

3/21/36

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

FLORIDA SHIP CANAL. Many years ago, some ingenious and enterprising Floridian hit upon the idea of building a ship canal across the northern end of Florida running from Jacksonville across the state to the Gulf. He reasoned that such a canal would bring business to northern Florida, would save time and distance for ocean going and coastwise ships and bring vast benefits. President Andrew Jackson and others since his day favored the idea but it remained dormant. Two years ago, when the President's ship was running in heavy water off the Florida capes during a storm, he became interested in the idea. This canal was to be 195 miles long, 30 feet deep below mean sea level, and from 250 to 1000 feet wide. Interested parties brought the matter to the attention of the Federal Emergency Relief Adm'n and managed to get an appropriation of 5 millions with which to start the project. Total cost was to be 143 millions. Thousands of men and many steam shovels are now engaged on this project. The 5 million will not last long. A further appropriation of 12 million was sought for operations for the next fiscal year but the amount was not allowed. A great hue and cry went up. The whole project was suddenly deluged with attention and strange things began to happen. Somehow the Floridians were not unanimous about this canal. Shipping companies stated to a special investigating committee of the Senate that they would not find the Canal available for their purposes. Then came a group of geologists who pointed out that Florida is underlaid with Ocala limestone and that this canal might completely change the distribution of water underlying Florida and convert the state into a desert. Now, a Florida water conservation committee has been organized to ask the President to review the whole matter. However, the steam shovels continue to shovel, the men continue to dig and the work goes merrily on.

ELECTRIC RATE SURVEY. The Federal Power Commission has just completed an extensive survey of the average residential bills for electricity in all states which might be of interest. The findings are classified into three groups. The first is where the average residential consumption is 25 kilowatt hours, the second for an average of 100 kilowatt hours and the third for 250 kilowatt hours. In the first group, Californians have the lowest average residential bill. It figures \$1.41 per month. New Mexico is highest with 2.97 per month. Illinois ranks 10th with an average of 1.65¢ per month. In the second group, where the average family consumption is 100 kilowatts per month, Washington, D. C. is lowest with an average monthly bill of \$3.69, and Florida is highest with \$6.44. Illinois ranks 10th in this group with an average of \$4.26. In the third group where the average family consumption is 250 kilowatts per month, Washington, D. C. is lowest with \$6.98, and New Mexico is highest with \$11.91. Illinois ranks 14th with \$8.07 per month. One other impressive fact disclosed is that the larger the community, the smaller the average bill. This survey, covering 1512 communities in Illinois, embracing a population of 6,340,218 shows that in each of the above groups, the average cost to the householder is smaller in the largest cities and increases progressively as the community gets smaller.

TIME MARCHES ON. Many expressions have cropped up to indicate a state of intoxication. One often hears reference to a person as being "boiled, soused, plastered, squiggled, spiflicated, or oiled." Some day, the expression that a person was "oiled" may be more than a mere figure of speech. Here's the reason. The manufacture, and sale of liquor is completely regulated by act of Congress under what is known as the act creating the Federal Alcohol Administration. The FAA is given full power to issue rules and regulations governing the sale and manufacture of liquor. In its regulations, issued and effective on January 18, 1936, it provides among other things that (1) neutral spirits or alcohol is a distillate made from ANY material; (2) Straight whiskey is a distillate of grain; (3) blended whiskey is a blend of not less than 20% straight whiskey plus other whiskey or neutral spirits. In other words, blended whiskey may be made from 20% whiskey made from grain and 80% neutral spirits made from any other substance or material. Now, neutral spirit which is chemically pure is being made from grain, from blackstrap molasses and from petroleum. A company in West Virginia now makes about 25,000 gallons of pure alcohol per day from petroleum products. It is absolutely pure. The only reason it has not been sold to rectifiers and blenders is company policy. Yet under the new regulations, whiskey can be made from a combination of grain whiskey and petroleum alcohol. Fancy labels could tell the truth about it and still disguise the fact. Such a petroleum blend would certainly justify the

expression that a person was "oiled" if he imbibed too freely. The potentialities of this matter and its effect upon the farmers outlet for grain constitutes another reason why the Prairie States group in Congress have been fighting to save the alcohol market for the grain farmer.

BREVITIES. When the U. S. Mint was established in Philadelphia in 1790, the entire force consisted of 12 persons. It was guarded by one man with a dog. At night, this watchman would make his rounds, then ring a bell to inform the people of Philadelphia that all was well. Today the Bureau of the Mint has branches and assay offices in different sections of the country, publishes a quarterly bulletin, supervises the coinage of money, and employs hundreds of persons. \*\*\*\*\*Melting snows and heavy rains brought the Potomac and other eastern rivers to their highest stage in the last 47 years. Thousands of men and steam shovels were engaged in building a dike from the Washington Monument to the War Department Building to keep back the angry and turbulent waters. This dike was built just three blocks from the White House.\*\*\*\* Our Postal Service in cancelling stamps on letters often uses a little message on the cancellation stamp such as "Use the Air Mail" or "Help the Red Cross". In England they are more practical. Just now the English Government is cancelling stamps with this significant message: "Raise more wheat". That should be of interest to American farmers.

BILBO. Up from Mississippi in 1935 came Theodore G. Bilbo to take his seat in the U. S. Senate. He had a colorful career. He had served as state senator, as lieutenant Governor and twice Governor. Now he was rounding out his career with a term in the Senate. He never uses the personal pronoun. In referring to himself, he invariably says, "the man Bilbo". When he landed in Washington, he announced to the world that he would "raise more hell than the Kingfish" and that he would "out-huey Huey". Scribes and correspondents watched him closely. They were waiting until he got his Senatorial sea-legs so he might burst forth. On March 19th came his chance and the news correspondents gallery was crowded as word went round that Bilbo was to hold forth. The occasion was the confirmation of a Federal Judge whom Bilbo despised. It was Judge Holmes. He had been nominated by the President, approved by the Judiciary Committee of the Senate and now the nomination was ready for a vote. Bilbo was opposed to Holmes. The reason was that years ago, when Bilbo was a candidate for Governor, Judge Holmes sentenced him to jail for thirty days and fined him \$100. That sentence cost Bilbo the governorship. He promised to even the score and here was his chance. For five hours he spoke against the confirmation and held the Senate in session until 7:30 p. m. News men were disappointed. They expected fireworks, excitement, colorful language, wild gesticulations. None of these were in evidence. Senator Bilbo just talked and at the end of five hours, 59 members voted against him, 4 Senators voted with him, 33 Senators did not vote at all. The mystery of Senator Bilbo has been dispelled.

THE HOUSE GOES INTO REVERSE. When the Reconstruction Finance Corporation was set up in 1932, the law provided that its franchise, income, capital stock and debentures were to be exempt from state taxation. Then came the bank crash and the RFC stepped in to save both state and national banks by having such banks reduce their capital common stock and issue additional preferred stock. The RFC loaned money to such needy banks by subscribing to the preferred stock, thereby saving the bank, the depositors, and the shareholders. Some months ago, the state of Maryland held that such preferred stock held by the RFC was taxable under the Federal law of 1864. The RFC contended otherwise. The case went to the Supreme Court. The Court held with Maryland. This decision meant that a state could tax the operations of a Federal agency. In this case it would mean that where the RFC had already loaned 229 millions to banks in different states on preferred stock at a fixed rate of  $3\frac{1}{2}\%$ , the RFC could not raise the rate and must bear the tax out of earnings. In reality, such a tax would come out of the pocketbooks of the people. Moreover, it was asking to give the good Samaritan a good kick after he had given aid and succor. The RFC asked for legislation to exempt such preferred stock from taxes. The Banking and Currency Committee of the House reported out such a bill and brought it on the floor. A Texas member raised the cry that it was a banker's bill. The charge was wholly unfounded but the members who are gun-shy on banking legislation killed the bill by 8 votes. Two weeks later, the bill was brought back to the floor. Protest was made but the bill was considered at length. The real purpose and intent of the bill was made clear to the membership.

Members changed their vote and when the smoke rolled away, the measure carried by a majority of 73.

SOME TRANSPORTATION FACTS. In 1830, we had 40 miles of railroad. Today we have 250,000 miles of class I railroads, valued at 26 billion, paying taxes of 240 millions per year of which 46% goes to schools. One and one half million investors hold 18 $\frac{1}{2}$  billions of railroad securities. In 1920, railroads employed 2  $\frac{1}{5}$  million men; today the rolls carry 971,000. In 1895, we had four automobiles, no trucks. In 1935, we had 22,450,000 passenger cars, 3,550,000 trucks, 22,820 inter-city busses, 5000 interstate busses, 615,315 registered trailers. Busses carried 387 million passengers in 1935. In 1910, we had no pipelines. Today we have 110,000 miles of pipelines conducting oil and gas for incredible distances and carrying the equivalent of 150 million tons of freight per year. Twenty years ago, nobody travelled by air. In 1930, American airlines carried 374,935 domestic passengers. In 1935, the number had increased to 746,946. In 1916, the monthly average of intercoastal shipments (that is shipments originating in the U. S. and destined to some other point in the US) was 258,000 tons. In 1935, the monthly average was 2,059,000 tons or about 25 million tons per year.

(Editor note: The author of these weekly letters will speak over a National hook-up of the Columbia Broadcasting System Monday night, March 30th at 9:45 Central Standard Time, on the subject of Unemployment and Housing).