

[Jan. 26, 1935]

THE CONGRESSIONAL FRONT.
By Congressman Everett M. Dirksen
16th District.

TOWNSEND PLAN. Officially, it is known as House Resolution 3977, as introduced by Rep. McGroarty, 72 year old poet-laureate of California, and contains the following provisions: (1) Every citizen (2) who is or will be 60 years of age or over at time of passage of the measure (3) while a citizen (4) shall receive a pension of \$200 per month (4) Provided (a) he or she refrains from any gainful competitive work or from a salaried position (b) covenants and agrees to spend the entire amount within 30 days (c) for goods, services, and commodities within the United States. (5) Proof of age and citizenship shall be made in accordance with the laws of the state wherein such citizen resides. (6) This pension is fully exempt from attachment, garnishment or execution. (7) Funds with which to pay this pension, estimated at 24 billion annually shall be derived from a 2% tax on the gross dollar of each business, commercial or financial transaction done in the United States. (8) The President is empowered to raise or lower the tax if necessary to obtain sufficient funds but not more than 50%. (9) This tax shall be in addition to any other Federal taxes on goods, commodities, or services. (10) The tax is to be paid monthly by the seller on his aggregate sales. (11) All sellers shall be licensed by the Federal Government and shall pay a license fee by the Treasury Department (12) Not more than 15% of the pension shall be expended for church, charity or fraternal activities. (13) Recipients of the pension shall receive no other pension from the United States or from any state, with the exception of war veterans. (14) On the first day of each month, qualified pensioners shall be credited with \$200 by National or State Banks that are members of the Federal Deposit Insurance System. (15) No pension shall be paid to any person who is in a penal institution, asylum, or charitable institution. (16) Individual salaries are exempted from the tax. (17) Pension Boards shall be set up in each county in the United States except in large cities, where pension boards may be set up in each ward. (There you have the provisions of the Townsend Plan, as submitted to the Ways & Means Committee of the House in the form of a Bill.

SHOTGUN LEGISLATION. The House was in session on January 21st, engaged in perfunctory debate. According to the rules, it was Suspension and Consent Day. Rules provide that on such days, those bills which have been on the Consent Calendar for three legislative days may be taken up or other bills, reported by Committees might be taken up under a suspension of the rules. To suspend the rules requires a two-thirds vote. No bills were listed on the Consent Calendar. A member asked the Speaker what was to come before Congress that day. The Speaker stated that there was nothing to his knowledge and adjournment was expected immediately after the general debate. Many members therefore returned to their offices to work or to journey to the various governmental departments on business. quite unknown therefore, the Committee on Agriculture, later in the afternoon, moved to suspend the rules and consider a bill providing for 40 million dollars for drouth relief. Under the rule, the procedure called for only 40 minutes of debate and without the right to amend. Of the 40 million, one million was set aside for live-stock feed. Maximum of loans to farmers was set at \$250 except in emergency cases and in emergency areas. Interest at the rate of 5½% was to be paid on such loans. No loan, under the bill was to be made to any farmer who did not cooperate with the AAA reduction program. Moreover, applicants for these loans must establish that they could not procure adequate loans from any other source. Desperate efforts were made to secure more time for debate, and for the right to amend the bill but to no avail. The leaders remained adamant and the bill passed. (Such legislation might very well be styled "shotgun" legislation.

ALMOST FIVE BILLION. On Wednesday of this week, under a gag-rule which deprived the House of the right to amend the first three sections of the bill, came the Resolution to give the President the right to spend almost five thousand millions of dollars for relief, unemployment, distress, relief of economic maladjustments and improvement of living conditions. The first three sections confer upon him, the right to spend it at his "discretion" for such purposes" and in such manner" he sees fit without limitation. They also confer the right to ignore the Civil Service and classification

acts and to hire whom he pleases, fix the salaries and the term of employment for any "officer or employee." The 4th section confers the right to establish, abolish, consolidate, or redistribute or transfer the functions and powers of any emergency governmental agency under which he could abolish any or all of the emergency agencies that had been set up thus far to handle relief, unemployment, etc. The 5th section confers the right to make loans, grants or contracts or exercise the right to acquire real and personal property without limit. The 6th section gives every rule and regulation prescribed by the President, the force of law with a penalty of \$5000 fine for it's wilful violation. It is by all odds, the most far reaching and drastic measure that ever came before any Congress. The money does not have to be spent uniformly so that 100 million might be spent in Wyoming with a population of \$225,000 and only 50 million in Illinois with more than 7½ million people. Testimony indicated that it is expected to pay an average wage of only \$50 a month or \$12.50 per week on these work projects. Indications are also that many millions will be spent for reclamation projects in the west, even tho farmers in Illinois will continue to curtail production and reduce acreage for the next crop year. Amendments to prevent the Federal Government from competing with private industry, and to pay the prevailing rate of wages in localities where such projects were to be initiated were all defeated. So sweeping is this measure that when once the Social Security program and the regular appropriation bills are enacted, it would be possible to adjourn Congress without a chance to vote on the Soldiers Bonus and other important measures. The Bill now goes to the Senate where it will doubtless be so changed that it's own author will not recognize it. Senator Couzens of Michigan, friend of the American workingman on reading the bill as passed by the House exclaimed: "The man who wrote that bill ought to be hanged - not in effigy but physically."

THIS AND THAT. Rep. Knutson of Minnesota is so mad at the 14 nations which still owe us money on war debts that he introduced a bill providing that any ship flying the flag of a debtor nation shall pay an additional 20% tonnage tax or toll when using our Panama Canal, such 20% to be credited to their war debt. Mr. J. Edgar Hoover, head of Uncle Sam's Crime drive reports that the Karpis-Barker kidnap gang were armed with Machine Guns stolen from National Guard Armories. These guns are so powerful that they will send a steel bullet thro the block of an automobile engine 20 blocks away. Starlings (sparrows) are such a nuisance around public buildings in Washington, Philadelphia and elsewhere that blank cartridges are fired, roman candles are used, toy balloons are used to frighten them away. A bit funny to see boys with colored toy balloons filled with hydrogen, put these balloons up and pull them down at five minute intervals to frighten the birds. Reason for this is that the Humane Society refuses to permit the starlings to be slaughtered with gas or weapons. Reedsville, West Virginia is the scene of the first Subsistence Homestead Project. Beautiful little bungalows, landscaped, and decorated to a queen's taste, but wholly unsuited to West Virginia miners were built. A furniture factory was to be built to provide part time work for them. Homes were sold, included an acre of land for \$4900. Miners could not afford that price. The homes had to be rebuilt to provide for larger families and now, the Director of Subsistence Homesteads, Mr. Chas. E. Pynchon, reports that one half million dollars will be lost on the "experiment" because of "errors in judgment" in purchasing ready-cut houses, on the advice of Mr. Louis McHenry Howe, White House Secretary. Ho-Hum.

ALKY GAS. Move toward the use of alcohol gasoline as a farm relief measure is very definitely under way. Bills will be introduced at the current session of the legislatures in Iowa, Nebraska, South Dakota, Oregon and California. You will hear plenty about alky-gasoline in the near future. Proponents will meet in Bloomington, Illinois on February 11th to get Illinois in line.