

9/27/11
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THE CONGRESSIONAL FRONT
By Congressman Everett M. Dirksen
16th District.

SPIRIT OF THE FUTURE. The White Motor Company of Cleveland, Ohio, manufacturers White Trucks and busses. The plant has been operated through the depression. On May 1, grievances arose between the company and the union over closed shop provisions, wages, and seniority. Union demands were made on May 1st with a demand that the company answer not later than May 7th. On May 7th the workers walked out. Almost immediately, the company moved its entire office force to temporary downtown quarters and left only the watchman so that no untoward violence might result. The workers were peaceful and respectful. There was no violence. The President of the Company was considerate, suggested to the picket lines that while negotiations were pending that they use the company lots to play balls. The President of the company bought gloves, bats and other paraphernalia so workers could while away the time. The company rented a nearby bowling alley so that strikers could use it for recreation while awaiting settlement. The strike was settled on a basis agreeable to both company and the strikers. No hard feelings, no ill will, no violence, no aftermath of bitterness. Result: Both sides won. Moral: Commonsense can solve all differences.

WAGNER LABOR BILL IN NUTSHELL. (1) Declares it to be the policy of the United States to remove obstructions from the free flow of commerce and provide for the general welfare by encouraging the practice of collective bargaining and protecting workers in their full freedom to organize and to designate representatives of their own choosing for the purpose of negotiating terms and conditions of employment. (2) Sets up an independent National Labor Relations Board of three members, to hold office for 5 years at salaries of \$10,000 a year, such members to be appointed by the President with the consent of the Senate. (3) Assures employees of the right to organize and act through their own representatives for purposes of collective bargaining or for mutual aid or protection. (4) Defines as unfair practice on the part of employers (a) interference with, coercion, or restraint of employees (b) domination of or support and contribution to or interference with a labor organization (c) Discrimination against employees for the purpose of encouraging or discouraging membership in a labor organization (d) discharge of or discrimination against an employee because he has filed charges or given testimony under this Act (e) to refuse to bargain with representatives of the employees. (5) Provides that representatives selected by the majority of employees shall be the exclusive representatives of the employees in bargaining with respect to pay, wages, hours, or conditions of employment. (6) Gives to the National Labor Relations Board authority to investigate complaints, hear testimony and evidence, conduct elections, issue orders to cease and desist from unfair labor practices, and to take or permit appeals to the Federal Courts.

BOTTLES VS. BARRELS. Old timers will remember the days when whiskey was sold in barrels. Tavern keepers could buy warehouse receipts covering a certain number of barrels and withdraw it from bonded distillery warehouses when needed and store it in the cellar or storeroom. They could tap the barrels as needed and pour drinks from fancy glass vessels or ordinary bottles. Then came Prohibition which outlawed the liquor business. Then came the 21st amendment, repealing the celebrated 18th amendment and beer and liquor were once more legalized. To control the manufacture and sale of liquor under the 21st amendment, there was set up an agency known as the Federal Alcohol Control Authority which was given full power to issue or deny permits, make regulations and rules covering types of bottles, kinds of labels, posting of prices and virtually every detail of the manufacture and wholesale and retail distribution of liquor. In line with the NRA, distillers, rectifiers, wholesalers, retailers all had their own codes of fair competition setting out more regulations and rules. Then came the Supreme Court decision on May 27th, declaring the NRA unconstitutional and with that decision, the Federal Alcohol Control Authority was bowled into

confusion and helplessness. A new measure is now pending, creating a new Federal Alcohol Control Administration as a part of the Treasury Department and giving to it similar power to make rules and regulations as before and to require an occupational tax and a basic permit before anyone can operate a distillery, brewery, restifying house, blending house, importing house or wholesale house dealing in spirits or beverages. Under the old FACA, the codes provided that liquor could be sold "in bottles only." In June of 1934, a bottle was defined as a container not exceeding one gallon capacity irrespective of what material it was made. In July 1934, a bottle was further defined as a "glass container." This seemed a manifest injustice to the cooperage industry when it is remembered that there are 120 cooperage plants in the U. S. (more than 20 of which are in Illinois) who could employ an additional 15,000 men and create a market for white oak timber if permitted to make small containers. The new bill therefore contains a provision permitting the use of barrels, casks and kegs of one or more gallons capacity as a container for the sale, storage, or transportation of distilled spirits, wine or beer. The President and the Secretary of the Treasury are opposed to legalizing the bulk sale of liquors in kegs and barrels, on the ground that it makes enforcement more difficult. An effort will be made to remove this provision. It will be met with a determination to retain it. It remains to be seen what the outcome will be.

MERCHANT MARINE. For half a century, there has been a hue and cry for the building up of an American Merchant Marine, befitting the economic status of this country that will handle our foreign shipping business and serve as an auxiliary arm of naval defense in time of war. Countless efforts have been made, even to the granting of huge subsidies to ship owners and shipping companies but still we have no Merchant Marine worthy the name. Therefore another attempt will be made through a 60 page bill now pending before the House. At the present time, we have 282 ships under our flag, making one or more trips annually on one of the 31 established ocean trade routes, to whom we pay almost \$30,000,000 per year for carrying mail, which on a poundage basis would ordinarily cost only 3 million per year. The other 27 million is an outright gift or subsidy. Of these 282 ships, 220 were purchased by private owners or shipping companies from the U. S. Uncle Sam built them before, during, or immediately after the World War. They cost him 516 million dollars. He sold them for 41 million. Under the Merchant Marine Act of 1928, 29 ships, all in the ocean mail service were built at a cost of 137 million, Uncle Sam loaning most of the money to the builders at rates of interest ranging from one eighth of one per cent to 3½ per cent. Since 1928, 119 million dollars have been paid by the U. S. in mail subsidies and if the present contracts continue in force until expiration date, we will have paid 300. million for carriage of ocean mail. The present bill, sets up a Maritime Authority of 5 members, to administer the building of a Merchant Marine and provides for (1) a subsidy or gift to shipbuilders for the building or reconditioning of ships that shall be equal to the difference between what it costs to build ships in this country and what it costs to build in some principal foreign seaport and (2) an operating subsidy or gift which shall be equal to the difference between what it costs in wages, insurance, repairs, maintenance, etc., to operate a ship under the United States flag as compared with operation of a foreign ship on the same trade route for similar purposes. Under this bill, shipbuilders could obtain as much as 88% of the cost of a vessel from Uncle Sam in the form of a construction loan and then secure an additional subsidy or gift for operating the vessel. The bill passed the House by a close vote and only after a number of members changed their vote from no to aye.

ODD BIT. When the Social Security Bill was pending in the Senate, Senator Russell of Georgia managed to secure adoption of an amendment providing that in states which have no old age pension system, the U. S. Treasury shall pay to the welfare agency of such states, an amount sufficient to afford old age assistance to every person over 65 from the effective date of the measure until July 1, 1937.

This would compel Uncle Sam to pay up to \$15 per month per person over 65 and in need for two years to such pension-less states. The importance of the amendment lies in the fact that virtually no southern state has a pension system and for two years, there would be no incentive to create one.

ALL THAT GLITTERS IS NOT GOLD. Under the Securities Act passed in the previous Congress, all issues of securities which are offered to the public, must first be approved by a Federal agency called the Securities Exchange Commission. If a railroad, a factory, an investment house, or other enterprise seeks to float new issues of bonds and stocks, they must send full information and facts relative thereto and secure approval in Washington. In the last five months, issues of securities totalling more than 473 million dollars have been registered and that fact has been heralded as a sign of returning prosperity. Without elaboration, here is the breakdown on those issues: Of the 473 million, 397 million will be offered for sale. The balance will be exchanged for other securities. Cost of floating these issues will be 20 million leaving 377 million for the corporations putting these issues on the market. 361 million of this amount will go to taking up other securities which these corporations now have outstanding, leaving 16 million or approximately 4% of the total amount of the 497 million in cash which will go to the corporation treasuries to be used for expansion or material purchases. It will be an infinitesimal aid in stirring capital goods upturn. All of which proves that all that glitters is not gold.

ALIENS. A move is on foot to form a national organization for the deportation of 6 million aliens who illegally entered this country and thereby cure unemployment. A glance at the statistics gleaned from Department of Labor reports discloses the following facts. (1) There are about 4,922,000 aliens in the U. S. (2) About 1,500,000 of these have taken out first citizenship papers. (3) Best estimate is that not to exceed 400,000 aliens have illegally entered the U. S. in the last few years (3) That not to exceed 100,000 of these are subject to deportation for having violated the laws, preached seditious doctrine, or for other reasons (5) That desertions of alien seaman who fail to return to their vessels averaged but 21,481 per year and that during the last four years, the average was but 1580 per year.