

CONFIDENTIAL

Press Conference #212,
Aboard the Presidential Special Train,
en route West Point to Washington, D. C.,
June 12, 1935, 3.00 P.M.

THE PRESIDENT: I do not know anything.

Q Can't you invent something?

THE PRESIDENT: I cannot invent, no.

Q Can't you endorse the Grass Roots Convention?

THE PRESIDENT: I cannot talk.

Q Can't you endorse it fifty per cent? It is like your program.

THE PRESIDENT: I think it is a good program.

Q Now, seriously, they are for job insurance -- what else?

Q The three A's.

Q Old-age pension.

Q Abolition of Child Labor -- seriously.

THE PRESIDENT: Good.

Q They did not attempt a farm program.

THE PRESIDENT: I have not had a chance to read any papers except the
headlines of the Washington Times.

Q They are non-political, I think. (Laughter)

THE PRESIDENT: They said I left at 9.10 A.M. I didn't; I left at 8.55.
That is an awful hour of the morning to get started.

Q I read all the papers.

THE PRESIDENT: You got up at 5.00 A.M.

Q Mr. President, we are fully aware of the fact that you do not comment on
pending legislation. Do you want to break your rule this time and talk
about the holding company bill?

Q It is no longer pending.

THE PRESIDENT: Half pending -- pending in the House.

Q There was a pretty interesting roll call yesterday.

THE PRESIDENT: Yes.

Q June sixteenth will soon be here. Have you any plans of who will be in charge of the new N. R. A.?

THE PRESIDENT: No, I have not given it any thought.

Q You really don't need the same kind of man --

THE PRESIDENT: (interposing) No, half of the work is over. Half of it has gone. I do not know -- I have not given it any consideration at all.

Q There were some reports that Leon Henderson will take Richberg's job?

THE PRESIDENT: That probably was influenced by the fact that he was in charge of the Planning Division so-called. Of course the new planning will be different.

Q In view of the pretty good legislative record they have had and in view of the fact that most of the main things you have asked for are pretty much out of the way, do you want to say anything about adjournment?

THE PRESIDENT: Oh, no.

MR. McINTYRE: He made me a bet.

Q Mr. President, there have been several stories in the papers about Admiral Yates Stirling on Sunday, in which he suggested that the rest of the world should gang up on Russia. I understand that the State Department said he was speaking only for himself and not for them.

THE PRESIDENT: I have not seen the story -- you will have to make this off the record. I talked to Brown (the Naval Aide to the President) this morning and Brown said that several letters had come in and had been

referred to the Navy Department, also that somebody over there had read the story and said that he (Admiral Stirling) did not say that at all.

My impression is that it was just that he said that if certain things happened, such and such other things might result in Europe.

I have not read the story, so I do not know.

Q You won't make any comment at all on it?

THE PRESIDENT: No because we do not know yet what we are talking about.

Q How about settling the nice dogfight, that is, the Grass Roots Convention?

THE PRESIDENT: Don't they call it a prairie fire out there?

Q That would be grand.

Q Somebody suggested that it be called the grass widows' convention.

Q Somebody said they missed up on the grass and got stuck in the mud.

Q I would like to ask one thing: Are Herbert Hoover and Frank Knox on the Democratic pay roll?

THE PRESIDENT: Are they? Now, that is something that Jim (Mr. Farley) and I were talking about. Strictly off the record, it is a question of how much longer we can afford to pay them. They have been so successful that they are raising their price.

Q I saw the Postmaster General on the platform this morning and he was eyeing the graduates to see whether they were good Democrats or not.

Q Can you tell us of your plans for the rest of the week -- what you plan to do?

THE PRESIDENT: Yes, I think I can. On Saturday afternoon I am going aboard the SEQUOIA and spend the night at the Jefferson Island Club, which I have been a charter member of since it was started and I have

never seen it.

Q Where is that?

THE PRESIDENT: It is in the middle of Chesapeake Bay.

Q Who organized it, Mr. President? Do you recall who organized it?

THE PRESIDENT: Senator Robinson, Senator Harrison --

MR. McINTYRE: (interposing) I think Hawes was in it.

THE PRESIDENT: Yes, Key Pittman, Millard Tydings and several people from the House. I do not know who is going with me. I will just spend the night there and come back Sunday afternoon.

Q Do you leave from Washington?

THE PRESIDENT: Annapolis.

Q You are not contemplating any Messages to the Congress this week?

THE PRESIDENT: I don't think so; no.

Q Mr. President, I noticed that while we were up in Poughkeepsie General Johnson's name was mentioned as Counsel for the Communications' investigation of American Telephone and Telegraph?

THE PRESIDENT: I do not know anything about it.

Next week, maybe -- large question -- we may go on to New London about Thursday, midnight, to see the races on Friday, then go to Hyde Park on Saturday and Washington on Sunday. Isn't that nice? I am breaking all the bad news at once.

Q One more night on the farm.

THE PRESIDENT: But there is a question mark on that; it depends on how things are in Washington.

Q What are you talking with the Postmaster General about?

THE PRESIDENT: Everything. He is going to, as he does once every two weeks -- he has a pile of things to take up with me, great and small,

about that high (indicating) and that is all that he has left.

Q Anything for us?

THE PRESIDENT: Half of his stuff is humorous -- letters to end chain letters and things like that.

Q I understand the Postmaster General is getting out of the Cabinet and getting out of the Democratic Chairmanship?

THE PRESIDENT: Getting out of which?

Q Postmaster General and Democratic Chairmanship and State Chairmanship.

THE PRESIDENT: State Chairmanship? Did he tell you that?

Q And the Democratic Chairmanship?

THE PRESIDENT: One more strange thing than that has happened. If you will get his head to the light you will see he has got a new crop.

(Laughter)

Q Grass roots? (Laughter)

Q Can we officially say that you reached the bottom of a second basket today?

THE PRESIDENT: Yes, that is right; I did a perfectly grand job. The basket is to the bottom except for the mail that came in last night and that I expect to finish before I get to Washington.

MRS. ROOSEVELT: You are optimistic.

THE PRESIDENT: There isn't very much; it is run-of-the-mine stuff now.

I did a grand job. I had been working on a Message to Congress while I was there and you don't, any of you, know what it is about.

Q That is something.

THE PRESIDENT: I am not very sure myself, so it is all right.

Q Don't tell us; let us guess for a while.

Q Who are you taking out to the parade (the Shriner's Parade)?

THE PRESIDENT: Let me see, I am having two very distinguished members of my official family, one on the right and one on the left hand. One is the Postmaster General and the other is Joe Kennedy. (Laughter)

Q Is that before or after you walk the burning sands?

THE PRESIDENT: That's right. (Laughter)

Q Can you tell us about this Message, as to when you might expect it to go up?

THE PRESIDENT: I think there will be a Message next week -- a Message. I cannot tell which one.

Q Does that relate to the inheritance tax?

THE PRESIDENT: There might be only one.

Q That does not relate to taxes?

THE PRESIDENT: I cannot tell you; there are all kinds of things. I had the three days at Hyde Park and I am vicious.

Q I want to assure you there won't be any Catholics down there tonight.

THE PRESIDENT: That is it. Now you are talking. (Laughter)

Q How much do you hope to raise with these new taxes?

THE PRESIDENT: Read my Message, the Budget Message. There is quite a lot about it. There is quite a lot about it in the Message.

MRS. ROOSEVELT: Haven't any of you been down to Washington since the Shriners arrived?

Q No.

THE PRESIDENT: I had Steve Early on the telephone last night. You ought to hear his description of Washington.

MRS. ROOSEVELT: It took me nearly half an hour to get from the station to the White House.

Q No taxis to be had.

THE PRESIDENT: No taxis? Are they running again?

Q Yes.

Q These Catholics!

THE PRESIDENT: We ought to have a new Chief of Police there too, tonight.

(Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #213,
Executive Offices of the White House,
June 14, 1935, 4.00 P.M.

THE PRESIDENT: I do not think we have any news at all today.

Q Just a little.

Q The boys are still tired out from carrying that Daisy Chain up at
Poughkeepsie.

THE PRESIDENT: It was a heavy chain.

Q They carried it through the taproom. (Laughter)

Q Watch out, that must be an A. P. story.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any news today.

Q Mr. President, last week you told us about the social objective of the
Administration?

THE PRESIDENT: Don't make me do another extemporaneous --

Q (interposing) I was wondering whether you would talk about the economic
objective.

(Before the President could respond the following question was interposed:)

Q The Attorney General was in today and Secretary Morgenthau. We under-
stand that taxation was discussed generally and money matters. Can
you tell us anything about that?

THE PRESIDENT: That guess was 100 per cent wrong. We did not talk about
taxation. I am not going to tell you what we did talk about. Other-
wise it is all right.

Q Are you taking any action on the protest with respect to Admiral Yates
Stirling discussing war with Soviet Russia?

THE PRESIDENT: The Secretary of the Navy is at present discussing it with

the Secretary of State. You will probably get something from the Navy Department pretty soon.

Q What does it mean?

THE PRESIDENT: They are just talking it over.

Q Mr. President, is there any change in the Administration policy toward the expenditure of the 4 billion dollar relief fund?

THE PRESIDENT: No, there has been no change in the policy. There has been so much -- perhaps I had better put it this way, there have been so many hopes disappointed that it is perhaps better to re-define what the primary purpose of the 4 billion dollars was. The primary purpose of the 4 billion dollars was to put $3\frac{1}{2}$ million men to work. Now, we hoped that out of the 4 billion dollars we would not only take care of things like CCC camps and roads and grade crossings and river and harbor works, and so forth and so on, but that we would have a very substantial number of applications from municipalities or states for projects that would be economical -- that is to say, from the point of view of dollars and cents -- within that primary objective.

As these projects came in it became more and more clear that a smaller percentage than we had hoped for would fall within the objective. In other words, to do a very simple piece of arithmetic, if you are going to spread around 4 billion dollars among $3\frac{1}{2}$ million workers, it means that the average amount that you can spend is about \$1200 per worker, which \$1200 must include overhead and materials. That is a very, very simple question of mathematics.

Now we found, for instance in the case of the CCC Camps, that it would cost just about \$1200 per boy. Therefore it fell within the rule.

We found in the case of highways that if we went ahead on what

is called Federal aid highways, which are very expensive two-strip, three-strip, four-strip concrete roads, that the cost per man employed would be \$2500.

We also found that in the case of applications of municipalities and other public bodies that the cost per man employed was running away over \$1200. Slum clearance alone on any basis, loan and grant or straight loan at a very low rate of interest, would run around \$2000 per man. In other words, we have had to --

Q (interposing) Excuse me, was that \$2000 a man?

THE PRESIDENT: Yes, and even higher in some cases, depending on the cost of the land.

Therefore, we have had to cut the sail to fit the cloth. We have got 4 billion dollars and we are trying to put $3\frac{1}{2}$ million men to work. We have had to take care of what might be called common-sense and also moral obligations -- we have had to take a very small percentage of the 4 billion dollars to carry on projects that were approved in the past, such, for instance, as the Bonneville Dam, Fort Peck and one or two projects which had been morally obligated but not actually, physically obligated under the previous appropriation such as the Colorado River in Texas which I think was 5 million dollars and the Passamaquoddy project which was a 10 million dollar proposition.

The total of all of these projects which were either started or morally obligated last year or the year before is only a drop in the bucket compared with the 4 billion dollar appropriation. In other words, I think you will find that they run to only 150 or 160 million dollars out of the total appropriation of 4 billion dollars which is, of course, a very, very small percentage.

Now, of course, there have been a few projects approved as, for instance, in the highway money and slum clearance there will be some projects that will run over the \$1200 per man, but that means that we have to offset. Let us say, if five of them run to \$1500 per man, it means I have got to have five others to the same amount of money that will run \$900 per man in order to even it up. It is entirely a question of mathematics.

Q What kind of work?

THE PRESIDENT: Any kind of work which will gain the primary objective of $3\frac{1}{2}$ million men to work with 4 billion dollars.

Q What dictated the choice of 4 billion dollars in the first place? I mean, rather than 5 billion or $3\frac{1}{2}$ billion?

THE PRESIDENT: Well, one very good reason was in order not to overrun the budget more than we possibly could. The other was to choose projects where we could spend the money within the year. If we had had a great deal more money, it would seem obvious that a great many projects which would take three, four, five or six years to build would have been put in for and we would not have spent the money. What we are trying to do is get the money out.

Q How about grade crossings? Would that be possible under the \$1200. rule?

THE PRESIDENT: I have not had a report on the grade crossings but they will run, without any question, over that, therefore they will have to be offset by other projects costing less than \$1200.

Q Are there an abundance of projects under \$1200.?

THE PRESIDENT: A great many.

Q Do they come into the class of the old C. W. A. projects?

THE PRESIDENT: No. Some states have very excellent statewide plans. I

mentioned before the States of Alabama and Indiana. They have statewide plans of useful work and the quotas of those States will take care of the number of people on the unemployed rolls in those States. A good many states have not got any statewide plans and that is where we have got to go in and develop plans for them, but probably a majority of states today have pretty good plans -- it is merely a question of going into details.

Q You have not despaired of putting the 4 billion dollars out to include the $3\frac{1}{2}$ million men?

THE PRESIDENT: Yes, the objective is the same.

Q There are a tremendous number of applications in for the Army and Navy and they would all appear to be of a contract kind. What is their status?

THE PRESIDENT: Of course they do not get approved.

Q At Quantico, where there is no relief labor at all?

THE PRESIDENT: No, they would not get it unless they could show -- take Quantico, if they can show that the projects there will take all the unemployed within driving distance of Quantico and it would only cost whatever the rate is here, a thousand dollars a man, we probably might approve it, but if it appears that the number of people in the vicinity, who are unemployed, are insufficient --

Q (interposing) All these Government applications would fall under the --

THE PRESIDENT: (interposing) Yes, under the ban. (Laughter)

Q Have you changed your date for reaching the peak?

Q You said about the first of November?

THE PRESIDENT: About the first of November.

Q Can you give us an example of some of these \$800. or \$900. projects,

specific projects that will be completed?

THE PRESIDENT: I cannot think, offhand. For instance, in the State of Alabama, they have a great deal of work to do in building bridges over creeks, which call for dirt fills and stone fills, and practically the only material necessary is wood planks, girders, et cetera, to put those bridges in. Now, what they expect to do in some of those counties in Alabama, they expect to put some of these men out in the woods, cutting the trees to go in, so you get actual direct employment on the material that is to go in. Almost every county in the State of Alabama needs bridges for highways to go over creeks.

Q Mr. President, on several previous occasions you mentioned Wisconsin, among others, as having an excellent statewide plan. Can you comment on the Wisconsin Senate's failure to approve that plan?

THE PRESIDENT: I did not get that?

Q Last night the Wisconsin Senate turned down the works bill.

Q I understand they are going to make some changes in it. I do not know what the effect would be.

THE PRESIDENT: I do not know. Of course the plan of the Governor of Wisconsin was that they would handle the whole thing under a guarantee and the tentative allocation was made on the basis of action by the Wisconsin Legislature. If it does not go through, we would have to work up a different kind of statewide plan, something like the Indiana plan.

Q Does that mean that housing work is out?

THE PRESIDENT: Oh, my, no. There will be a certain amount of housing work but it will have to be compensated for if it runs over.

Q At the first meeting of the Allotment Committee, they recommended

about a billion dollars of work (projects), a great many of which were in the category you are speaking of. Does that mean that many of those would not be approved?

THE PRESIDENT: That was a pure guess.

Q No, sir; the Advisory Committee on the Works, at the first meeting recommended more than a billion dollars' worth of projects, all this Army and Navy stuff and this --

THE PRESIDENT: (interposing) That must have included \$600,000,000. for C. C. C.

Q It did.

THE PRESIDENT: I do not remember the other amounts. I think there was a segregation of \$100,000,000. for slum clearance. I think there was a segregation of another hundred million dollars for grade crossings. Get in your minds the difference between "segregation" and "project." We have hung a lot of money up on a hook -- segregated it for a particular class of things. Now, they have to come in afterwards with the (individual) projects and then we take a piece off the hook if the project is a proper one.

Q Mr. President, is it correct to say that the Secretary of the Navy and the Secretary of State will make a report to you on the Stirling affair?

THE PRESIDENT: I do not know. The Secretary of the Navy may give you an indication on it.

Q Are you planning to displace Mitchell (Ewing Y.) as Assistant Secretary of Commerce?

THE PRESIDENT: I think you will have to ask the Secretary of Commerce about that.

Q Anything new on petroleum legislation?

THE PRESIDENT: I have not heard a word about it for a couple of weeks.

Q Senator Thomas of Oklahoma put in a bill today which he says is an Administration bill. Fahy, of the Petroleum Board, has been working with him.

THE PRESIDENT: I have not seen it. Didn't I talk with you about the general theory of oil legislation last week?

Q Yes, sir.

Q It conforms in substance with what you said.

THE PRESIDENT: I have not changed on it at all.

Q Can you tell us anything further on the N. R. A. plans?

THE PRESIDENT: I saw a flash that the thing had gone through.

Q Can you tell us when you will probably sign that N. R. A. bill?

THE PRESIDENT: Just as soon as it comes down. Probably within four minutes.

Q In the N. R. A. setup will there be any provision for continuing the various Code Authorities?

THE PRESIDENT: No, I think not.

Q They will be allowed to lapse as they are?

(The President indicated in the affirmative.)

Q Can you tell us if there is any possibility that an effort may be made to solve the debt impasse between now and next December?

THE PRESIDENT: Oh, that is too far off.

Q There is a discussion which has arisen on the Hill as to whether the ship subsidy bill is an Administration measure. Will you comment on that?

THE PRESIDENT: No. I am having a conference on that. In the first place, I am not very familiar with the bill except that it sets up a Maritime

Authority and my original thought was that it might just as well be set up in the first instance under the Interstate Commerce Commission. I have not talked with anybody about it.

Q If the debtor nations were to offer us payments, would a means be found to exempt them from the --

THE PRESIDENT: (interposing) Oh, that is awfully "iffy."

Q How about the coal conference?

THE PRESIDENT: I thought they told you on the way out. We talked over the situation in regard to the Guffey Coal Bill. Senator Guffey said that he had reasonable assurance that the bill would be taken up in the Senate immediately after the Social Security Bill and, in the House, there seems no probability of great delay. Therefore I expressed the view to Mr. Lewis and the representative of the operators that, as a matter of sound public policy, I hope very much that the strike order would be deferred for a reasonable length of time and I understand that they are going to take action on it tomorrow.

Q Are you in favor of the Guffey Bill?

THE PRESIDENT: In general, yes.

Q Oh, boy! (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL

Press Conference #214,
Executive Offices of the White House,
June 19, 1935, 10.45 A.M.

THE PRESIDENT: Good morning, everybody. I think this is going to be the dullest for news on record. I don't know anything.

Q You said that before.

THE PRESIDENT: I know it; it doesn't always work out that way. Who is going to the boat races?

Q Fourteen of us, so far.

Q Are you rooting for Harvard?

THE PRESIDENT: I think I could get a White House Correspondents' crew that would beat the Harvard crew.

Q A 100-yard dash, but no longer than that.

Q You wouldn't tell Franklin that, would you?

THE PRESIDENT: No. (Laughter)

Q You think he would be discouraged?

THE PRESIDENT: Yes.

MR. DONALDSON: All in.

THE PRESIDENT: I just remarked to the Senator (Young) that this would probably be the dullest conference on record. It has got to the point where I am seriously thinking of organizing a White House Correspondents' crew to take part in the inter-collegiate regatta next year.

Q What would you train them on?

THE PRESIDENT: I would put Mac (Mr. McIntyre) and Steve (Mr. Early) on the training end.

Q We could train in the Nelson House Bar.

THE PRESIDENT: I don't think there is any news at all. I am going to

leave on Thursday night unless something blows up in the meantime, spend Friday at New London all day and leave late at night and arrive at Hyde Park Saturday morning and spend the night and come back on Sunday night.

Q Mr. President, were there any collateral reasons for the discharge of young Mitchell besides the one you gave?

THE PRESIDENT: No, none at all.

Q Purely on that one ground?

THE PRESIDENT: Yes.

Q Were you informed as to the details of the laying up of the LEVIATHAN?

THE PRESIDENT: Only in general.

Q You approved it?

THE PRESIDENT: On the statement that it was solely to save the company -- we did it in the case of other companies too -- to save the company from making a certain loss, provided they would take the expected loss, which was figured out, I believe, and spend it on new ships.

Q Was that a ten million dollar loss?

THE PRESIDENT: I don't know.

Q You said last week you were going to see somebody about the Bland-Copeland bill. Did you see somebody about it?

THE PRESIDENT: I haven't and won't be able to until Monday.

Q Have you read the Marine bill at all?

THE PRESIDENT: No; haven't thought about it since we talked about it last.

Q Mr. President, do you care to make any comment on that petition of the seaboard mayors asking for the removal of trade barriers, presented to you a couple of days ago?

THE PRESIDENT: Well, only that as I understood the paper it was a general

endorsement of --

Q (interposing) That's right.

THE PRESIDENT: -- of agreements for the expansion of trade. We are going ahead with them as fast as we can.

Q Is it correct that we may expect some statement from Swanson on Admiral Stirling?

THE PRESIDENT: I haven't heard a word about it. Has anything come from the Navy Department?

Q No.

THE PRESIDENT: You had better ask over there. I haven't heard a word.

Q Have you any further Messages to Congress in mind right now?

THE PRESIDENT: Yes.

Q What are they?

THE PRESIDENT: I don't know when the next Message will go up. You had better stick around. One might go up some time today but I haven't decided and I can't tell you which one it will be.

Q Are you insisting on the so-called "death sentence" section of the so-called utilities bill?

THE PRESIDENT: What do you mean, the "death sentence"?

Q That is the section in the bill requiring some companies to end their existence by 1942 if they did not meet the approval of the Securities Commission. You will remember that some of them wanted to turn that down.

THE PRESIDENT: All I can say is that I am heartily in favor of Section 11.

Q That is the section.

THE PRESIDENT: You see, on these utilities things, there has been more -- I won't use the word I thought of -- printed and written than anybody

can shake a stick at.

Q We can guess what that word is, Mr. President.

THE PRESIDENT: Of course the objective is this and I think probably the easiest way for the public to understand it is something along this line: There are certain holding companies which are wholly intra-state such, for instance, as the Public Service Corporation of New Jersey. I think that is wholly intra-state -- I am not certain -- but it is 95 or 98 per cent intra-state. The Niagara Hudson Company of New York is an intra-state company.

Now, from the operation of this bill, as I understand it, we eliminate the intra-state companies that do business solely within the state.

Then you come down to certain other types of holding companies like, for example, the Associated Gas and Electric Company. Now take in your own minds -- we have talked about this before -- take a sheet of paper and on the bottom you put a lot of little circles -- coming back to my old illustration -- and those represent the operating companies. Say there are 100 of them. In most cases the operating companies are properly capitalized and in most cases they are making good money. Suppose, for the sake of argument, that they are making an average of \$7 on \$100 investment. That \$7 goes up that sheet of paper in a zig-zag line and it goes through, let us say, 33 other circles which are in the middle of the sheet of paper. Those are intermediate holding companies, they are management companies, engineering companies, finance companies, they are supply companies and on the way up through these various zig-zag lines -- most extraordinary document in the world is the organization chart of the Associated Gas and Electric Company --

and by the time the \$7 comes up through these 33 intermediate companies and gets to the top company at the top of the page, there isn't \$7 left. The \$7 has been milked all the way up so that when it gets to the top holding company of all, it may, if it is lucky, represent \$4.

Now, the objective of the bill is to eliminate the intermediate companies so that the \$7 will go up to the top substantially intact.

I suppose that is the easiest way for the layman to be given a picture of what it is all about.

Q In other words, you have no objection to a holding company in the so-called "first degree" and eliminating all the rest?

THE PRESIDENT: No. But there is one other feature and that is that the holding company in the first degree probably should relate to substantially contiguous territory. Yet that holding company relates to widely disseminated properties all over the United States, it is not a holding company, it is an investment company.

Q Now, you take the North American Company. It operates in Washington, D. C., it operates in Cleveland, it operates in St. Louis. Would it be possible for the North American to divide into three companies, one for each group?

THE PRESIDENT: I don't see why not.

Q Could the North American stock be held by an investment company as long as they did not interfere with the management?

THE PRESIDENT: Yes.

Q In other words, Mr. President, the present investors who hold North American stock, despite the claims of certain officials who have sent out considerable letters, need not necessarily lose anything at all?

THE PRESIDENT: I should say you are absolutely right but I hesitate to say

so on the record for fear somebody would start a boom in North American stock. (Laughter)

Q Mr. President, is there any thought of abandoning the Banking Bill?

THE PRESIDENT: No.

Q Will one of your Messages be on that Bill?

THE PRESIDENT: I cannot tell you right now.

Q Aubrey Williams, addressing the Governors down at Biloxi (?) gave them a very detailed picture of the relief set-up. He said that in the four billions available July 1st, a billion eight hundred million have been allotted for CCC camps, highways, and so forth, and that that would take care of a million men, leaving two and a half million men to be taken care of with the rest, and he said that as a simple matter of arithmetic that left \$880 a man. Is that a substantially correct analysis of the thing?

THE PRESIDENT: That is substantially correct if we assume that the whole of the billion eight that has been allotted -- all of it has not been -- assuming that the whole billion eight is spent in accordance with the program and we do not make any savings in the actual expenditure of it.

Q Under an eleven hundred dollar or fourteen hundred dollar limitation they could not eliminate grade crossings, since it takes about two thousand dollars?

THE PRESIDENT: That is a separate proposition. The grade crossing will cost more than fourteen hundred dollars. The fourteen hundred applies to highways and not to grade crossings.

Q Mr. Secretary, the preliminary instructions applied to both?

THE PRESIDENT: We are going to try to do it. We are being as tightwad as we can in the beginning.

Q When did you become "Mr. Secretary"?

THE PRESIDENT: Well, I was, once. (Laughter)

Q We have been looking for a statement of the tentative state allotments from the four billion dollar fund. I understand it has been revised. Are they going to give out the rough allocation of money by states?

THE PRESIDENT: I don't know. I will have to ask Harry Hopkins or Frank Walker. I can't see any reason why rough figures cannot be given, as long as they are rough figures.

Q Any new claim been submitted to you on Central Valley Water Project, California?

THE PRESIDENT: No, nothing since then. I believe they are studying it with the general picture of California as a whole problem in mind. If they can work in something on the Central Valley in accordance with the state plan, we want to do it.

Q It isn't out the window yet, is it?

THE PRESIDENT: If we can do any actual work on it on a low per capita basis, that is perfectly all right.

CONFIDENTIAL
Press Conference #215,
Executive Offices of the White House,
June 26, 1935, 10.50 A.M.

Q Good morning, Mr. President.

THE PRESIDENT: Ah, we are looking very beautiful this morning. Look at all those lovely new suits.

Q You have a new one?

THE PRESIDENT: Oh, that is a very old one.

Q Where is that brown one?

THE PRESIDENT: That is put away for the summer.

Q The Senator has on his Pimlico suit this morning, Mr. President. (Laughter)

Q He left the elk's tooth off that. (Laughter)

THE PRESIDENT: When do we get racing again in this section?

Q In the fall.

THE PRESIDENT: About the fifteenth of September?

Q Somewhere in there.

THE PRESIDENT: I will have to go over there; I have not been to these local tracks for a good many years.

Q They have beautiful parks over here.

THE PRESIDENT: Yes. I used to go in the old days, many times. I broke about even, which is pretty good.

Q Very good, I should say; more than I could ever do.

THE PRESIDENT: We are having an intimate discussion in the front row on how to break even on the race track.

Q Mr. President, have you taken -- made any endorsement of a specific Merchant Marine Bill?

THE PRESIDENT: No, I have not. To tell you the honest truth, I have not

read it yet. I am talking with some of them in the next couple of days. I am in the position I was two weeks ago.

Q You mean the Bland-Copeland Bill?

THE PRESIDENT: Yes, just the way I was two weeks ago.

Q Have you any plans for the Fourth of July?

THE PRESIDENT: Probably stay right here and work.

Q Are you familiar with the Hidden Bar Bill? It passed both Houses of Congress. It would let the boys mix their drinks in public.

THE PRESIDENT: No.

Q In the District it is a crime for a bartender to mix a drink in view of the public.

THE PRESIDENT: What is the idea?

Q George Allen says it is your idea. (Laughter)

THE PRESIDENT: Will you tell George it is a new one on me.

Q The bill is coming to you. Would you like to sign it?

THE PRESIDENT: What does it do?

Q If a customer desires it, it permits the bartender to come out and shake his drinks in public.

THE PRESIDENT: I think it is a good idea. Also some of the customers may be certain, you know, that there is a tax stamp on the bottle.

Q Yes.

Q The customers may think that they are getting skinned.

Q Will you tell us what you talked about to Pecora yesterday?

THE PRESIDENT: No.

Q Do you anticipate that farm prices can be made to reach and maintain parity without Government benefit payments?

THE PRESIDENT: You mean assistance? Don't call it "benefit payments."

They could not do it without some form of Government help. It is perfectly impossible. That has been demonstrated during many sad years.

Q If they do not pass the joint resolution with amendments by Saturday and the whole lapses, then do we have to pay a gasoline tax on Monday, or are all those taxes void?

THE PRESIDENT: Let me ask you a question: What made you think they were going to pass the new tax measure by Saturday?

Q Well, they -- you mean to say you do not think they will get the resolution by Saturday? (Laughter)

THE PRESIDENT: What made you assume that there was any possibility of passing a complete new tax measure for these three recommendations by Saturday?

Q That is what Harrison (Senator Pat Harrison) indicated, that it is costing you a million and a half a day if it is not passed.

THE PRESIDENT: Did Harrison say it would be passed on Saturday?

Q He hoped so.

Q I heard him say so, Mr. President, too.

Q It is quoted in the Record.

THE PRESIDENT: I did not know he said it. In other words, there have been quite a few intimations in just a few papers that the plan was to pass this complete tax bill by Saturday. I have never said anything to that effect and you can go back and look at the record.

Q Have you any ideas on when it might be passed?

THE PRESIDENT: Now, you are getting in the realm of speculation. Nobody has ever intimated that in any shape, manner or form from the White House, nor was it suggested during the meeting the other night at the White House. You know who was there at the meeting, the Vice

President, Senator Robinson, Senator Harrison, et cetera. Nobody ever suggested in that meeting that they would pass through Congress a tax measure by Saturday, with these three new taxes in it. Nobody even mentioned that. In other words, the stories, I am sorry to say, were made out of whole cloth.

Q This procedure will cost the Government a million and a half dollars a day, won't it?

THE PRESIDENT: Not necessarily.

Q If you don't pass by Saturday, the nuisance taxes will expire?

THE PRESIDENT: Use your own imagination. Not necessarily.

Q Does that mean you might put through the nuisance taxes and take up the other separately?

THE PRESIDENT: That is always a possibility.

Q What about a continuing resolution on the nuisance?

THE PRESIDENT: That is a possibility.

Q Do you favor putting it in as a Senate amendment or initiating a resolution in the House?

THE PRESIDENT: That is a question of procedure.

Q Is your program designed for revenue or a better social order?

THE PRESIDENT: Both; two things -- revenue and a better social order.

Q This is merely the first step of the social order?

THE PRESIDENT: I have not sent any Message to the Congress other than the one of last week. You can't pin me down on those things.

Q Various newspaper descriptions have been applied to that plan. Do you have any preference?

THE PRESIDENT: No, that is up to the Congress.

Q You do want this new tax at this session?

THE PRESIDENT: Yes, I said so in the Message.

Q Does Mr. Garner still oppose the constitutional amendment for taxing Government securities?

THE PRESIDENT: I did not know he was.

Q The Record so indicates.

THE PRESIDENT: Which record?

Q He led the fight in the House when they allowed it the first time and he led it the second time, when it was defeated.

THE PRESIDENT: When was that?

Q 1932 and 1933.

Q Do you say that it will be left to the Congress?

THE PRESIDENT: Yes. I have made recommendations of principal policy.

Q Would you favor prolonged hearings on the measures in the Capitol?

THE PRESIDENT: That is up to them.

Q Do you think those rates (taxes) achieve a social purpose?

THE PRESIDENT: What rates?

Q Those given out on the Hill?

THE PRESIDENT: I have not even read them.

Q The ones which bring in new revenue of 340 million dollars?

THE PRESIDENT: I do not know; I have not read them. How can I tell you?

Q The one reaction on the Hill is that they might bring revenue but they won't bring the new social order -- not the new social order but --

(Laughter)

THE PRESIDENT: I am sorry that I cannot talk about those things up on the Hill because they shift every hour. Now, nothing has come out of the White House -- let us make that perfectly clear -- since the Message went up to the Congress, except what happened the other night and a statement was given to all of you by Senator Robinson. That is

all that has come out of the White House. I have to say that in fairness to myself.

Q We would like to get it clear that you want these three items to pass this session?

THE PRESIDENT: Yes. I recommended, in the Message, the passage of three items. I also recommended the study of two other items.

Q You didn't say anything about three items this session?

THE PRESIDENT: Of course. Heavens above -- I am not Congress, I am just an innocent, peaceful little fellow down here that makes recommendations. I do not think -- I do not think -- what, Stevie?

Q (Mr. Stephenson) What did you think of the fight last night? (Laughter)

Q You will get in some revenue (from that) anyway. (Laughter)

THE PRESIDENT: I will talk to you about it privately. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL

Press Conference #216,
Executive Offices of the White House,
June 28, 1935, 4.25 P.M.

THE PRESIDENT: Sorry to keep you waiting but we have been telling stories in the Cabinet. I do not know whether you could hear our shouts.

The last fifteen minutes was just one continuous roar of laughter.

Q Were you telling them?

THE PRESIDENT: No, the Vice President was.

Q We ruined the cooling system up there (indicating the ceiling), there were so many of us.

THE PRESIDENT: Is it terribly hot out?

Q Ninety in the shade.

THE PRESIDENT: How much?

Q Ninety in the shade.

THE PRESIDENT: That wasn't as bad as it was yesterday -- 100 on this porch, in the shade.

Q Are you going away tomorrow?

THE PRESIDENT: No, staying here; too hot.

Q Didn't they call you up from the Hill yet to tell you it was hot?

THE PRESIDENT: Not yet; that takes a week.

MR. DONALDSON: All in.

THE PRESIDENT: Isn't this a lovely climate?

Q In here, it is.

Q Mr. President, there are some reports from the Hill that you are indifferent to the fate of the Utility Bill and are willing to let it slide this year. Can you tell us anything about it, whether they are true or just what the situation is down this end of the town?

THE PRESIDENT: The situation is the same. I am very keen for it and very strong for it. More so than before, if it were possible. And I notice that some people have been talking again about the "death sentence". The trouble is that they have got the timing wrong. The unfortunate stockholders of some of these big public utility holding companies that are spread all over the country -- I am not talking about the intra-state one, I am talking about the inter-state ones, of which there are only nine or ten -- those stockholders were and are today under a death sentence and have been for some time. This bill, for those stockholders, is an emancipation proclamation.

We are going to give them a chance to live instead of going to the death-house to which they are rapidly headed under the present conditions. We are trying to save their dollars and we propose to do it.

You will remember that the other day I used the illustration about the fact that all of these parasite companies between the operating companies and the top holding company are taking away the money that belongs to the stockholders and the holding company.

Now, by a very simple process as we all know, they have several different methods under this bill by which they can eliminate those parasite companies and get a great deal more in the way both of dividends and of equity. It is a simple question of mathematics.

Then, of course, the bill does another thing and that is another reason why I am supporting it so strongly. It will restore to the separate localities in this country some right to control their own utilities. At the same time it will take away power, political and otherwise, the kind we have seen exercised over State legislatures and, in the past, in Washington -- not the present -- power over the

Congress of the United States itself through the most powerful, dangerous lobby -- we all know it; heavens, we are not children -- that has ever been created by any organization in this country. You talk about a labor lobby. Well, it is a child compared to this utility lobby. You talk about a Legion lobby. Well, it is an infant in arms compared to this utility lobby.

The deliberate falsifications they have been handing out about the "death sentences" -- most people are not deceived by them, some people are scared by it, but very few people are honestly deceived by it.

This bill, if it goes through, is going to restore a great deal of control to the people who live in the different regions, different localities in this country over the things they use in their own homes every day and it is going to take away, by the same token, a great deal of power from people like the Insulls and people like the individuals who control the nine or ten large spread-eagle holding companies in New York City. Yes, it is going to take a lot of control away from them, politically and otherwise. I suppose that is the best answer I can make to the question and be fairly conclusive.

Q When you say "the Bill", you mean the Senate bill?

THE PRESIDENT: I mean the Senate bill.

Q That means you would like to see the House bill brought into line?

THE PRESIDENT: Brought into line with the Senate bill.

Q Does that forecast a veto if it goes through with the --

THE PRESIDENT: (interposing) I am talking about today, Friday, the twenty-eighth of June.

Q Can you give us an outline of what is yet to come on your legislative

program or has everything been shut up so far as this year is concerned?

THE PRESIDENT: If you will run the whole thing, I will tell you just what I have in mind, but I am always afraid that the headlines -- you people are not responsible for them -- it is awfully hard to get this thought that I am going to give you in a headline. I haven't got in mind at the present time any further Message that I might send to the Congress. Again, this is the twenty-eighth of June. Things may come up that might require a Message and I don't want to be put into the situation of having the headlines say that the President announced no more Messages to the Congress and then have something turn up two weeks from now where I might have to send a Message and then have some editor come up and say, "The President is going back on his word." The situation is very, very simple. I haven't any more at the present time to send to Congress but that does not mean I won't have a Message to send up to Congress.

Q Would it be a wrong interpretation to say that you have no business to send up?

THE PRESIDENT: I have no new business but, of course, some new business may come up before Congress goes out.

Q When do you expect to get Congress off your hands?

THE PRESIDENT: I do not know. Let us talk it over next Wednesday; we will know a little bit more.

Q General Johnson is in town and I understand he is very wroth over the fact that Ed McGrady has not been released to go up to New York City.

THE PRESIDENT: I will tell you; all that happened was very, very simple. I do not know what has happened in the past twenty-four or forty-eight

hours but when Hugh Johnson was down here he called on me and he asked and I said, "No, I want to keep him as Assistant Secretary of Labor, but if we can spare him for a short time each week, for as much time as we can possibly spare him, he can run up to New York and help you. We will be delighted, but he cannot get out of being Assistant Secretary of Labor." Hugh said, "All right, so long as he can help me in this picture."

Q You have not heard anything about this week?

THE PRESIDENT: No.

Q On this legislative program, further N. R. A. legislation is not necessarily barred?

THE PRESIDENT: Not necessarily. It is still in the study stage. It is very much in the study stage. I am still talking -- I talked with Bill Green this morning and I talked with Henry Harriman (U. S. Chamber of Commerce) and I talked with various people about it. It is still so much in the study stage that I cannot say any more than that.

Q Are you inclined to intervene again -- use your good offices in the coal situation?

THE PRESIDENT: I have not heard; I expect to hear tonight. Of course, what we are hoping is that some form of coal bill will be reported out of Committee in the House. They are working in perfectly good faith and expect to get something out in a few days.

Q The present truce expires Saturday night.

THE PRESIDENT: I hope it will be continued for a little while.

Q Do you expect the railroad bankruptcy legislation at this session of Congress?

THE PRESIDENT: I have not heard a word about that bill in the last month.

There is a bill up there, Eastman's bill, isn't it?

Q Yes, sir.

THE PRESIDENT: I do not know what the status is.

Q Mr. President, what progress has been made by the Cabinet Committee in studying the textile situation?

THE PRESIDENT: All I had was in the paper, that they are nearly ready to report.

Q Did the Treasury draw up the new tax schedule that went up to Congress as inheritance taxes?

THE PRESIDENT: Not that I know of; I do not think so.

Q Can you tell us about your talk on the road allocations?

THE PRESIDENT: Only this, that there is a delegation coming in -- they were to come in today but they are busy on the Hill and coming in Monday. Out of, as I remember it, the \$4,000,000,000. bill, it carried approximately \$800,000,000. for highways and grade crossings and there was also the provision for 25 per cent to be spent on farm-to-market roads. We are working now on a schedule which will mean a good deal more than 25 per cent on farm-to-market roads. That is in line, of course, with the general idea of keeping the cost per man down because on a farm-to-market road you employ more people per dollar than you do on a four-way concrete road.

Q That is just a dirt road, or is the farm-to-market road a dirt and gravel road? That does not mean any surfacing?

THE PRESIDENT: Now you are getting down to technicalities. Would you call a sand-clay road, with oil on it, a hard surface road?

Q No, I would not.

THE PRESIDENT: There are so many terminologies for it. Some will be that

type, some will be sand base with gravel. Some will have oil, some won't. It depends on local materials.

Q I meant the Georgia clay situation?

THE PRESIDENT: No, we did not talk about that; we talked about the general subject of dirt roads.

Q Will you let us use that about lobbying in direct quotes?

THE PRESIDENT: No, not direct quotes; indirectly, yes.

Q Thank you, Mr. President.