, and there is no use in wasting time upon it.

Mr. GARRETT of Tennessee. It goes entirely outside of the machinery of the bill.

Mr. MANN. It provides for the payment of the claims. To say that we can not affect the machinery for the payment of the same claims would put us in a very ridiculous attitude.

The CHAIRMAN. The Chair will hear from the gentleman from Tennessee.

Mr. GARRETT of Tennessee. The only point I make is that it is not germane to the purposes of the bill. It creates machinery that lies outside of the scope of the bill.

This is a bill to authorize the War Department to make settlements, and the amendment proposed by the gentleman from Pennsylvania is to create an entirely different machine for carrying out the purposes of the bill.

That is all I care to say about it, Mr. Chairman.

The CHAIRMAN. The Chair is ready to rule. The bill before the House has for its object the validating and settling of damages arising out of informal contracts made by the War Department. The bill before the House provides that the Secretary of War, or any of his agents or representatives, can adjust and settle these differences. The amendment of the gentleman from Pennsylvania [Mr. MOORE] provides a different method or a different agent or a different tribunal to settle these differences. The Chair believes it is germane to the bill before the House. The Chair does not believe the House is confined to the particular method of settlement of these claims that the committee reports. The Chair believes the amendment is germane proposing another vehicle, and it is for the House to determine which shall be adopted. The Chair overrules the point of order.

The Chair understood the gentleman from Alabama [Mr. DENT] to ask unanimous consent that the debate on this amendment of the gentleman from Pennsylvania [Mr. MOORE] as a substitute and the amendment of the gentleman from Nebraska [Mr. SLOAN] be now closed. Is there objection?

Mr. DILLON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. DILLON. I have an amendment to perfect the text. I would like to have five minutes upon that.

The CHAIRMAN. The Chair does not think the request submitted would preclude debate on other amendments.

Mr. MANN. It would not. The request was made to close the debate on—

The CHAIRMAN. The Chair understood the request was on the substitute of the gentleman from Pennsylvania and the amendment of the gentleman from Nebraska.

Mr. MANN. The amendment offered would affect the amendment of the gentleman from Pennsylvania.

Mr. DILLON. But not an independent amendment to perfect the text.

Mr. GREEN of Iowa. Mr. Speaker, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. GREEN of Iowa. I understood that there was an amendment pending offered by the gentleman from Nebraska [Mr. SLOAN].

The CHAIRMAN. There is an amendment of the gentleman from Nebraska [Mr. SLOAN] pending to perfect the text, to strike out "twelve" and substitute "eleven."

Mr. GREEN of Iowa. And until that is disposed of no other amendment to perfect the text would be in order.

Mr. STAFFORD. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. I assume that after the amendment of the gentleman from Nebraska [Mr. SLOAN] is voted on, then other amendments to perfect the original text would be in order.

The CHAIRMAN. The Chair thinks so. Is there objection to the request of the gentleman from Alabama?

Mr. MANN. Temporarily I will object, because I want to make a statement.

The CHAIRMAN. The gentleman from Illinois objects. The Chair will recognize the gentleman from Illinois.

Mr. MANN. Mr. Chairman, I am not so much interested in the amendment of the gentleman from Nebraska [Mr. SLOAN] as to the date, nor even the amendment of the gentleman from Pennsylvania [Mr. MOORE], which probably could do no great harm, but, in my judgment, would do no great good, because I think the committee that would be appointed would have to act pro forma and leave it to the War Department in the end. Now, what is the situation? We went into the war without preparation, without organization, without soldiers, without guns, without ammunition, without methods of transportation, without an army, or the supplies for an army. Everyone understood that great difficulties confronted us in making an army and providing the materials for the Army. By the solemn declaration of Congress we had pledged the resources of the entire country behind and back of the war. We as a part of the Government, and the Government itself, called upon the people throughout the country to aid in furnishing the necessary supplies and in furnishing the soldiers. We passed the selective-draft law, which eventually provided the soldiers.

But soldiers without equipment are not very valuable in fighting in modern days. We had no method arranged in advance to acquire what was necessary to carry on the war. We pleaded that the people from patriotic motives should practically turn over their factories and their business to aid the Government, and we did not stop with pleading patriotic motives. We conferred upon the President autocratic powers over their establishments, and he exercised those powers in many cases.

The great trouble with the Government in all its dealings is red tape. Red tape is necessary in ordinary times, but the commander in chief of an army has to cut red tape frequently if he wins. The criticism that I would have made of the War Department was not that it was too hasty in obtaining supplies, but that it was too slow to begin with, by reason of the red tape provided by law and by regulations. They finally went in and commenced to get the supplies. They practically said, "Red tape be damned! Get the things for the boys, furnish the guns and the ammunition, furnish the machinery and the transportation, do everything that is necessary to hurry up the Army and finish the war." The sooner the war was over the better for the country. The sooner the war was ended the fewer lives would be lost. These people went to work and urged the people throughout the country to aid in furnishing supplies without formal contracts. If the war had continued until now, these agreements would have been disposed of and formal contracts would have been signed; but almost like a flash out of a clear sky came the sudden ending of the war. Few here or elsewhere thought that it was to be ended so soon. The War Department was at the height of its activity in obtaining supplies. I believe that the dignity of the country requires that we should treat these people in absolute good faith and pay our bills; that we should not take advantage of technicalities when we urged them not to [applause]; that we can not afford to repudiate obligations which we were seeking to incur; that when we asked the people of the country to respond and they did respond, we ought not now to plead the baby act and say, "We have no formal contracts with you." [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska to strike out "twelve" and substitute "eleven."

The question was taken, and the amendment to the amendment was rejected.

Mr. DENT. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto be concluded at half past 5.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that debate on the bill and all amendments thereto be closed at 5.30. Is there objection?

Mr. BENSON. Mr. Chairman, I want to ask the gentleman whether I can get five minutes?

Mr. KEARNS. I object.

Mr. DENT. Then, Mr. Chairman, I move that debate on the bill and all amendments thereto be concluded at 5.30 o'clock.

Mr. KEARNS. Mr. Chairman, I have an amendment to offer to the motion.

The CHAIRMAN. The gentleman from Alabama moves that all debate on the bill and amendments thereto close at 5.30.

Mr. KEARNS. I move to amend that motion by substituting 5 o'clock for 5.30.

The CHAIRMAN. The vote will first be taken on the amendment to the motion offered by the gentleman from Ohio.

The question was taken, and the amendment to the motion was agreed to.

The CHAIRMAN. The question now is on the motion of the gentleman from Alabama, as amended, to close debate at 5 o'clock.

The question was taken, and the motion was agreed to.

Mr. NEELY. Mr. Chairman, I offer the following amendment. The Clerk read as follows:

Page 3, line 4, after the word "adjust," strike out the words "pay or discharge" and insert in line 5, after the word "implied," the following: "or pay or discharge any liability or damage arising out of or resulting from such agreement."

Mr. NEELY. Mr. Chairman and gentlemen of the committee, the purpose of the amendment just read, and of additional ones that I shall offer if this one is adopted, is to confer upon the Secretary of War authority to settle claims by paying damages to persons who have been injured by the Government's operations during the recent emergency.

The bill authorizes the Secretary to adjust, pay, or discharge agreements, express or implied, when expenditures have been made or obligations incurred upon the faith of such agreements. It is clear to my mind that this language means that the adjustment may be made when expenditures have been made or obligations incurred by the injured party, and not by the Government itself.

Under the strict construction now being observed by the War Department and the Comptroller of the Treasury, I doubt if the bill in its present form will provide relief in those cases in which the Government has appropriated lands under informal agreements and injured the landowner by the erection of buildings or factories that are now worse than useless. In cases of this kind the Government ought to have the authority to make settlements by paying adequate damages to the owner of the injured land and leaving the same in his possession. Does anyone believe that the War Department will construe this bill as conferring any such authority?

Without amendments, I doubt if the bill reaches cases like the following one, which arises near Fairmont in the district which I have the honor to represent:

Several months ago representatives of the War Department notified Hon. John F. Phillips, of Fairmont, that they purposed taking about 12 acres of his land, situate on the Monongahela River, for war purposes. Mr. Phillips, not wanting to part with his land, offered the Government the use of his whole farm of 200 acres for the duration of the war without cost, but upon condition that after the emergency was past the land should be restored to its former condition. This offer was refused, and the Government's agents fixed the price of the land at \$2,000 per acre and directed Mr. Phillips to execute an option to the Government at this price upon pain of having the land condemned. Mr. Phillips complied. The Government wired an acceptance of the option from Washington, took possession of the land, and destroyed its value, so far as the former owner is concerned, by building a number of massive reinforced-concrete foundations thereon. Soon after the armistice was signed the work on the land in question was abandoned. The Government never completed its contract with Mr. Phillips. The latter brought here a deed, properly executed, and tendered it to the War Department's representative on last Monday in my presence. Thereupon the official having the matter in charge simply said, "Mr. Phillips, your agreement is not binding on the Government, because the Government's agents have not signed the same." Personally I know of no language sufficiently vigorous to describe such an intolerable outrage. It is

to provide a remedy for such abuses that I have offered the pending amendment, and purpose to offer others, if this one is adopted, to make it effective.

Mr. CALDWELL. Will the gentleman yield?

Mr. NEELY. Yes.

Mr. CALDWELL. Has the gentleman called the attention of the War Department to the act of June 19—the Hay bill?

Mr. NEELY. No; for it would be a waste of time to do so.

Mr. CALDWELL. The Hay bill provided that in case of war the Government could take any property, business, material, or anything else and pay for it, and if it could not agree with the owner it could pay three-quarters and the man could go to the Court of Claims for the balance?

Mr. NEELY. In this case the War Department refuses to pay anything, on the ground that there is no law authorizing payment in the premises.

Mr. CALDWELL. I know; they do not recognize that the Hay bill is law, and perhaps never will.

Mr. NEELY. But that does not help Mr. Phillips, whose land has been seized and its value destroyed.

Mr. GORDON. With whom did the gentleman talk in the War Department?

Mr. NEELY. With Capt. Dykema.

Mr. GORDON. He has no authority to bind the War Department.

Mr. NEELY. As a matter of fact, Capt. Dykema very frankly admitted that he had no authority to pay Mr. Phillips for his land.

The CHAIRMAN. The time of the gentleman from West Virginia has expired. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken, and the amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 5, line 10, after the word "contracts," strike out the period, insert a semicolon, and add the following: "And provided further, That no payment shall be made on any claim made under this act until an affidavit has been filed, made by the officer or agent, if living, who, on behalf of the War Department, made the agreement or arrangement upon which such claim is based, to the effect that the claim was entered into or made without any benefit or advantage to himself and that he is not interested directly or indirectly in whatever may be paid thereon."

Mr. DENT. Mr. Chairman, I reserve the point of order.

Mr. GREEN of Iowa. Mr. Chairman, I do not want to take up the time to discuss the amendment if it is not in order. It seems to me so clearly in order that I do not care to argue it.

The CHAIRMAN. The gentleman will state the point of order.

Mr. DENT. I will withdraw the point of order.

Mr. GREEN of Iowa. Mr. Chairman, I do not know how anyone who desires that only fair and honest claims shall be paid can object to this amendment. The gentleman from New York [Mr. CALDWELL], it seems from the hearings as read by my colleague [Mr. TOWNER], stated that it was rumored around the lobbies that certain gentlemen were making contracts on behalf of the War Department with their former employers. I will put it much stronger. I know that parties were here making contracts with their former employers. Now, I want to know, this House ought to know, and the country wants to know whether these gentlemen have any interest in these contracts that they have been making. We ought to have known this before any of these contracts were made. We should know it now before any payments are made on them. Gentlemen have objected to criticisms of the War Department in this connection. How is it possible to discuss this question fairly and not make some criticism of the War Department? Nearly all of these contracts date back some six months before the armistice was entered into, and yet gentlemen say the execution of the armistice was the reason why these contracts are not validated. The real reason is that the War Department was paying no attention to the law.

Mr. KAHN. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. KAHN. I just want to ask the gentleman how those officers who are now dead can make the affidavits?

Mr. GREEN of Iowa. I have provided for that in my amendment. Unless the agent is alive the affidavit is not required.

Mr. ELSTON. Will it be necessary before any contract can be validated to have it shown affirmatively that the agent who made it for the Government is living? Suppose he is out of the employ of the Government and can not be found.

Mr. GREEN of Iowa. The gentleman has not listened carefully to the reading of my amendment. It simply provides if the man is living he shall make the affidavit.

Mr. ELSTON. That it must appear affirmatively that he is not dead. Suppose he is crazy or that he has left the Government's employ and can not be located. They have to have that information before the money can be paid.

Mr. GREEN of Iowa. Oh, the gentleman could abrogate almost any law we have with reference to the making of affidavits of lack of interest in the contracts Government agents make on that theory.

Mr. TILSON. Suppose he is in Siberia?

Mr. GREEN of Iowa. Yes; and suppose the sun does not rise to-morrow. The point is that the War Department knows where these men are who have been in the service. This objection of the gentleman from California [Mr. ELSTON] is purely fanciful. If gentlemen want contracts to go through where they know men have been making contracts with their former employers, without an affidavit saying that they are not interested in the contracts, let them say so fairly and squarely. Any Member who has been paying any attention to the letting of these contracts knows that this has been going on. Is it possible that Members care nothing about it?

Mr. McKENZIE. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. McKENZIE. On the point of the practicability of the gentleman's amendment, if an officer was crooked enough to take graft in one of these contracts, does the gentleman think he would hesitate to make an affidavit that he did not?

Mr. GREEN of Iowa. Does not the gentleman know that his argument would apply against any restriction we have in the statute? We have a number of important restrictions in the law as it stands. Would the gentleman repeal them? This bill has been offered to get around parts of them. It is not necessary we should avoid that part of it. These claims can be paid without any trouble upon these affidavits being made. There will be no difficulty in locating the agents nor, as far as the Army officers are concerned, in obtaining the affidavits, but how some of these men, who were still being paid their salary by their former employers, could make the affidavits is another question in which the country is very much interested.

Mr. NORTON. Mr. Chairman—

The CHAIRMAN. Is the gentleman opposed to the amendment?

Mr. NORTON. Yes.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota until 5 o'clock.

Mr. NORTON. Mr. Chairman, this amendment provides that no contract or agreement shall be paid until an affidavit is made to the effect that the party who made the contract or entered into the agreement verbally or informally for the Government is not in any way interested personally in the payments to be made under the contract and is not to receive or be the beneficiary of any part of the sum paid by the Government on account of the contract.

Now, it seems to me that in this proposed legislation there should be some clear and well-defined provision for having a careful examination and check made of all these informal and irregular contracts which we are providing for to be settled and paid. This careful examination and check should be made by disinterested persons who are in no way under obligations to the War Department and who have not been parties to any of the carelessness and extravagances of the War Department during the war.

The gentleman from Pennsylvania [Mr. MOORE] proposes a disinterested check upon these contracts in his amendment now pending before this committee, which amendment provides that before payment shall be made on these irregular and hastily made contracts they shall be approved by a committee composed of the Secretary of War, the Attorney General, two Members of the Senate, and four Members of the House. Notwithstanding the fact that there is a general and widespread feeling throughout the country that many of these claims should be more carefully examined into and more carefully checked up than they are likely to be by the Secretary of War or his representatives, I fear the influence of several thousand war contractors, whose greed for big and easy war profits is yet unsatisfied, will result in having the settlement of these claims placed in the hands of those who will be likely to give the least attention and consideration to the interest of the Government in the settlements and payments to be made.

I listened with a great deal of interest to the very eloquent and pleasing argument made by the gentleman from Illinois [Mr. MANN], telling of the wonderful accomplishments of the big business interests of the country since the beginning of the war and urging that the payment of these claims be left in the generous hands of the Secretary of War. An argument in favor of open-handed generosity and liberality always appeals strongly to expectant beneficiaries and their friends. Such an argument

will always find ready response in the hearts of those who have war contracts with the Government.

While I agree entirely with what the gentleman from Illinois has said in regard to our unpreparedness at the time we entered the war, and while I agree with him that governmental red-tape rules and regulations must be and should be cut in war times, I do not believe that the urgent need of the Government in time of war for war supplies justifies administrative officers of the War Department in paying wholly outrageous and exorbitant prices for supplies furnished to or work done for the Government, nor do I believe such need justifies or excuses administrative officers of the Government in wildly and hysterically spending and wasting millions of dollars of the money of the taxpayers of the country on carelessly considered and impractical projects. I have not been able to learn from anyone acquainted with payments that have been made by the Government on its war contracts that the business interests that have performed these contracts have done so at any loss or at any great business sacrifice. On the contrary, the thing that I have invariably heard from those having these contracts was that there were large, fat, and easy profits in them. The unbridled extravagances in expenditure of the Government's money during the war by the War Department, the Ship Building Corporation, and the Housing Bureau is to-day the common talk of thousands of the employees of these departments of the Government. The time should come, and I trust that the time will come, when the executive and administrative officials responsible for allowing and sanctioning these wild and extravagant expenditures will be held to an accounting by the taxpayers of the country.

In the light of the liberality and abandon with which the Secretary of War has allowed the money of the Government to be spent on regular and formal contracts is it at all surprising that there is a well-grounded general public feeling that if the settlement and payment of these claims growing out of irregular and informal contracts is left entirely with the Secretary of War his generosity and openhandedness in the matter of expenditure of public funds will be such as to require the Government to pay millions of dollars more on these claims than in all fairness and justice to all parties concerned should be paid on them? It is well time to call a summary halt on the careless abandon with which administrative officers of the Government are permitting funds of the Government to be paid out in order to make of themselves good fellows with the trade and business interests of the country. If the House does not have the good sense and judgment to provide for a check outside of the War Department upon the settlement and payment of these claims, I trust that such will be done before this measure finally passes the other branch of the Congress.

The CHAIRMAN. The time of the gentleman has expired; all time under order of the committee has expired. The question is on the amendment offered by the gentleman from Iowa [Mr. GREEN].

The question was taken, and the amendment was rejected.

The CHAIRMAN. Under order of the committee no further debate is in order; amendments are in order. The Chair will recognize gentlemen having amendments to offer to perfect the text before a vote is taken on the substitute offered by the gentleman from Pennsylvania.

Mr. BENSON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BENSON: Page 3, line 18, after the word "law," strike out, beginning with the word "Provided," down to and including the word "Secretary," in line 25.

Mr. GORDON. Mr. Chairman, can we have the matter stricken out reported?

The CHAIRMAN. Without objection, the Clerk will report the part of the bill stricken out.

The Clerk read as follows:

Page 3, line 18, after the word "law," strike out the following language:

"Provided, That payment under such agreement shall not exceed the fair value of the property transferred or delivered and accepted by the United States, as determined by the Secretary of War, and where no property has been transferred, delivered, or accepted payment shall not be in excess of the actual cost incurred in preparation for performance, as such cost is determined by said Secretary.

The question was taken, and the amendment was rejected.

Mr. WOOD of Indiana. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 3, line 20, before the word "transferred" insert "taken"; also, before the word "transferred" in line 22 insert the word "taken."

The question was taken, and the amendment was rejected.

Mr. CALDWELL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.
The Clerk read as follows:

Amendment offered by Mr. CALDWELL: Page 3, line 20, after the words "United States" insert "and in addition a payment not in excess of the actual cost, as such cost is determined by the said Secretary, incurred in preparation for performance of said agreement and the actual outlay incident to cancellation and not included in the cost of articles."

The question was taken, and the amendment was rejected.

Mr. FESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.
The Clerk read as follows:

Amendment offered by Mr. FESS: Page 4, line 2, before the word "after" prefix the word "filed."

Mr. FESS. So it will read—

The CHAIRMAN. Without objection, the Clerk will report the language as amended.

The Clerk read as follows:

So as amended the lines will read:

"Provided further, That this act shall not authorize payment to be made of any claim under such agreement filed after June 30, 1919."

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. FESS) there were—ayes 56, noes 76.

So the amendment was rejected.

Mr. FESS. Mr. Speaker, I ask for a division.

The CHAIRMAN. The gentleman from Ohio asks for a division.

The committee divided; and there were—ayes 56, noes 74.

So the amendment was rejected.

Mr. GORDON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GORDON: Page 5, line 10, at the end of line 10, insert the following:

"And provided further, That before the payment of any claim authorized to be settled by the terms of this bill, the Attorney General of the United States shall certify thereon that the amount allowed is authorized by the provisions of this enactment."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 4, line 2, after the word "nineteen," insert:

"And provided further, That this act shall not authorize payments to be made of any claim under such agreements for aircraft production, including motors and aircraft supplies."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. LAGUARDIA. Division, Mr. Chairman.

The committee divided; and there were—ayes 32, noes 83.

So the amendment was rejected.

Mr. GOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 3, line 25, after the word "Secretary," add the following:

"And provided further, That this act shall not apply to any agreement which in the opinion of the Secretary of War was entered into through misrepresentation or fraud or where the price agreed upon was unreasonable."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that it was in doubt.

Accordingly the committee divided; and there were—ayes 56, noes 76.

So the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 3, lines 4 and 5, after the word "express," strike out the words "or implied" and insert "or provable at common law under the statute of frauds."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. DILLON. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 3, lines 10 and 11, after the word "corporation," strike out the words "for the acquisition of lands, or the use thereof" and insert in lieu thereof the words "for the use of any lands."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. DILLON. Mr. Chairman, I offer a second amendment.

The CHAIRMAN. The gentleman from South Dakota offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 3, line 25, after the word "Secretary" insert "and that no adjustment or payment shall include prospective or possible profits on any part of the contract beyond the goods and supplies received and actually delivered to the United States."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I offer an amendment to give the committee an opportunity to have it railroad.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 3, line 5, after the word "value," insert "after deducting all claims the Government has against the claimant."

Mr. STAFFORD. So that the phraseology will read—

The Clerk read as follows:

So that the line as amended will read:

"That the Secretary of War be, and he is hereby, authorized to adjust, pay, or discharge any agreement, express or implied, upon the basis of reasonable value after deducting all claims the Government has against the claimant."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now recurs on the substitute of the gentleman from Pennsylvania [Mr. MOORE].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. MOORE of Pennsylvania. Division, Mr. Chairman.

The committee divided; and there were—ayes 60, noes 104.

So the substitute was rejected.

Mr. FESS. Mr. Chairman, I would like to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

Mr. CALDWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CALDWELL. Is an amendment in order now?

The CHAIRMAN. The Chair can not tell until the amendment is read.

Mr. CALDWELL. I mean now that the motion to substitute has been passed and voted on?

The CHAIRMAN. The Chair can not tell until the amendment shall have been read. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FESS: Page 4, line 2, strike out the word "after" and insert in lieu thereof the words "not filed prior to."

Mr. FESS. So that it will read—

The Clerk read as follows:

So that, as amended, the line will read:

"Provided further, That this act shall not authorize payment to be made under such agreements not filed prior to June 30, 1919."

Mr. GARRETT of Tennessee. Mr. Chairman, I make a point of order on that. I do not care to insist on it. It was voted on only a few minutes ago. It was exactly the same thing.

Mr. FESS. The other one was affirmative and this is negative.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. SANDERS of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SANDERS of Indiana: Page 5, at the end of section 1, insert a new section, as follows:

"Sec. 2. If the person, firm, or corporation to whom funds shall be payable under the terms of this act shall be in bankruptcy, in receivership, or an assignment shall have been made for the benefit of the creditors of such person, firm, or corporation, then in such event the

amount due any subcontractor, laborer, or material man on account of the carrying out of said contract shall become preferred claims over all other claims in the hands of any such trustee or assignee to whom the funds shall be paid."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. DENT. Mr. Chairman, I move that—

The CHAIRMAN. The committee amendment is not yet adopted.

Mr. STAFFORD. Mr. Chairman, I move to strike out, on page 5, from the last proviso, the following phraseology, found in lines 7, 8, and 9, "and printed in the CONGRESSIONAL RECORD or in the Official Bulletin or as a public document," so that the language will read:

Provided further, That the names of such contractors and the amount of such partial or final settlements shall be filed with the Clerk of the House for the information of Congress 10 days before confirmation and payment is authorized upon such contracts.

The CHAIRMAN. The Chair will not have the Clerk again read it. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on agreeing to the committee amendment striking out all after the enacting clause of the bill as introduced and substituting therefor the committee amendment as amended.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. Under the order of the House providing for the consideration of this bill, the committee will now rise.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRISP, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13274) to provide relief where formal contracts have not been made in the manner required by law, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is, Shall the bill pass?

The question was taken, and the Speaker announced that the "ayes" seemed to have it.

Mr. KING. Mr. Speaker, I demand a roll call.

The SPEAKER. A roll call is demanded. Those in favor of taking this vote by yeas and nays will rise and stand until they are counted. [After counting.] Twenty-five gentlemen have arisen—not a sufficient number.

Mr. NORTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. KING. I raise the point of no quorum.

The SPEAKER. The Chair will count. [After counting.] Two hundred and ten gentlemen present, not a quorum. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. Those in favor of passing this bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 270, nays 30, answered "present" 3, not voting 127, as follows:

YEAS—270.

Alexander	Candler, Miss.	Davis	Fisher
Anderson	Cannon	Dempsey	Focht
Anthony	Cantrill	Dent	Fordney
Aswell	Carlin	Denton	Foss
Ayres	Carter, Okla.	Dickinson	Foster
Bacharach	Cary	Dies	Frear
Bankhead	Chandler, Okla.	Dih	French
Barkley	Church	Dixon	Fuller, Ill.
Barnhart	Clark, Pa.	Dominick	Gallagher
Beakes	Classon	Donovan	Gallivan
Bell	Cleary	Doremus	Gandy
Benson	Coady	Doughton	Gard
Beshlin	Collier	Drukker	Garner
Birch	Connally, Tex.	Dunn	Garrett, Tenn.
Black	Connelly, Kans.	Dupré	Garrett, Tex.
Bland, Ind.	Cooper, Ohio	Eagan	Gillett
Bland, Va.	Cooper, W. Va.	Eagle	Glynn
Blanton	Copley	Edmonds	Goodwin, Ark.
Booher	Crago	Elliott	Gordon
Brodbeck	Cramton	Ellsworth	Gray, Ala.
Browning	Crisp	Elston	Greene, Mass.
Buchanan	Crosser	Emerson	Greene, Vt.
Burnett	Currie, Mich.	Esch	Griest
Burroughs	Curry, Cal.	Fairfield	Hadley
Byrnes, S. C.	Dallinger	Farr	Hamilton, Mich.
Byrns, Tenn.	Darrow	Fess	Harrison, Va.
Caldwell	Davey	Fields	Haskell

Hastings	McFadden	Pou	Stiness
Hayden	McKenzie	Powers	Strong
Hayes	McKeown	Purnell	Summers
Healin	McLaughlin, Pa.	Quin	Sweet
Hensley	McLemore	Rainey, H. T.	Tague
Hersey	Madden	Rainey, J. W.	Taylor, Ark.
Hicks	Magee	Raker	Taylor, Colo.
Hollingsworth	Mann	Ramsey	Temple
Houston	Mansfield	Randall	Thomas
Hull, Iowa	Mapes	Rayburn	Thompson
Hull, Tenn.	Martin	Reed	Tillman
Humphreys	Merritt	Riordan	Tilson
Igoe	Miller, Wash.	Robbins	Timberlake
Jacoway	Mondell	Rodenberg	Treadway
Johnson, Wash.	Montague	Rogers	Venable
Jones	Moon	Romjue	Vestal
Juni	Moore, Pa.	Rose	Vinson
Kahn	Moore, Ind.	Rouse	Voigt
Keating	Morgan	Rowe	Volstead
Kehoe	Mott	Ruby	Walton
Kelley, Mich.	Mudd	Sabath	Ward
Kelly, Pa.	Neely	Sanders, Ind.	Wason
Kennedy, Iowa	Nelson, A. P.	Sanders, La.	Watkins
Kettner	Nelson, J. M.	Sanders, N. Y.	Watson, Pa.
Kincheloe	Nicholls, S. C.	Sanford	Weaver
Kinkaid	Nolan	Scott, Mich.	Welling
Kitchin	Oldfield	Shallenberger	Welly
La Follette	Oliver, Ala.	Sherley	Wheeler
Lampert	Olney	Sherwood	White, Me.
Larsen	Osborne	Shouse	White, Ohio
Lazaro	O'Shaunessy	Siegel	Wilson, Ill.
Lee, Ga.	Overmyer	Sinnett	Wilson, La.
Leaher	Overstreet	Small	Wilson, Tex.
Lever	Paige	Smith, Idaho	Wingo
Lobeck	Parker, N. J.	Snell	Winslow
Loneragan	Peters	Snook	Wood, Ind.
Longworth	Phelan	Snyder	Wright
Lufkin	Platt	Stafford	Young, Tex.
Lunn	Polk	Steagall	Zihman
McAndrews	Porter	Stedman	
McCulloch		Stevenson	

NAYS—30.

Almon	Green, Iowa	LaGuardia	Sloan
Baer	Hawley	Little	Steenerson
Campbell, Kans.	Hilliard	Lundeen	Stephens, Miss.
Denson	Huddleston	Norton	Towner
Dillon	James	Ramseyer	Williams
Dowell	King	Rankin	Woodyard
Fairchild, B. L.	Knutson	Sells	
Good	Krans	Sisson	

ANSWERED "PRESENT"—3.

Flood	Kearns	London
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NOT VOTING—127.

Ashbrook	Ferris	Kennedy, R. L.	Saunders, Va.
Austin	Flynn	Key, Ohio	Schall
Blackmon	Francis	Kless, Pa.	Scott, Iowa
Borland	Freeman	Kreider	Scully
Bowers	Fuller, Mass.	Langley	Sears
Brand	Garland	Lea, Cal.	Shackleford
Britten	Godwin, N. C.	Leibach	Sims
Browne	Goodall	Linthicum	Slayden
Brumbaugh	Gould	Littlepage	Slemp
Butler	Graham, Ill.	McArthur	Smith, Mich.
Campbell, Pa.	Graham, Pa.	McChute	Smith, C. B.
Caraway	Gray, N. J.	McCormick	Smith, T. F.
Carew	Gregg	McKinley	Steele
Carter, Mass.	Griffin	McLaughlin, Mich.	Stephens, Nebr.
Chandler, N. Y.	Hamill	Maher	Sterling
Clark, Fla.	Hamilton, N. Y.	Mason	Sullivan
Claypool	Hamlin	Mays	Swift
Cooper, Wis.	Hardy	Miller, Minn.	Switzer
Costello	Harrison, Miss.	Morin	Templeton
Cox	Haugen	Nichols, Mich.	Tinkham
Dale	Heaton	Oliver, N. Y.	Van Dyke
Decker	Heintz	Park	Vare
Delaney	Helm	Parker, N. Y.	Waldow
Dewalt	Helvering	Pratt	Walker
Dooling	Holland	Price	Walsh
Doolittle	Hoed	Ragsdale	Watson, Va.
Drane	Howard	Reavis	Webb
Dyer	Husted	Roberts	Whaley
Essen	Hutchinson	Robinson	Wise
Estopinal	Ireland	Rowland	Woods, Iowa
Evans	Johnson, Ky.	Rucker	Young, N. Dak.
Fairchild, G. W.	Johnson, S. Dak.	Russell	

So the bill was passed.
 The following pairs were announced:
 Until further notice:
 Mr. SIMS with Mr. HAMILTON of New York.
 Mr. HOLLAND with Mr. KENNEDY of Rhode Island.
 Mr. FLOOD with Mr. WATSON of Virginia.
 Mr. SEARS with Mr. COOPER of Wisconsin.
 Mr. SLAYDEN with Mr. MCKINLEY.
 Mr. SAUNDERS of Virginia with Mr. WALSH.
 Mr. BRUMBAUGH with Mr. COSTELLO.
 Mr. HELM with Mr. KLESS of Pennsylvania.
 Mr. SULLIVAN with Mr. GOODALL.
 Mr. HARRISON of Mississippi with Mr. REAVIS.
 Mr. CARAWAY with Mr. BROWNE.
 Mr. RAGSDALE with Mr. TENKHAM.
 Mr. BLACKMON with Mr. LEIBACH.
 Mr. SCULLY with Mr. MILLER of Minnesota.
 Mr. DOOLITTLE with Mr. AUSTIN.
 Mr. STEELE with Mr. BUTLER.

Mr. BRAND with Mr. GEORGE W. FAIRCHILD.
 Mr. FERRIS with Mr. LANGLEY.
 Mr. CLARK of Florida with Mr. HUSTED.
 Mr. MCCLINTIC with Mr. MCARTHUR.
 Mr. PARK with Mr. SWIFT.
 Mr. THOMAS F. SMITH with Mr. BRITTEN.
 Mr. DOOLING with Mr. GARLAND.
 Mr. CAREW with Mr. MASON.
 Mr. HAMILL with Mr. HUTCHINSON.
 Mr. ESTOPINAL with Mr. NICHOLS of Michigan.
 Mr. PRICE with Mr. DALE.

Mr. EAGAN. Mr. Speaker, my colleague, Mr. SCULLY, has authorized me to say that he was unavoidably absent, but if present he would vote for the bill.

Mr. SIEGEL. Mr. Speaker, my colleague, Mr. GOULD, was called out of the city. If present he would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. DENT a motion to reconsider the vote whereby the bill was passed was laid on the table.

HOOR OF MEETING TO-MORROW.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

Mr. MANN. Will the consideration of the river and harbor bill be resumed?

Mr. KITCHIN. Yes.

EXTENSION OF REMARKS.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill just passed.

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

There was no objection.

Mr. DENT. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill have five legislative days in which to extend their remarks on the contract bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all those Members who have spoken on the bill have five legislative days in which to extend their remarks. Is there objection?

Mr. MANN. I object.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Friday, January 10, 1919, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a letter from the Chief of Engineers of the United States Army submitting a statement showing the name of each civilian engineer employed between July 1, 1917, and June 30, 1918, in work of improving rivers and harbors (H. Doc. No. 1667), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GANDY, from the Committee on the Public Lands, to which was referred the bill (S. 3797) validating certain applications for and entries of public lands, and for other purposes, reported the same with amendment, accompanied by a report (No. 904), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GORDON, from the Committee on Military Affairs, to which was referred the bill (H. R. 13440) transferring jurisdiction and control over Battle Mountain Sanitarium of the National Home for Disabled Volunteer Soldiers from the Board of Managers of the National Home for Disabled Volunteer Soldiers to the Secretary of War for use for Army hospital purposes for the period covered by the exigencies growing out of the present war, reported the same without amendment, accompanied by a report (No. 903), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. GRAY of Alabama: A bill (H. R. 13884) authorizing the Secretary of War to donate to the county of Washington, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 13885) authorizing the Secretary of War to donate to the county of Marengo, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 13886) authorizing the Secretary of War to donate to the county of Choctaw, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 13887) authorizing the Secretary of War to donate to the county of Clark, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 13888) authorizing the Secretary of War to donate to the county of Monroe, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 13889) authorizing the Secretary of War to donate to the city of Mobile, Ala., two German cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. CRAMTON: A bill (H. R. 13890) authorizing the Secretary of War to donate to the town of Capac, Mich., two German cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. BENSON: A bill (H. R. 13891) for the relief of commissioned officers and enlisted men of the Army recommended for promotion; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: A bill (H. R. 13892) to amend and repeal certain provisions of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13893) to repeal title 7 of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13894) authorizing the Secretary of War to donate to the city of Sandwich, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13895) authorizing the Secretary of War to donate to the village of Kirkland, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13896) authorizing the Secretary of War to donate to the city of Rockford, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. CANTRILL: A bill (H. R. 13897) authorizing the Secretary of War to donate to the city of La Grange, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. WARD: A bill (H. R. 13898) authorizing the Secretary of War to donate to the town of Catskill, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13899) authorizing the Secretary of War to donate to the town of Cobleskill, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13900) authorizing the Secretary of War to donate to the town of Saugerties, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13901) authorizing the Secretary of War to donate to the town of Liberty, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13902) authorizing the Secretary of War to donate to the city of Hudson, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 13903) authorizing the Secretary of War to donate to the city of Kingston, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 13904) to expel and exclude from the United States aliens who, to escape military service, have withdrawn their declaration of intention to become citizens; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Idaho: A bill (H. R. 13905) to provide for the erection of a Federal building at Blackfoot, Idaho; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13906) to donate a captured German cannon or gun to the cities of Boise, Twin Falls, Pocatello, Idaho Falls, Blackfoot, St. Anthony, Montpelier, Hailey, Buhl, and Burley, in the State of Idaho; to the Committee on Military Affairs.

By Mr. POU: A bill (H. R. 13907) authorizing the Secretary of War to donate to the town of Smithfield, Johnson County,