

here and bought a cargo of wheat from the United States Grain Corporation. It paid \$2.60 a bushel for that wheat f. o. b. at the Atlantic seaboard. About the same time, or just a little while before that, England wanted a large supply of wheat. She could not get the credit to buy that wheat in this country; what did she do? She went to Argentina, and there they loaned her \$100,000,000, and she agreed to take the wheat there and take other products. She paid \$1.35 for the wheat, the freight was probably from 60 or 70 cents a bushel, making the price delivered in England around \$2 a bushel. The Dutch Government sent her own vessels for her wheat. Had she paid freight her wheat would have cost her about \$3.20 a bushel delivered. Wheat in Australia sells for \$1.35; the transportation to England is about \$1.30, so that Australian wheat delivered in England is around \$2.65 a bushel. So, you see, there is no such thing as a uniform world price.

Mr. CURRY of California. Was not the reason why they came here and bought it at that price the fact that Great Britain would not let them go to other countries—to the countries of the allies? We are not an "ally," you know.

Mr. RUBEY. Holland is a neutral; she can buy where she pleases. The conditions are such that we can not have what is called a world price. Some gentlemen here to-day have talked about the law of supply and demand. They say that we did away with the law of supply and demand when we passed the food-control bill and provided for a fixed price on wheat. The law of supply and demand was done away with when the great European war broke out; we could not have the law of supply and demand acting in this country during the great European war. And not only that, but that law will not act until conditions become normal.

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

Mr. RUBEY. Yes.

Mr. RAMSEYER. How long will the farmer have to put his wheat on the market to get this guaranty; what is the time limit?

Mr. RUBEY. On the 1st day of June, 1920. He has that time in which to sell his wheat, and he gets that price at the central market.

Mr. MADDEN. This bill guarantees a price on wheat that is not yet planted?

Mr. RUBEY. It guarantees spring wheat.

Mr. MADDEN. Why does it do that?

Mr. RUBEY. Because the gentleman voted to do that, just as the rest of us did.

Mr. MADDEN. We did not do that.

Mr. RUBEY. If the gentleman will read section 14 of the food-control act he will find that he did that very thing. We did not say, of course, that we were going to pay for wheat before it was planted, or anything of that sort, but we did say that "thereupon"—after the President had fixed the price—"thereupon the President guarantees to every producer of wheat produced in the United States," and so forth. That is what the act says.

Mr. MADDEN. I am talking about the time limit.

Mr. RUBEY. The time limit is the 1st day of June, 1920.

Mr. MADDEN. Is that what the law says?

Mr. RUBEY. That is what the guaranty says.

Mr. MANN. Will the gentleman kindly yield for an inquiry?

Mr. RUBEY. I will be glad to.

Mr. MANN. On the question of the disposition of the wheat, I know what the provision of the bill is—the penalty against falsely representing the wheat—but if the grain corporation should sell the wheat at less than the basic price, how will it be able to guard against that wheat being sold again to the Government or to the grain corporation at \$2.26?

Mr. RUBEY. The grain corporation will sell that wheat through the license system. It licenses the millers of the country, and it sells this wheat to them at a certain price, and, of course, it has entire control of them through the license system and knows what they do with the wheat and how much flour they will make out of it. It not only does that, but this bill authorizes them to fix the amount of profit that the millers shall make out of the flour, so as to carry that on down and protect the consumer.

Mr. MANN. I understand that part of it, but suppose I want to buy wheat for seed purposes, how can I buy it? How will they know that I will not sell it back to them?

Mr. LEVER. If the gentleman will allow me, I will refer the gentleman from Illinois to section 7 of the bill, which imposes a very heavy penalty—

Mr. MANN. I know the penalty, but the penalty is against falsely selling other wheat. This would be the wheat subject to be purchased. There will be a great many farmers perhaps who will want to buy seed wheat, and they ought to be able to

buy it without too much red tape. How is it proposed to guard against somebody buying wheat for a legitimate purpose, but not using it for that purpose, and selling it over again to the Government?

Mr. LEVER. Let me see if section 7 does not cover it—if I am not taking too much of my friend's time.

Mr. RUBEY. Go ahead.

Mr. LEVER. Section 7 provides:

That any person who knowingly makes any false statement or representation to any officer, agent, or employee of the United States engaged in the performance of any duty under this act, or falsely represents to any of said persons that the wheat he offers for sale was grown as a part of the 1918 or 1919 crops for the purpose of securing any of the benefits of the aforesaid guaranties, or any person who willfully assaults, resists, impedes, or interferes with any officer, agent, or employee of the United States in the execution of any duty authorized to be performed by or pursuant to this act, or any person who knowingly violates any regulation or order issued pursuant to this act, except as otherwise made punishable in this act, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding \$5,000, or by imprisonment for not more than one year, or both.

Now, there may be something in the gentleman's suggestion that we ought to make that more specific to cover the case the gentleman has in mind.

Mr. ANDERSON. Will the gentleman yield?

Mr. RUBEY. Yes; I yield.

Mr. ANDERSON. I assume that all of the elevators and all of the mills will be under license.

Mr. LEVER. Undoubtedly.

Mr. ANDERSON. And they will have to account for every bushel of wheat that they take, either in reshipments or in flour, so that if a proper check is kept on the accounting systems in the elevators and in the mills, I assume that the wheat can not get back into the hands of the farmer after he has once sold it.

Mr. MANN. Then, a man, in order to buy wheat, must show what he is going to do with it, and satisfy the seller that he is going to mill it, or something of that kind.

Mr. ANDERSON. I think so.

Mr. MANN. He can not buy wheat for shipment.

Mr. ANDERSON. A country elevator can buy wheat for shipment, of course, but not an individual.

Mr. RUBEY. Mr. Chairman, I must proceed. I have only a moment remaining. I esteem it an honor to be asked to close the general debate on so important a measure. My regret is, however, that the time limit has not enabled me to discuss fully many important features. We are all agreed that the Treasury of the United States must be safeguarded, but at the same time justice must be done to the consumer. We are also of one accord and fully agree that this Government must keep the faith with the American farmer. The guaranty must be kept, no matter what the cost.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That by reason of the emergency growing out of the war with Germany and in order to carry out the guaranties made to producers of wheat of the crops of 1918 and 1919 by the two proclamations of the President of the United States dated, respectively, the 21st day of February, 1918, and the 2d day of September, 1918, pursuant to section 14 of "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, and to protect the United States against undue enhancement of its liabilities under said guaranties, the instrumentalities, means, methods, power, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed.

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

Mr. LEVER. I hope the gentleman from Oklahoma will withhold his amendment just a moment. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 15976) to enable the President to carry out the price guaranties made to producers of wheat of the crops of 1918 and 1919 and to protect the United States against undue enhancement of its liabilities thereunder, had come to no resolution thereon.

INFORMAL WAR CONTRACTS—CONFERENCE REPORT (NO. 1118).

Mr. FIELDS presented the following conference report of the House conferees, which was ordered to be printed under the rule:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13274) to provide relief where formal contracts have not been

made in the manner required by law, having met, after full and free conference have been unable to agree.

S. H. DENT, Jr.,
W. J. FIELDS,
JULIUS KAHN,
Managers on the part of the House.

GEO. E. CHAMBERLAIN,
C. S. THOMAS,
F. E. WARREN,
Managers on the part of the Senate.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. BYRNES of South Carolina, from the Committee on Appropriations, by direction of that committee reported the bill (H. R. 16104) making appropriations for the sundry civil expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes, which was read a first and second time and, with accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed (H. Rept. No. 1117).

Mr. MONDELL reserved all points of order on the bill.

GUARANTY PRICE OF WHEAT TO PRODUCERS.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the wheat bill.

The motion was agreed to; accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HAMLIN in the chair.

Mr. MORGAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 10, after the word "prescribed," strike out the period and insert a semicolon and the following: "and the President is hereby authorized and directed to carry out the guaranties to wheat producers referred to in this section."

Mr. MORGAN. Mr. Chairman, I call the attention of the committee to the fact that there is no provision in this bill directly and specifically authorizing the President to carry out this wheat guaranty. Section 2 says that in carrying out the guaranty the President is authorized to do certain things.

Mr. McLAUGHLIN of Michigan. It may be that the gentleman is right to give a direct authority to the President. That matter was up in committee, but I want to suggest to the gentleman that the President of the United States is never "directed and ordered" to do anything. He is "authorized," and I would suggest that the gentleman modify his amendment by striking out the words "and directed"; then it would be unobjectionable.

Mr. LEVER. The whole purpose of the bill is to do the very thing that the gentleman seeks to do.

Mr. MORGAN. I admit that.

Mr. RUBEY. Section 2 gives the President authority to carry out these provisions of the act.

Mr. MORGAN. It says in carrying out the guaranty the President is authorized to do so and so. I have looked over it and I am quite sure there is no provision which authorizes the President by direct language to carry out these guaranties. The suggestion made by the gentleman from Michigan may have something in it. I do not see any reason why, however, there is disrespect to the President in directing him, because otherwise it would be entirely discretionary with him. I assume if the bill is passed the President will carry it out, and yet I see no reason why we should not put in a direct authority to the President to carry it out, and it seems to me it would be preferable to leaving the language in this way, because, instead of leaving it discretionary with him, Congress assumes its right of legislation and directs the President to carry out what we direct.

Mr. ANDERSON. Does not the proposed amendment suggest that unless the President is directed to carry out the guaranty he will not do it?

Mr. MORGAN. No; I do not think so. I would not convey any such idea.

Mr. YOUNG of North Dakota. The President signed the proclamation, and would it be likely that he would not carry out the guaranty?

Mr. MORGAN. I think he would accept the bill as a sort of instruction, but I think it is no disrespect for Congress to assert its right to direct. But even if you leave out the word "direct," there would be no objection to making a specific authorization. At the suggestion of the gentleman from Michigan, I will ask to modify my amendment by striking out the words "and directed" and leave it simply a broad and definite authorization for the President to carry out the guaranty.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to modify his amendment.

The Clerk read as follows:

Mr. MORGAN asks to modify his amendment by striking out the words "and directed," so that it will read: "and the President is hereby authorized to carry out the guaranties to wheat producers referred to in this section."

Mr. LEVER. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. BAER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 7, after the word "guaranties," strike out the comma and insert the following: "and for the regulation of the trade in wheat products and by-products while such guaranties remain in force."

Mr. LEVER. To that, Mr. Chairman, I reserve a point of order.

Mr. BAER. Mr. Chairman, I do not wish to take up over a minute of the time, because I think that most of the Members were here when I spoke on the control of bran, middlings, and other by-products of wheat a few minutes ago.

The point is that if we do not fix the price of middlings, bran, shorts, and the other by-products of wheat, they will go sky high, and the farmers of this country can not pay these exorbitant prices for feed and then not charge more for butter and milk and everything that they sell to the city people. If you are going to control the price of wheat and flour why not control the products and the by-products of wheat? I think it is absolutely necessary that some such amendment go into this bill.

Mr. LEVER. Mr. Chairman, if the gentleman will give me his attention, I would suggest that while I am not sure the amendment is subject to the point of order at this time, and I do not care to argue it, yet I think that it would more properly come in section 3.

Mr. BAER. In section 3, line 24, after the word "thereunder"?

Mr. LEVER. Yes.

Mr. BAER. Very well. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREEN of Iowa. If the word "products" was substituted for "flour" in the proper place in section 3, it would serve the purpose.

Mr. LEVER. Yes; I think so.

The Clerk read as follows:

SEC. 2. That in carrying out the provisions of this act the President is authorized to make such regulations and issue such orders as may be necessary, to enter into any voluntary arrangements or agreements, to create and use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, including the Food Administration Grain Corporation, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds.

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

The Clerk read as follows:

Amendment offered by Mr. Moore of Pennsylvania: Page 2, line 13, after the word "necessary," strike out the comma, insert a period, and strike out the remaining words in lines 13, 14, 15, 16, 17, 18, 19, and 20.

Mr. MOORE of Pennsylvania. Mr. Chairman, this section confers extraordinary powers on the President. It proposes blanket authority involving the expenditure of this entire billion dollars, such as "to enter into any voluntary arrangements or agreements" with anybody, "to create and use any agency or agencies," and "to accept the services of any person without compensation, to cooperate with any agency or person," and so forth—to do what the Overman Act did, in substance, utilize any department or agency of the Government, including the Food Administration Grain Corporation. I presume most of this business could be done through the Food Administration Grain Corporation, but for some reason or other somebody here, not the President, for he has been abroad and knows nothing about this except by cable—somebody here again wants these extensive bureaucratic powers which most of us felt we were in error in voting during the war. Now comes peace. But we propose here to let Mr. Hoover or somebody else invite any agencies here or elsewhere to do anything they please under the direction of the President, if he ever hears about it, to the limit of \$1,000,000,000. I was one of those who did not believe that we should have given away at the expense of the taxpayers of the United States \$100,000,000 for the purpose of supplying free food to the people of Europe. I had no objection to offering assistance along with other nations, but we were to be the sole