

This goes for all other panaceas, whether they be proposed by dentists, priests, or professional demagogues. And it applies with especial force to the famous "new deal" and "social security" nostrums of President Roosevelt.

It is precisely because we are practical that we have not sought for a "painless" method of safeguarding the masses against the economic hazards of present-day society. We know that what is involved is the problem of securing for the producers a greater share of their product. This of necessity means that the owners must be forced to content themselves with a smaller share. This is painful—for those who are to get the smaller share.

But it is not visionary, fantastic, or impractical. The wealth is here within the borders of this country and within reach of the Government. If more needs be produced, we workers are willing to work and produce it. The land is fertile and rich in mineral resources. The factories, machinery, means of transportation, everything is at hand. You who are the Government are compelled to use force in order to keep us from applying our labor to productive purposes. You must resort to bribes in order to keep the farmer from cultivating his land and gathering his harvest. You employ force to keep our hungry and ragged families away from the overcrowded warehouses.

We of the working class have reason to know that a program which is painful to those who own the wealth cannot be realized without pain and sacrifice on our part. We are not looking for an "easy" way out. We are looking for an "effective" way. We have never got something for nothing. Every time we sought a little larger share of the wealth we produced we have had to fight for it. Every time we wanted a bit more bread for ourselves, our wives, and our children we have had to risk our very lives for it. Some are still looking for an easy way out. Some are still hoping that the genial President who has been so generous with promises will eventually become equally generous in performance. Some are still pinning their hopes on the Hitler-like promises of Huey Long, Father Coughlin, and other budding Fascists. Some are still deluded into believing that you, the gentlemen of Congress, will voluntarily and out of the kindness of your hearts present "social security" to the masses on a silver platter.

But we who have been members of trade unions for years, we who have organized and fought for everything we ever gained, we who faced your guns in this very Capital City when we considered it necessary to bring our demand for unemployment and social insurance to you, we have no such illusions. We know that our demands are practical, are reasonable. But we also know that we will win our demands only in the course of persistent, courageous, determined, uncompromising daily struggle because ours is a movement that represents the basic needs of the masses, because it consists of the most enlightened and advanced among those who are discontented and unwilling to suffer hunger and the dread of hunger in the midst of plenty, because it includes a great body of veteran fighters who have been hardened in numerous battles for the right to decent existence. We feel confident that regardless of the action you may take on the Wagner-Lewis bill our fight for genuine unemployment and social insurance as represented by the workers bill (H. R. 2827) will go on and will end only when either you have been forced to enact it or when the masses of this country will have found other means of assuring to themselves the right to live.

STATEMENT OF GEORGE E. HAYNES, REPRESENTING THE FEDERAL COUNCIL OF CHURCHES OF CHRIST IN AMERICA

Mr. HAYNES. My name is George Edmund Haynes. I am the executive secretary of the department of race relations of the Federal Council of Churches.

Mr. Chairman, before I begin I have tried to condense in writing what I have to say in support of our request for a clause in this bill against discrimination to protect those who are discriminated against under existing legislation of similar type. I would like to have, representing as I do, millions of constituents, more than the 5 minutes to present this statement, because it presents our research into facts that have not been presented in any of this legislation.

On behalf of the department of race relations, Federal Council of Churches, I wish to urge that title I, dealing with old age, under title II, dealing with allotments for dependent children under title III, on unemployment insurance, under title IV, dealing with unemployment insurance and old-age pensions, under title VII, having to do with maternal and child health, and title VIII providing for allotments to local and State public-health programs, that there be included in this bill a clause or clauses to provide that there shall be no discrimination on account of race or color in administration of services or benefits to any person otherwise eligible.

In support of our urgent request I wish to submit evidence to show that in the past the distribution and administration of Federal funds, both under the regular services furnished by the States, with the help of Federal funds, as well as in the emergency measures that have been carried out under legislation for recovery, there have been repeated, widespread, and continued discrimination on account of race or color as a result of which Negro men, women, and children did not share equitably and fairly in the distribution of the benefits accruing from the expenditure of such Federal funds.

There is the proposition, Mr. Chairman; and if you will give me the time, I will present evidence that will convince any open-minded person.

Mr. COOPER. Just on that point, you understand, we have under consideration a definite subject matter here.

Mr. HAYNES. I am speaking definitely of the economic security bill and will present my objections and my recommendations on specific titles and sections if you will give me time.

Lest someone may not admit the importance of the Negro populations involved, let me point out that in 1930 in 14 Southern States, leaving out West Virginia, Oklahoma, and North Carolina, but including Delaware, Maryland, and Missouri, the percentage of Negroes in the total population ranged from 8.6 percent in Kentucky to 50.2 percent in Mississippi; in the United States Negroes were 9.7 percent of the total population.

Furthermore, I shall point out here discriminations not only in those States but in other States where the funds have been administered directly by the Federal Government.

That discrimination and inequality of treatment is the rule and not the exception it may be well to cite a few facts to show how the Negroes participate in the distribution of the public-school funds in the States that have separate schools. In the school year 1929-30, according to figures compiled by Mr. Fred McCuistion for the Julius Rosenwald Fund, for every dollar which should have been expended on the colored schools on a parity basis in the following States the actual amount was spent as follows:

Alabama spent 36 cents out of every dollar that should have been expended; Florida, 31 cents; Georgia, 28 cents; Louisiana, 33 cents; Maryland, 71 cents; Mississippi, 21 cents; North Carolina, 48 cents; Oklahoma, 29 cents; South Carolina, 22 cents; and Texas, 45 cents; with an average of 37 cents out of a dollar.

I am including here a table so it will go in the record.

Mr. HILL. You say you are speaking to this bill. Is there any discrimination in this bill against the colored race?

Mr. HAYNES. Yes, sir. I am going to point it out. I want to lay the basis and show you what has been done under the Smith-Hughes Act and under the Smith-Lever Act, to show you that where the legislation did provide against discrimination they were fairly administered, and where they did not, they were not fairly administered. I want to get the facts before you, because they have not been presented, and they will not be presented, probably.

The Smith-Hughes Act and the Smith-Lever Act provided for home and farm demonstration work, vocational instruction in agriculture, trades, home economics and industries, teacher training, and for other benefits, based upon the proportion of the population of each State to the total population, the rural population of the State to the rural population of the Nation, and the urban population of the State to the urban population of the Nation.

It seems, therefore, that a fair test of the justice with which these funds have been spent in the several States where Negroes form a large percentage of the population, is to compare the percentage of these funds allotted to the States which have been spent for Negroes with the percentage the Negroes comprise of the rural, urban, and total population of those States.

The inequitable distributions of these funds becomes clear by examining the share Negroes received of the vocational funds and the teacher-training funds in 1931-32. A comparison of the percentage of Negroes in the rural, the urban, and the total population in 1930 with the percentage of vocational funds and teacher-training funds spent for Negroes discloses that not one of the 16 States for which figures are available spent the vocational funds equitably upon the basis of the proportion of Negroes in either the rural population, the urban, or the total population of the respective States. In several of the States the gap between the percentages was wide.

I have the detailed figures and will put them in the record.

(The data referred to appears at the end of Mr. Haynes' testimony.)

The expenditure of teacher training funds in five of the same States for the fiscal year 1931-32 were not available.

The CHAIRMAN. Mr. Haynes, your time has expired. You realize that you have the privilege of extending your remarks in the record.

Mr. HAYNES. No; but Mr. Chairman, I need to get this case squarely before this committee.

The CHAIRMAN. You realize that very few of the members of the committee are hearing your statement now, whereas they will all have an opportunity to read it in the record. You are getting at only a small minority of the committee now. There is not even a quorum here.

Mr. HAYNES. If possible I would like enough time to read the last three statements.

The CHAIRMAN. How long would it take?

Mr. HAYNES. I can do that in 5 minutes.

The CHAIRMAN. The Chair is without authority unless it is done upon the action of the committee.

Mr. HAYNES. I want to read the conclusion, because it points out specific measures of this bill where these discriminations will be practiced. I want to read it, Mr. Chairman, because I think it ought to be explained here, before you.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that Mr. Haynes be given 5 additional minutes in which to present his statement.

The CHAIRMAN. Mr. Dingell asks unanimous consent that the gentleman may have 5 additional minutes. Is there objection? The Chair hears none. You may proceed.

Mr. HAYNES. In conclusion, allow me to point out some of the specific provisions under the several titles of the economic-security bill which could be readily used for discrimination against eligible persons on account of race or color. These are examples of what may happen in the administration of this legislation. Under title I, subsection 4 (e), a plan for old-age assistance offered by a State authority must furnish "assistance at least great enough to provide, when added to the income of the aged recipient, a reasonable subsistence compatible with decency and health." In many communities there is a prevailing idea that Negro persons can have such a reasonable subsistence on less income than a white person. In States and communities, North and South, fair-minded citizens have had to contend strenuously against this notion being made a basis for lower wage rates in the N. R. A. codes, for low allowances, lower standards for Negroes in relief budgets, and other measures. It would very probably be widely used to give less assistance to aged Negroes than to aged whites.

Under title II, subsection 204 (c), the same standard of reasonable subsistence compatible with decency and health is involved in the approval of State plans for the aid of dependent children. The lack of consideration for the Negro child in nearly all of the southern States and in many of the large northern urban communities is generally known and admitted, as one may readily prove from the reports of the President's White House Conference on Child Health and Protection.

Under title III, section 301, there is no minimum for wages upon which the earnings taxes shall be based. It is commonly accepted knowledge that the wages of Negro workers are frequently lower than those of white workers in the same plant and on the same jobs or same occupations. Wherever there is this discrimination in wages on account of race or color—

The CHAIRMAN. Would you mind pointing out those injustices where the situation and conditions obtain that you mention?

Mr. HAYNES. I am reading my conclusion, Mr. Chairman. I am presenting facts. The facts are in here, if you give me time to present them.

Mr. LEWIS. We can read them.

The CHAIRMAN. It will be contained in the record, then.

Mr. HAYNES. I am now trying to point out specific places where we see this bill will work injustice. Mr. Chairman, may I say I am here against the judgment of others who form other groups who are opposed to this bill entirely. If you do not give me time to present these measures for protection under this bill, then you are going to drive a number of people into the opposition camp, who will oppose this bill. We favor the principle of this bill, because we believe that it does commit the Government to guarantee a minimum subsistence standard of living under this economic social security bill. I would like to point out where that will not operate equitably and fairly to these groups.

Wherever there is this discrimination in wages on account of race or color, this bill should provide an equalization of the percentage of the tax to be paid by the employee so that the employer will be required to pay a larger percentage of the tax, to equalize the difference in wages where that is shown.

Under title IV, section 403, it is proposed that the appropriations of specified sums be made from the Federal Treasury. Of which sums 98 percent is to be apportioned by the Social Insurance Board among the States. Unless this bill requires the distribution of benefits irrespective of race or color there is grave danger that in the regulations covering eligibility and other conditions for receiving benefits unfair practice against Negro aged will arise.

Under title VII, subsection 701 (a), allotments of Federal funds are provided for "furthering and strengthening State and local health services to mothers and children, extending maternity nursing services in counties predominantly rural, and conducting special demonstration and research in maternal care, and other aspects of maternal and child-health service." In view of the evidence presented here it is clear that specific provision is needed to insure equitable use of these funds and a fair distribution of benefits from their expenditure to Negro mothers and children.

Under title VIII, section 802, such a clause against racial discrimination is needed to insure equitable expenditure of funds for public-health services to Negroes in States where there are separate services provided, and in States where there are no separate services, arrangements to insure that doctors, dentists, nurses, and lay workers shall have full opportunity to qualify for such service irrespective of race or color.

The administration, both State and Federal, to be set up by this proposed law will employ a large number of officials, clerks, stenographers, and other employees. Because of wide-spread and continuous exclusion of Negroes from employment in such public service, both State and Federal, North and South, we urge a general clause in this bill providing that no person otherwise eligible shall be excluded on account of race or color from admission to public office or employment in the administrative personnel employed to carry out the provisions of this act.

On behalf of the department of race relations of the Federal Council of Churches, I urge upon your committee that under titles I, II, III, IV, VII, and VIII, there be some clause or clauses which will require as a part of plans to be submitted by a State for approval of Federal Administrator there shall be provisions against discrimination on account of race or color. In the case of allotments of funds from the Federal Treasury called for by any provision of this bill there be such a clause or clauses against racial discrimination to the effect that no money shall be paid out to any State or Territory for the support or maintenance of any such plan, program, service, or benefit, unless it shall first be shown that such State or Territorial authority will so distribute the funds that the benefits shall be offered to eligible persons irrespective of race or color.

I have included in here the provision in the Morrill Act, passed in 1862, for the establishment of land-grant colleges under the amendment of 1890. It has such a provision. Since the passage of that law

the funds have been equitably administered. There is no such provision in the Smith-Hughes or the Smith-Lever Acts. The facts here show the discrimination on account of race or color that has been proved.

The CHAIRMAN. We thank you, Mr. Haynes, for your appearance and the information you have given the committee.

(Mr. Haynes submitted the following extension of his remarks:)

We believe in the principle on which this legislation is based—that Government should guarantee to men, women, and children protection against the hazards and vicissitudes of life and we believe that this should apply equitably to all persons irrespective of race or color.

In support of our urgent request for provision in this bill against racial discrimination I wish to submit evidence to show that in the past the distribution and administration of Federal funds, both under the regular services furnished by the States with the help of Federal funds, as well as in the emergency measures that have been carried out under legislation for recovery, there has been repeated, wide-spread, and continued discrimination on account of race or color as a result of which Negro men, women, and children did not share equitably and fairly in the distribution of the benefits accruing from the expenditure of such Federal funds.

In presenting this evidence, let me say first that we approach the question with the conviction that the welfare of the Negro population is bound up with the welfare of the whole people; that any old-age assistance and annuities, unemployment insurance or compensation, any child and maternal welfare and any health provision or other benefits and services that do not treat Negroes on the same basis as other persons not only does an injustice to them but retards the general welfare.

Lest someone may not admit the importance of the Negro populations involved, let me point out that in 1930, Negroes comprised 9.7 percent of the total population of the United States and in 14 Southern States, leaving out West Virginia, Oklahoma, and North Carolina, but including Delaware, Maryland, and Missouri, the percentage of Negroes in the total population of the respective States ranged from 8.6 percent in Kentucky to 50.2 in Mississippi. None of these Southern States have more than 25 percent of Negroes in the total population. Included in the record I am submitting, there are detailed tables showing the percentage of Negroes in the total, the rural, and the urban populations of 17 States in 1930. All of these States provide separate schools for their Negro children and other separate State services for Negro citizens.

To make clear that discrimination and inequality of treatment is the rule and not the exception, it may be well to cite a few facts to show how the Negroes participate in the distribution of the public-school funds in the States that have separate schools. In the school year 1929-30 according to figures compiled by Mr. Fred McCuiston, of the Julius Rosenwald Fund, for every dollar which should have been expended on the colored schools on an equitable basis in the following States the actual amount spent was as follows: Alabama spent 36 cents of every dollar that should have been expended; Arkansas spent 40 cents of every dollar that should have been expended; Florida, 31 cents; Georgia, 28 cents; Louisiana, 33 cents; Maryland, 71 cents; Mississippi, 21 cents; North Carolina, 48 cents; Oklahoma, 29 cents; South Carolina, 22 cents; and Texas, 45 cents; with an average of 37 cents out of a dollar. I am including in the record a complete table (table I) compiled by Mr. McCuiston showing (1) the total amount actually expended on Negro schools in each of these States; (2) the estimated additional amount which would have been expended if they had been treated equally; and (3) the percentage of the total amount that should have been expended which was actually spent on Negro schools. Table I follows:

TABLE I.—Summary of expenditures in colored schools in 11 Southern States, 1929-30¹

State	Total expended	Additional amount if on equal basis	Percent of expenditure received by Negroes
Alabama.....	\$1,964,524	\$3,515,946	36
Arkansas.....	1,443,306	2,141,680	40
Florida.....	1,302,623	2,881,090	31
Georgia.....	1,667,884	4,273,514	28
Louisiana.....	2,542,213	5,028,664	33
Maryland.....	2,230,857	912,928	71
Mississippi.....	1,583,541	6,015,099	21
North Carolina.....	4,086,792	4,409,217	48
Oklahoma.....	1,657,544	432,544	79
South Carolina.....	1,718,854	6,056,927	22
Texas.....	3,263,821	4,020,443	45
Total and average.....	23,461,959	39,688,052	37

¹ Taken with slight correction in caption from McCuiston, Fred: Financing Schools in the South, p. 18, issued by State Directors of Educational Research in Southern Schools as a part of the proceedings of the conference held at Peabody College, Dec. 5-6, 1930.

According to data published by the Julius Rosenwald fund¹ "Negro public schools in 11 Southern States which records are available received in 1930 a total of \$23,461,959, while the white pupils in the same States received \$213,718,221." How this inequality works out in local areas may be illustrated by the discrepancy between salaries for white and Negro teachers in a typical rural county in one of the Southern States (Montgomery County, Ala.). In 1913, \$14.50 per pupil went to salaries of white teachers as compared with less than \$2 per pupil for Negro teachers. In 1931 the figures were respectively \$28 and \$4. In the words of the compilers of these figures: "If one assumes the democratic principle of equal educational opportunity for all children, it would appear that the South thinks that it takes seven times as much to teach a white child as a Negro."

Under the Smith-Hughes Act Federal appropriations for vocational education are given upon the condition that for each dollar of Federal money expended, the State or local community, or both, shall expend an equal amount. The basis of allotments to each State is as follows:

For agriculture: The allotment to the State is in the proportion which the State's rural population bears to the total rural population of the Nation.

For trades, home economics, and industries: The allotment is in the proportion which the State's urban population bears to the total urban population of the Nation.

For teacher-training: The allotment is in the proportion which the State's total population bears to the total population of the Nation.

Under the Smith-Lever Act, providing for agriculture and home demonstration work, each State received funds in the proportion the rural population of the State bears to the total rural population; to be first equaled by a similar sum from a State or local authority or by individual contributions.

It seems, therefore, that a fair test of the justice with which these funds have been spent in the several States where Negroes form a large percentage of the population, is to compare the percentage of these funds allotted to the States which have been spent for Negroes with the percentage the Negroes comprise of the rural, urban, and total population of these States.

The inequitable distribution of these funds becomes evident by examining the share Negroes received of the vocational funds and the teacher-training funds in 1931-32. A comparison of the percentage of Negroes in the rural population, the urban population, and the total population in 1930 with the percentage of vocational funds spent for Negroes discloses that not one of the 16 States for which figures are available spent the proportion of the vocational funds equitably upon the basis of the proportion of Negroes in either the rural,

¹ These data are taken from the booklet published by the Julius Rosenwald fund, Chicago, Ill., from statistical material assembled by the Committee on Finance of the National Conference on Fundamental Problems in the Education of Negroes, called by the U. S. Department of the Interior, through its Office of Education, and held in Washington, D. C., May 9-12, 1934.

the urban, or the total population of the respective States. In several of the States the gap between the percentage was wide. The expenditure of teacher-training funds in five of the same States for the fiscal year 1931-32 were not available. Of the other 12 States, 6 spent a percentage of the teacher-training funds for Negroes equal to or greater than the percentage of the Negroes in the total and rural populations, and 6 States spent considerably less of the teacher-training funds for Negroes than Negroes formed of the total population.

The details of these figures are brought out in the accompanying table II:

TABLE II.—Percent of Negroes in population—rural, urban, and total—1930; percent spent for Negroes out of total Federal vocational and teacher-training funds in 1931-32 in States having separate land-grant colleges and other services for Negroes¹

State	Percent Negroes in population 1930			Percent Federal funds spent for Negroes, 1931-32	
	Total	Rural	Urban	Vocational	Teacher training
Alabama.....	35.7	35.6	36.1	11.57	12.88
Arkansas.....	25.8	26.5	25.3	22.22	37.57
Delaware.....	13.6	15.2	12.2	-----	-----
Florida.....	29.4	31.2	27.7	19.27	9.13
Georgia.....	36.8	37.4	35.4	19.89	-----
Kentucky.....	8.6	6.0	14.6	2.25	11.14
Louisiana.....	36.9	40.8	30.9	20.76	42.92
Maryland.....	16.9	17.8	16.4	2.78	-----
Mississippi.....	50.2	52.4	39.5	16.09	25.52
Missouri.....	6.2	3.1	9.1	2.11	-----
North Carolina.....	29.0	28.4	30.4	9.33	32.78
Oklahoma.....	7.2	6.6	8.3	11.25	16.34
South Carolina.....	45.6	47.8	37.3	10.79	31.40
Tennessee.....	18.3	13.8	26.8	10.50	22.34
Texas.....	14.7	15.2	13.8	13.59	27.25
Virginia.....	26.8	26.7	27.2	13.10	63.63
West Virginia.....	6.6	6.8	6.4	5.32	-----

¹ Figures drawn from Land-Grant Colleges for Negroes, by President John W. Davis, West Virginia State College; contribution no. 6 of the Department of Education, April 1934, and Negro Year Book, 1931-32, Monroe N. Work, ed.

In contrast with the unfair and inequitable distribution of funds under the Smith-Hughes and the Smith-Lever Acts which did not have any provision against such discrimination, the experience in the administration of the Morrill-Nelson funds created under the act of Congress July 2, 1862, with amendments, throws clear light on this question. On August 30, 1890, and on March 4, 1907, this act was amended to provide that no money should be paid out to any State or Territory for the support and maintenance of a college where distinction of race or color of students is made in the admission of students, but allowed the establishment and maintenance of such colleges separately for white and colored students "if the funds received in such State or Territory be equitably divided" according to specifications set forth in the amendment of 1890. The effect of this amendment has been to insure a fair division of these funds between white and Negro land-grant colleges in 17 States where such separate colleges have been established.

To illustrate this fact there is shown here a table giving the expenditures for the white and Negro colleges in these States for the fiscal year ending June 30, 1934. The expenditures for the preceding fiscal year were practically the same. The figures in the table make clear that the distribution of what is known as the "Morrill-Nelson funds" that have come from Federal sources was equitable in the proportion that the two races formed of the total population of the respective States. In fact, in some of the States the proportion of the Federal funds allotted to Negroes slightly exceeded their proportion of the total population in the State in 1930. One State expended about the same amount for the colleges of the two races although the Negro population formed less than one-third of the total population. There has not been, however, an equitable distribution of funds from State sources.

These facts where the organic law laid down the principle of no discrimination are in striking contrast to the practice under the organic laws which made no such provision against discrimination in administration. Table III follows:

TABLE III.—Expenditures (under Morrill Act as amended Aug. 30, 1890, and Mar. 4, 1907), for white and Negro land-grant colleges, for fiscal year ending June 30, 1934, compared with percentage of Negroes in the total population of 17 States in 1930.

	Expenditures, year ended June 30, 1934		Percent Negroes in total population 1930
	White	Negro	
Alabama.....	31,758	18,304	35.7
Arkansas.....	36,364	13,636	25.8
Delaware.....	40,000	10,000	13.6
Florida.....	25,000	25,000	29.4
Georgia.....	33,333	16,667	36.8
Kentucky.....	42,750	7,250	8.6
Louisiana.....	30,335	19,853	36.9
Maryland.....	41,500	8,500	16.9
Mississippi.....	21,705	128,295	50.2
Missouri.....	46,875	2,190	6.2
North Carolina.....	33,500	16,500	29.0
Oklahoma.....	45,520	5,000	7.2
South Carolina.....	25,000	25,000	45.6
Tennessee.....	38,000	12,002	18.3
Texas.....	37,500	12,500	14.7
Virginia.....	33,334	16,666	26.8
West Virginia.....	50,000	9,908	6.6

¹ Spent during year 1933.

² Appropriated for year 1933.

The full picture of what a serious handicap this unfair discrimination is to Negroes can be seen from figures showing sources of total funds allotted from State and Federal Governments for cooperative extension work, the total of such funds spent for Negroes and the estimate of what the division should have been in 1931-32. The grand total of such funds that year was about \$9,339,610. Of this sum \$4,558,449 came from Federal sources and \$4,799,111 from State sources. The total spent for Negroes was \$77,995, estimated on the proportion of Negroes in the rural population, they should have received \$2,293,572. The figures giving this picture in full by States are shown in the following table IV.

TABLE IV.—Sources of funds allotted from State and Federal Government for cooperative extension work for the fiscal year ending June 30, 1933; and an estimate of the division and use of such funds in behalf of Negroes, 1931-32, in States having separate land-grant colleges, and other separate governmental services

State	Grand total	Total from Federal funds	Total from State sources	Total of Federal funds to Negroes, year 1931-32	Estimated amount of money for extension work which should go to Negroes on basis of rural percentage in population
Alabama.....	\$661,898	\$309,365	\$352,333	\$22,676	\$235,635
Arkansas.....	522,654	263,137	259,517	16,136	138,503
Delaware.....	60,029	46,714	14,215	10,650	9,261
Florida.....	366,405	152,640	213,765	26,368	114,318
Georgia.....	734,889	354,684	380,205	27,499	274,848
Kentucky.....	538,105	297,800	240,305	11,005	32,286
Louisiana.....	513,290	232,445	280,845	23,265	209,322
Maryland.....	388,620	139,283	249,337	10,000	69,174
Mississippi.....	564,391	286,050	278,341	43,953	295,740
Missouri.....	491,360	266,780	224,580	3,125	15,232
North Carolina.....	666,977	363,314	303,663	21,500	189,421
Oklahoma.....	595,496	264,791	330,705	7,592	39,302
South Carolina.....	465,062	264,390	218,372	64,364	221,299
Tennessee.....	541,719	296,364	245,355	19,690	74,757
Texas.....	1,232,205	537,833	694,372	19,000	187,295
Virginia.....	590,341	283,935	306,946	38,753	159,621
West Virginia.....	405,269	199,314	205,956	11,419	27,558
Total.....	9,339,610	4,558,499	4,799,111	77,995	2,293,572

¹ Figures drawn from "Land-Grant Colleges for Negroes" by President John W. Davis, West Virginia State College; contribution no. 6 of the Department of Education, April 1934.

As an example of how protection against discrimination on account of race or color should be provided in this economic security bill, I cite here the section from the amendment to the Morrill Act, approved by the Fifty-first Congress, August 30, 1890²:

“Provided, That no money shall be paid out under this act to any State or Territory for the support and maintenance of a college where a distinction of race or color is made in the admission of students, but the establishment and maintenance of such colleges separately for white and colored students shall be held to be a compliance with the provisions of this act if the funds received in such State or Territory be equitably divided as hereinafter set forth.

“Provided, That in any State in which there has been one college established in pursuance of the act of July 2, 1862, and also in which an educational institution of like character has been established, or may be hereafter established, and is now aided by such State from its own revenue, for the education of colored students in agriculture and the mechanic arts, however named or styled, or whether or not it has received money heretofore under the act to which this act is an amendment, the legislature of such State may propose and report to the Secretary of the Interior a just and equitable division of the fund to be received under this act between one college for white students and one institution for colored students established as aforesaid, which shall be divided into two parts and paid accordingly, and thereupon such institution for colored students shall be entitled to the benefits of this act and subject to its provisions as much as it would have been if it had been included under the act of 1862, and the fulfillment of the foregoing provisions shall be taken as compliance with the provisions in reference to separate colleges for white and colored students.”

The need for a clause in this economic security bill against racial discrimination may be seen again in the inequalities that have arisen in the cotton acreage reduction program. The pertinence of the cotton acreage reduction experience to the question of a clause in this bill against discrimination on account of race and color arises because Negro share tenants and share croppers are more largely affected than white share tenants and share croppers by the cotton acreage reduction conditions. This is clear from the fact that in the South in 1930 there were 46 percent of tenant farmers among all white farmers. Of these 383,381 were white share croppers, who comprised 16.4 of all white farmers; 140,112 were white cash tenants or 6 percent of all white farmers, leaving 24.6 percent of other types of tenants among all white farmers. Among Negro farmers, there were 79.1 percent tenant farmers. Of these 392,897 were colored share croppers, or 44.6 of all colored farmers; and 97,920 were colored cash tenants or 11.2 percent, leaving 23.3 percent of Negro farmers in the other tenant classes. In short, less than half of white farmers, in comparison with about three-fourths of Negro farmers were subject to the difficulties that have grown out of the cotton acreage reduction.

These difficulties are set forth by no less an authority than Prof. Calvin B. Hoover in a report to the Secretary of Agriculture made public last year. Professor Hoover says:

“Various undesirable effects and instances of hardships of individuals have occurred in connection with the cotton acreage reduction program. In some cases these were due to the nature of the cotton contract itself, sometimes to the misinterpretation and sometimes to its violation.”

He summarizes the hardships as follows: (1) Cases in which farmers did not receive full amount specified by the 1933 cotton contract; (2) the operation of the program created a motive for reducing the number of tenants although contracts had provisions against reducing the number of tenants on farms; (3) percentage of rental payments to share tenants and share croppers in the 1934 cotton contracts is less than in other contracts (tobacco, and corn, and hog contracts by comparison); (4) the 1934 cotton contracts, as drawn, produced considerable confusion in the classification of types of tenantry.

In the 1933 contracts for cotton plowed up, landlords were allowed to sign for themselves and their tenants only after they had obtained the consent of the tenants. Checks were to be made payable to the landlord and tenant jointly unless the tenant waived his rights. Dr. Hoover says:

² Original act, approved July 2, 1862, ch. CXXX, Stat. L. (39th Cong.), vol. 12, pp. 503-505. Amendment, ch. 841, sec. 1, U. S. Stat. L., vol. 26, p. 417 approved 51st Cong., Aug. 30, 1890.

"In practice, the matter often worked out quite differently. In numbers of cases landlords did not obtain the consent of their tenants before signing the contract. They simply made no mention of having tenants who had any interest in the crops. Consequently, checks for benefit payments were often made out in the name of the landlord alone. He was thus given the opportunity to make any kind of settlement with his tenants that he wished. This situation arose largely due to the failure of the contract to recognize the existence of separate landlord and tenant interest."

In the 1934 cotton acreage reduction contract the division between the landlord and the "managing share tenant" allowed 2 cents per pound to the landlord and 2½ cents per pound to the tenant. Cash tenants received both rental and parity payments. These were quite fair divisions. All share croppers and probably a large proportion of share tenants were not included in this first class of tenants. Share-croppers received one-half of what was called the "parity payment," and share tenants not classed as managing share tenants, three fourths.

"But", says Dr. Hoover, "the parity payments were so small in the case of the average tenant that it is almost negligible." As it worked out the share cropper received about one-half cent a pound, while the landowner received 4 cents per pound on the estimated amount of the cotton which would have been produced on the land withdrawn from cultivation. On the basis of the average production of 174 pounds of lint cotton to the acre, Dr. Hoover holds that "the landowner thus receives from the Government as payment for the acreage withdrawn from cultivation a sum three times as great as he probably would have received as rent had there been no recovery program." The landowner also benefited from increased prices received for cotton produced on acreage not withdrawn from cultivation. Professor Hoover gives estimates to show that there was somewhat of an increase in the cash income which a share cropper received when fairly dealt with but it was proportionately far less than that of the landowner. "In these contracts the division of the benefit system between landlords and tenants is a proportion of their interest in the crops." It was argued that this division of rental payments in the cotton contracts were made, says Professor Hoover, because "landowners could not be induced to sign the contracts if they were not given a larger share of the rental benefits than landlords received" in other acreage reduction contracts; that the amount per acreage received in rental benefits paid by the Government was less in cotton contracts than in other acreage reduction contracts, and consequently a division of these payments in the ratio of 8 to 1 was justified." This argument by itself could only mean that the landlord was induced to sign the cotton contract by an inducement obtained at the expense of the share tenant and share cropper. In none of the contracts "is there any provision for compensating hired labor for the reduction in opportunities for employment", or requiring the landlord to spread the reduced work over the same number of workers or "which prevents him from reducing the number of his hired labor to any percent which he might desire and no provision in the contract affecting compensation of hired labor." The temptation exists, then, for landlords to replace tenants with day laborers since the tenants have some rights in the contracts, while laborers do not.

At this point I wish to urge a change in the unemployment compensation and old-age annuities provisions of this bill. The bill applies to employers having four or more employees. This practically excludes all domestic and personal servants are excluded from old-age benefits. Further share tenants and share croppers on farmers and plantations, who are little, if any, different in their economic condition from laborers, are not covered in the bill. These features affect a larger proportion of Negroes gainfully employed in the United States than any other class. Of 4,892,872 Negroes gainfully employed in 1930, more than 2,000,000 were in agriculture and a million were in domestic and personal service. More than three-fourths of those employed in agriculture were tenant farmers and nearly one-half of these tenants were share croppers, little different from farm laborers. These facts make clear that about three-fifths of all Negroes gainfully employed in the United States will be excluded by the very terms of this bill from its unemployment and old-age benefits.

Although the seed, feed, and fertilizer loans from Federal funds in aid of farmers in the cotton-growing areas have been discontinued, there is ample testimony that abuses on a large scale did arise during the administration of these services during the desperate emergency of the first years of the depression. A reliable investigator into this situation in counties of Georgia, Ala-

bama, and Mississippi reports on these feed, seed, and fertilizer loans, which were designated to finance farmers who otherwise could not have planted a crop. He says:

"The loans have been variously administered. In a few Black Belt areas tenants got and spent the loans made to them; they bought their feed, seed, and fertilizer at cash prices and accordingly had relatively smaller debts in the fall. The planters, however, usually got control of their tenants' checks through an oral agreement between the landlord and the tenant. As a matter of fact, the landlord virtually forces the tenant to deliver the check to him; the landlord explains to the tenant that he will not waive his rent to the Government—one of the requirements for the loan—unless the tenant agrees to bring the check to him when it comes. When the tenant's check arrives he takes it to the landlord, and then and there either endorses it, or being unable to write his own name, "touches the pen", and the landlord endorses it for him. In some instances, the planter has taken the money and deposited it to his own account, issuing cash back to the tenant as he thought the tenant needed it. The planter usually charged 8- or 10-percent interest. Thus, the tenant pays double interest—6 percent to the Government for the money and an additional 8 or 10 percent to the planter for keeping it for him! This practice is common in the upper part of the Georgia Black Belt. * * *

"In some Black Belt Counties Negro landowners are not allowed to spend the cash which they secured through loans from the Government. In one Alabama county a merchant, who had taken over the check of a Negro who had secured a loan, said, 'You know it is not customary for niggers to get checks around here.' The incident serves to illustrate the fact that Negro owners, too, move within the plantation practices of the community."³

There is also need for provision in this economic security bill against discrimination on account of race or color in some cases where the administration is not left to the States. There is some data showing discrimination in Public Works where contracts have been let to private contractors by the Federal Government. For example, investigations in the labor camps of the Mississippi River flood-control operations show conclusive evidence of abuses and exploitation of Negro workers in excessively long hours, low wages, over-charging for supplies through a commissary system, physical violence in some cases, and unsanitary overcrowded living conditions. It is also an admitted fact that in the building of Boulder Dam in Colorado contracts were made which so bound the Federal Government that an official of the Department of the Interior in replying to protests against admitted exclusion of Negro workers from employment on the project, stated that the Government "was without jurisdiction and as long as the contractor complies with all the laws and provisions of its contract we cannot intervene." Had there been such a clause against racial discrimination in the law providing for the Boulder Dam project, the contractors would have had to conform.

The foregoing facts and statements are such as to convince any open-minded person that there is need for some clause or clauses in this economic security bill to prevent discrimination on account of race or color so that Federal and State administrators will be required to see that regulations are made and carried out to insure equitable treatment of all irrespective of race or color. It is clear that where such provisions have been put into the organic law they have been effective in preventing racial discrimination; and that where they have not been in the organic law unfair and inequitable distribution of funds and other benefits have been wide-spread and continuously practiced in at least 18 States.

In conclusion allow me to point out some of the specific provisions under the several titles of the Economic Security Bill which could be readily used for discrimination against eligible persons on account of race or color. These are examples of what may happen in the administration of this legislation. Under title I, sub-section 4 (e), a plan for old-age assistance offered by a State authority must furnish "assistance at least great enough to provide, when added to the income of the aged recipient, a reasonable subsistence compatible with decency and health." In many communities there is a prevailing idea

³Dr. Arthur Raper, research and field secretary of the Commission on Interracial Cooperation in Economic Status of the Negro, report prepared by Charles S. Johnson, for the Committee on Findings of the Conference of Economic Status of the Negro in Washington, D. C., May 11-13, 1933, under sponsorship of Julius Rosenwald fund, pp. 26-28.

that Negro persons can have such a reasonable subsistence on less income than a white person. In States and communities, North and South, fair-minded citizens have had to contend strenuously against this notion being made a basis for lower wage rates in the N. R. A. codes, for lower standards for Negroes in relief budgets, and other measures. This idea would very probably be widely used to give less assistance to aged Negroes than to aged whites.

Under title II, sub-section 204 (c), the same standard of reasonable subsistence compatible with decency and health is involved in the approval of State plans for the aid of dependent children. The lack of consideration for the Negro child in nearly all of the southern States and in many of the large northern urban communities is generally known and admitted, and as one may readily prove from the reports of the President's White House Conference on Child Health and Protection.

Under title III, section 301, there is no minimum for wages upon which the earnings taxes shall be based. It commonly is accepted knowledge that the wages of Negro workers are frequently lower than those of white workers in the same plant and on the same jobs or in the same occupations. Wherever there is this discrimination in wages on account of race or color, this bill should provide an equalization of the percentage of the tax to be paid by the employee so that the employer will be required to pay a larger percentage of the tax.

Under title IV, section 403, it is proposed that the appropriations of specified sums be made from the Federal Treasury, of which sums 98 percent is to be apportioned by the Social Insurance Board among the States. Unless this bill requires the distribution of benefits irrespective of race or color there is grave danger that in the regulations governing eligibility and other conditions for receiving benefits unfair practices against Negro aged will arise.

Under title VIII, subsection 701 (a) allotments of Federal funds are provided for "furthering and strengthening State and local health services to mothers and children, extending maternity-nursing services in counties predominantly rural and conducting special demonstration and research in maternal care and other aspects of maternal- and child-health service." In view of the evidence presented above it is clear that specific provision is needed to insure equitable use of these funds and a fair distribution of benefits from their expenditure to Negro mothers and children.

Under title VIII, section 802, such a clause against racial discrimination is needed to insure equitable expenditure of funds for public-health services to Negroes in States where there are separate services provided, and in States where there are no separate service arrangements to insure that doctors, dentists, nurses, and lay workers shall have full opportunity to qualify for such service irrespective of race or color.

The administration, both State and Federal, to be set up by this proposed law will employ a large number of officials, clerks, stenographers, and other employees. Because of wide-spread and continuous exclusion of Negroes from employment in such public service, both State and Federal, North and South, we urge a general clause in this bill providing that no person otherwise eligible shall be excluded on account of race or color from admission to public office or employment in any of the administrative personnel employed to carry out the provisions of this act.

We do not believe that this protection against racial discrimination should be left to the will or discretion of any administrator, because the evidence here presented shows clearly that where this has been done the law has been applied and administered by public authorities so inequitably that wide-spread, unjust, and illegal discrimination between persons has been the result.

On behalf of the department of race relations of the Federal Council of Churches, therefore, I urge upon your committee that under titles I, II, III, IV, VII, and VIII, there be some clause or clauses which will require as a part of plans to be submitted by a State for approval of the Federal administration that there shall be provisions against discrimination on account of race or color. In the case of allotments of Federal funds to the States called for by any provisions of this bill there be a clause or clauses against racial discrimination to the effect that no money shall be paid out to any State or Territory for the support or maintenance of any such plan, program, service, or benefit unless it shall first be shown that such State or Territorial authority will so distribute the funds that the benefits shall be offered to eligible persons irrespective of race or color.

The first witness this afternoon, at the request of Miss Roche, Assistant Secretary of the Treasury, will be Dr. Thomas Parran, of New York, and Dr. Walter Bierring, of Des Moines, Iowa. We understand that they need to take an early train to leave the city this afternoon. We will call Dr. Parran and Dr. Bierring as the first witnesses after lunch.

Mr. LEWIS. Before closing, and with reference to the annuity feature, the voluntary annuity part of the act, I wish to offer for the record the Canadian act on the subject with the Canadian tables and some American company tables for the purposes of comparison.

The CHAIRMAN. The Chair notes there is no objection. They will be put in the record.

(The documents referred to are as follows:)

CANADIAN LAW

AN ACT TO AUTHORIZE THE ISSUE OF GOVERNMENT ANNUITIES FOR OLD AGE

(As amended by Acts 1909, c. 4; 1910, cc. 4 and 5)

(Assented to 20th July, 1908)

Whereas it is in the public interest that habits of thrift be promoted and that the people of Canada be encouraged and aided thereto so that provision may be made for old age; and whereas it is expedient that further facilities be afforded for the attainment of the said objects: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. This Act may be cited as the Government Annuities Act, 1908.

2. In this Act, unless the context otherwise requires:

(a) "Minister" means the Minister appointed by the Governor in Council to administer this Act;

(b) "annuity" means an annuity issued under the provisions of this Act;

(c) "annuitant" means a person in receipt of, or entitled to, the receipt of an annuity;

(d) "purchaser" means any person who has contracted for the purchase of an annuity (1910).

3. Until otherwise determined by the Governor in Council under the provisions of paragraph (a) of section 2, this Act shall be administered by the Minister of Trade and Commerce.*

4. His Majesty, represented and acting by the Minister, may, subject to the provisions of this Act and of any order in council made under the authority of this Act, contract with any person for the sale,—

(a) of an immediate or deferred annuity to any person domiciled in Canada,—

(i) for the life of the annuitant;

(ii) for a term of years certain, not exceeding twenty years, provided the annuitant shall so long live;

(iii) for a term of years certain, not exceeding twenty years, or for the life of the annuitant, whichever period shall be the longer;

(b) of an immediate or deferred annuity to any two persons domiciled in Canada during their joint lives, and with or without continuation to the survivor.

5. The purchaser may, by the payment at any time of a sum of not less than ten dollars, or by the payment of a stipulated sum periodically at fixed and definite intervals, to any agent of the Minister appointed under the provisions of this Act, purchase an annuity under the provisions hereof: *Provided, however,* That the amount payable by way of the annuity so purchased shall be subject to the terms of section 8 (1910).

6. Any purchaser who has money sufficient for the purpose deposited in any Post Office Savings Bank, may, upon making demand in such form as is prescribed in that behalf by the Postmaster General, authorize the Postmaster

* Transferred to the Department of the Postmaster General January 1st, 1912.

General to transfer to the Minister any sum which such person desires to apply to the purchase of an annuity under this Act (1910).

2. Any society or association of persons, being a body corporate for fraternal, benevolent, religious or other lawful purposes, may contract with his Majesty, on behalf of such of its members as are domiciled in Canada, for the sale to such members of annuities otherwise purchasable by them as individuals under this Act; and any sums of money necessary to the carrying out of this object may be paid by such society or association direct to the Minister, or may be deposited in any Post Office Savings Bank, to be transferred by the Postmaster General to the Minister.

3. Employers of labour may, pursuant to agreement entered into with their employers in that behalf (such agreement to be of a form approved by the Minister), contract with His Majesty for the sale to such of their employees as are domiciled in Canada of annuities otherwise purchasable by such employees as individuals under this Act; and any sums of money necessary to the carrying out of this object, whether such sums are derived from the wages of the employees solely, or partly from the wages of the employees and partly from contributions of the employers, or from contributions of the employers solely, may be paid by such employers direct to the Minister, or may be deposited in any Post Office Savings Bank to be transferred by the Postmaster General to the Minister: *Provided*, That unless otherwise expressly stipulated any sums so paid shall be held for the exclusive account of the persons in whose names they were deposited respectively (1910).

7. All contracts for the purchase of annuities shall be entered into in accordance with the values stated in tables prepared under regulations made pursuant to section 13, and for the time being in use.

8. An annuity shall not be granted or issued on the life of any person other than that of the actual annuitant, nor for an amount less than \$10 a year; and the total amount payable by way of an annuity or annuities to any annuitant or to joint annuitants shall not exceed \$1,200 a year.

2. Any contract providing for an annuity to commence to be payable at any greater age than eighty-five years shall as to purchase price be subject to the same terms as if the age were exactly eighty-five years.

3. Except upon the occurrence of invalidity or disablement of an annuitant, no annuity shall be payable or paid to any annuitant unless he has reached the age of fifty-five years.

4. When a married man who has purchased an annuity payable to himself applies to have a portion thereof converted into an annuity payable to his wife, or when a married woman who has purchased an annuity payable to herself applies to have a portion thereof converted into an annuity payable to her husband, the Minister may make such conversion, if,

(a) the application is made within the three months preceding the time when the annuity becomes payable; and

(b) the annuity so made payable to the wife does not exceed one-half of the husband's annuity, or the annuity so made payable to the husband does not exceed one-half of the wife's annuity; and

(c) the provisions of this Act and any regulations made under this Act are complied with (1910).

9. The Minister may refuse to contract for an annuity in any case where he is of opinion that there are sufficient grounds for refusing so to do.

10. Except as otherwise provided in this Act, no property, right, title, benefit, or interest in, under, or arising out of a contract for an annuity shall be transferable, either at law or in equity.

2. The Minister shall not receive nor be affected by notice, however given, of any trust affecting an annuity or affecting moneys paid or payable in respect of an annuity (1910).

11. An annuity and all moneys paid or payable and all rights under an annuity contract shall be exempt from the operation of any law relating to bankruptcy or insolvency, and shall not be seized or levied upon by or under the process or any court; provided, that if the application for an annuity contract is made and the consideration therefor is paid with intent to delay, hinder, or defraud creditors, the creditors shall, upon establishing such intent before a court of competent jurisdiction, be entitled to receive, and the Minister is hereby authorized to pay to them or to any person authorized by the court to receive it on their behalf, any sum paid in by the purchaser with interest thereon at the rate of three percent per annum compounded yearly, or so much thereof as is certified by the court to be required to satisfy the claims of such

creditors, and costs; and thereupon the annuity contract shall be cancelled, or the annuity to become payable thereunder shall be proportionately reduced, according as the whole or a part only of the sum payable as aforesaid is so paid by the Minister; or, if an annuity is then payable under the contract, such payment may be made out of and up to an amount equal to the present value of the annuity so payable, and the contract shall thereupon be cancelled, or the annuity payable thereunder proportionately reduced, according as the whole or a part only of such present value is so paid; provided always, that no action shall be brought for the cancellation of an annuity granted under this Act after the lapse of two years from the time at which the payment complained of has been made (1910).

12. When the annuitant or last survivor of joint annuitants dies before the annuity becomes payable, and any moneys have been paid or deposited as consideration for the annuity, such moneys shall be repaid to the purchaser or to his legal representatives, with interest thereon at the rate of three percent per annum, compounded yearly; provided that if there is an express agreement between the Minister and the purchaser as to dealing with such moneys, then they shall be paid as provided in such agreement.

2. When, under the annuity contract, the annuity is payable for a term of years certain or for the life of the annuitant, whichever period shall be the longer, and the annuitant dies before the expiration of the said term of years certain, the annuity shall, during the unexpired portion of the said term, be paid to the purchaser or to his legal representatives; provided that if there is an express agreement to the contrary between the Minister and the purchaser, the annuity shall be paid as provided in such agreement (1910).

13. The Governor in Council may make regulations not inconsistent with this Act,—

(a) as to the rate of interest to be allowed in the computation of values in the tables hereinafter referred to; and as to the rate of interest to be employed in valuing the annuities as provided for in subsection 2 of section 15;

(b) as to the preparation and use of tables for determining the value of annuities; and the revocation of all or any such tables and the preparation and use of other tables;

(c) as to the mode of making, and the forms of, contracts for annuities, including all requirements as to applications therefor;

(d) as to the selection of agents of the Minister to assist in executing the provisions of this Act, and the remuneration, if any, to such agents therefor;

(e) as to the modes of proving the age and identity and the existence or death of persons;

(f) as to the modes of paying sums of money payable under this Act;

(g) as to dealing with an application of unclaimed annuities;

(h) for the doing of anything incidental to the foregoing matters, or necessary for the effectual execution and working of this Act and the attainment of the intention and objects thereof.

14. The moneys received under the provisions of this Act shall form part of the Consolidated Revenue Fund; and the moneys payable under the said provisions shall be payable out of the said Consolidated Revenue Fund.

15. An account shall be kept, to be called the "Government Annuities Account", of all moneys received and paid out under the provisions of this Act, and of the assets and liabilities appertaining to the grant of annuities under the said provisions; and among the liabilities included in the said account at the end of each fiscal year shall appear the present value of the prospective annuities contracted for up to the end of such fiscal year.

2. The present value referred to in the next preceding subsection shall, as to interest, be calculated upon such rate as is fixed by the Governor in Council, and, as to mortality, upon such rates as are used in preparing the tables approved of by the Governor in Council and for the time being in use, as provided for in paragraph (b) of section 13.

16. There shall be laid before both Houses of Parliament, within the first thirty days of each session thereof, a return containing a full and clear statement and accounts of all business done in pursuance of this Act during the fiscal year next previous to such session, and copies of all regulations made during that fiscal year under the provisions of section 13 of this Act.

ANNUITY TABLES

Showing the cost of deferred and immediate annuities to persons between the ages of 5 and 85 in the ordinary life and 10-year guaranteed plans. Rates for ages over 85 are the same as at 85.

CANADIAN GOVERNMENT ANNUITIES

Rates for deferred annuities—Plan "A"

Yearly payments (which may be split up into weekly, monthly, quarterly, or half-yearly amounts, if desired without any addition to the cost) required for the purchase of an annuity of \$100 beginning at age 50, 55, 60, 65, or 70, and payable quarterly thereafter for life. In the event of death before the first payment of annuity falls due, all payments made, with 4-percent compound interest, will be refunded to the heirs. The cost of each additional \$100 up to \$5,000 is at the same rate. Example: A payment of \$10.61 a year from 20 to 60 will buy an annuity of \$100.

Age last birthday	Yearly rate for annuity of \$100									
	Males					Females				
	Age 50	Age 55	Age 60	Age 65	Age 70	Age 50	Age 55	Age 60	Age 65	Age 70
5	\$10.72	\$7.58	\$5.27	\$3.60	\$2.40	\$11.39	\$8.24	\$5.85	\$4.03	\$2.69
6	11.25	7.93	5.51	3.76	2.50	11.96	8.62	6.12	4.21	2.81
7	11.80	8.31	5.76	3.93	2.61	12.53	9.03	6.40	4.40	2.93
8	12.38	8.70	6.03	4.10	2.73	13.15	9.46	6.69	4.60	3.06
9	13.00	9.12	6.31	4.29	2.85	13.81	9.91	7.00	4.81	3.19
10	13.66	9.56	6.60	4.48	2.97	14.51	10.39	7.32	5.02	3.33
11	14.36	10.02	6.91	4.68	3.11	15.25	10.90	7.67	5.25	3.48
12	15.10	10.51	7.24	4.90	3.24	16.04	11.43	8.03	5.49	3.64
13	15.89	11.04	7.58	5.12	3.39	16.87	12.00	8.41	5.74	3.80
14	16.73	11.59	7.94	5.36	3.54	17.77	12.60	8.81	6.01	3.97
15	17.62	12.17	8.33	5.61	3.70	18.72	13.23	9.24	6.29	4.15
16	18.58	12.79	8.73	5.87	3.87	19.74	13.91	9.69	6.58	4.34
17	19.60	13.45	9.16	6.15	4.05	20.82	14.63	10.16	6.89	4.54
18	20.70	14.16	9.62	6.44	4.23	21.99	15.39	10.67	7.22	4.74
19	21.88	14.91	10.10	6.75	4.43	23.24	16.21	11.20	7.57	4.96
20	23.14	15.71	10.61	7.08	4.64	24.58	17.07	11.77	7.93	5.19
21	24.50	16.56	11.15	7.42	4.85	26.03	18.00	12.37	8.32	5.44
22	25.97	17.47	11.72	7.78	5.08	27.59	18.99	13.01	8.73	5.69
23	27.57	18.45	12.34	8.17	5.32	29.28	20.06	13.69	9.16	5.99
24	29.29	19.50	12.99	8.58	5.58	31.11	21.20	14.41	9.62	6.25
25	31.16	20.62	13.69	9.01	5.85	33.10	22.42	15.18	10.10	6.55
26	33.21	21.84	14.43	9.47	6.13	35.28	23.74	16.01	10.62	6.87
27	35.44	23.15	15.22	9.96	6.43	37.65	25.17	16.89	11.17	7.21
28	37.90	24.57	16.08	10.48	6.75	40.26	26.71	17.83	11.75	7.57
29	40.60	26.10	16.99	11.04	7.09	43.13	28.38	18.85	12.37	7.94
30	43.59	27.77	17.97	11.63	7.45	46.30	30.20	19.94	13.04	8.35
31	46.90	29.60	19.03	12.26	7.83	49.82	32.18	21.11	13.74	8.77
32	50.61	31.59	20.17	12.93	8.23	53.76	34.34	22.38	14.50	9.23
33	54.77	33.77	21.41	13.66	8.66	58.18	36.72	23.75	15.31	9.71
34	59.47	36.18	22.75	14.43	9.12	63.17	39.33	25.24	16.18	10.22
35	64.82	38.84	24.20	15.27	9.61	68.85	42.23	26.85	17.12	10.77
36	70.95	41.80	25.79	16.17	10.13	75.37	45.44	28.61	18.13	11.35
37	78.06	45.10	27.53	17.14	10.69	82.92	49.03	30.54	19.21	11.98
38	86.38	48.81	29.43	18.19	11.29	91.75	53.06	32.65	20.39	12.65
39	96.24	53.00	31.53	19.32	11.93	102.23	57.62	34.98	21.67	13.37
40	108.10	57.77	33.85	20.56	12.62	114.83	62.80	37.55	23.05	14.14
41	122.64	63.24	36.43	21.91	13.36	130.28	68.75	40.41	24.57	14.97
42	140.86	69.57	39.30	23.38	14.16	149.62	75.63	43.60	26.22	15.87
43	164.33	76.98	42.53	25.00	15.03	174.55	83.69	47.19	28.03	16.84
44	195.67	85.77	46.18	26.79	15.97	207.85	93.24	51.24	30.03	17.90
45	239.63	96.34	50.34	28.76	16.99	254.54	104.74	55.85	32.24	19.04
46	305.74	109.30	55.10	30.95	18.11	324.79	118.82	61.13	34.70	20.29
47	416.51	125.54	60.62	33.39	19.33	442.48	136.47	67.26	37.41	21.66
48	639.29	146.45	67.08	36.13	20.66	679.40	159.21	74.42	40.51	23.16
49	1,310.53	174.39	74.74	39.24	22.14	1,394.13	189.58	82.92	43.99	24.81
50		213.56	83.95	42.76	23.76		232.17	93.14	47.95	26.63
51		272.40	95.25	46.81	25.57		296.15	105.07	52.49	28.66
52		371.19	109.39	51.50	27.59		403.55	121.36	57.74	30.93
53		570.10	127.62	56.99	29.86		619.93	141.58	63.90	33.47
54		1,170.02	151.96	63.49	32.43		1,273.21	168.59	71.19	36.34
55			186.10	71.32	35.34			206.46	79.97	39.61
56			237.36	80.91	38.69			263.34	90.72	43.36
57			323.57	92.93	42.56			358.92	104.20	47.70
58			497.43	108.42	47.09			561.67	121.56	52.78
59			1,022.65	129.10	52.47			1,134.11	144.75	58.81
60				158.10	58.94				177.26	66.06
61				201.64	66.87				226.10	74.94
62				275.05	76.80				308.28	86.07
63				423.45	89.59				474.24	100.41
64				872.78	106.69				976.47	119.57
65					130.65					146.42
66					166.62					186.74
67					227.48					254.80
68					350.98					392.64
69					726.13					810.85

Deferred annuities guaranteed for 10 years, but payable thereafter as long as annuitant lives

Yearly payments (which may be split up into weekly, monthly, quarterly, or half-yearly amounts if desired, without additional cost) required for the purchase of a guaranteed annuity of \$100 beginning at age 50, 55, 60, 65, or 70. In the event of death at any time before the first payment of annuity falls due, all payments made, with 4 percent compound interest, will be refunded to heirs. In the event of death within the first 10 years after the annuity becomes payable the payments will be continued for the full 10 years as the purchaser may direct. If the annuitant survives the 10 years the annuity will be continued thereafter as long as the annuitant lives. The cost of each additional \$100 up to \$5,000 is at the same rate. The annuity will be paid in installments of \$25 every 3 months.

Example: A man aged 20 purchasing a guaranteed annuity of \$100 to begin at age 60 would pay in \$11.83 a year for 40 years, or a total of \$473.20.

If he should die at any time before the annuity fell due, all that he had paid in, with 4 percent compound interest, would be returned to his heirs.

If he should die after the last premium had been paid, and just before the annuity fell due, the Government would return to his heirs the sum of \$1,157.76.

If he died after receiving one payment of annuity the Government would pay to his heirs \$25 every 3 months until the whole of the \$1,000 guaranteed had been paid.

Commencing age (last birthday)	Yearly rate for annuity of \$100									
	Males					Females				
	Age 50	Age 55	Age 60	Age 65	Age 70	Age 50	Age 55	Age 60	Age 65	Age 70
5	\$11.24	\$8.13	\$5.88	\$4.27	\$3.15	\$11.88	\$8.69	\$6.31	\$4.54	\$3.29
6	11.79	8.51	6.15	4.46	3.28	12.45	9.10	6.59	4.74	3.43
7	12.37	8.91	6.43	4.66	3.43	13.06	9.53	6.89	4.96	3.58
8	12.98	9.34	6.72	4.87	3.58	13.71	9.98	7.21	5.18	3.74
9	13.63	9.78	7.04	5.09	3.74	14.40	10.46	7.55	5.41	3.90
10	14.32	10.26	7.36	5.32	3.90	15.13	10.97	7.90	5.66	4.08
11	15.05	10.76	7.71	5.56	4.07	15.90	11.50	8.27	5.91	4.26
12	15.83	11.28	8.07	5.82	4.26	16.72	12.06	8.66	6.18	4.45
13	16.66	11.84	8.45	6.08	4.45	17.59	12.66	9.07	6.47	4.65
14	17.54	12.44	8.86	6.36	4.65	18.52	13.29	9.50	6.77	4.86
15	18.48	13.06	9.29	6.66	4.86	19.51	13.97	9.96	7.08	5.08
16	19.48	13.73	9.74	6.97	5.08	20.57	14.68	10.45	7.41	5.31
17	20.55	14.44	10.22	7.30	5.31	21.71	15.44	10.96	7.76	5.55
18	21.70	15.19	10.72	7.65	5.55	22.92	16.24	11.50	8.13	5.81
19	22.94	16.00	11.26	8.02	5.81	24.23	17.10	12.08	8.52	6.07
20	24.26	16.86	11.83	8.40	6.08	25.63	18.02	12.69	8.93	6.36
21	25.69	17.77	12.43	8.81	6.37	27.14	19.00	13.33	9.37	6.65
22	27.23	18.75	13.07	9.24	6.67	28.76	20.04	14.02	9.83	6.97
23	28.90	19.80	13.76	9.70	6.98	30.53	21.17	14.76	10.31	7.30
24	30.71	20.92	14.49	10.19	7.32	32.44	22.37	15.54	10.83	7.65
25	32.68	22.13	15.26	10.70	7.67	34.51	23.66	16.37	11.38	8.02
26	34.82	23.44	16.09	11.25	8.04	36.77	25.06	17.26	11.96	8.41
27	37.16	24.84	16.98	11.83	8.44	39.25	26.56	18.21	12.57	8.82
28	39.73	26.37	17.93	12.45	8.86	41.97	28.19	19.23	13.23	9.26
29	42.57	28.02	18.95	13.10	9.30	44.96	29.95	20.32	13.93	9.72
30	45.70	29.81	20.04	13.81	9.77	48.27	31.87	21.49	14.68	10.21
31	49.18	31.76	21.22	14.56	10.27	51.94	33.96	22.76	15.48	10.73
32	53.06	33.90	22.50	15.36	10.80	56.04	36.24	24.13	16.33	11.29
33	57.42	36.25	23.87	16.22	11.36	60.65	38.75	25.60	17.24	11.88
34	62.35	38.83	25.37	17.14	11.96	65.86	41.51	27.21	18.22	12.51
35	67.96	41.69	26.99	18.13	12.61	71.78	44.57	28.95	19.28	13.18
36	74.39	44.86	28.76	19.20	13.29	78.57	47.96	30.85	20.41	13.89
37	81.84	48.41	30.70	20.35	14.02	86.44	51.75	32.92	21.64	14.66
38	90.57	52.39	32.82	21.60	14.81	95.65	56.00	35.20	22.96	15.48
39	100.90	56.88	35.16	22.95	15.65	106.57	60.81	37.71	24.40	16.36
40	113.34	62.00	37.75	24.42	16.55	119.71	66.28	40.48	25.96	17.30
41	128.59	67.87	40.62	26.02	17.53	135.81	72.55	43.57	27.66	18.32
42	147.69	74.66	43.83	27.77	18.58	155.98	79.82	47.01	29.52	19.42
43	172.29	82.62	47.43	29.69	19.72	181.97	88.32	50.87	31.57	20.61
44	205.16	92.05	51.50	31.81	20.95	216.68	98.41	55.24	33.82	21.90
45	251.24	103.40	56.13	34.15	22.29	265.36	110.54	60.21	36.30	23.30
46	320.51	117.31	61.45	36.75	23.76	338.52	125.41	65.91	39.07	24.83
47	436.28	134.73	67.60	39.65	25.35	460.82	144.03	72.51	42.15	26.50
48	668.50	157.18	74.81	42.91	27.11	706.30	168.03	80.23	45.62	28.33
49	1,366.82	187.16	83.34	46.59	29.04	1,445.00	200.08	89.39	49.53	30.35
50		229.20	93.62	50.78	31.18		245.03	100.41	53.99	32.59
51		292.32	106.21	55.59	33.55		312.52	113.92	59.10	35.07
52		397.91	121.99	61.16	36.20		425.43	130.83	65.02	37.84
53		609.75	142.31	67.68	39.18		652.09	152.63	71.95	40.95
54		1,246.90	169.46	75.40	42.54		1,334.23	181.75	80.16	44.46
55			207.52	84.70	46.37			222.58	90.04	48.46
56			264.66	96.09	50.76			283.86	102.15	53.05
57			360.26	110.36	55.84			386.41	117.33	58.36
58			552.08	128.75	61.79			592.25	136.87	64.58
59			1,129.13	153.31	68.84			1,211.71	162.98	71.95
60				187.74	77.33				199.60	80.82
61				239.42	87.73				254.54	91.70
62				325.89	100.76				346.48	105.31

Deferred annuities guaranteed for 10 years, but payable thereafter as long as annuitant lives—Continued

Commencing age (last birthday)	Yearly rate for annuity of \$100									
	Males					Females				
	Age 50	Age 55	Age 60	Age 65	Age 70	Age 50	Age 55	Age 60	Age 65	Age 70
63				\$499.39	\$117.55				\$530.99	\$122.86
64				1,021.37	139.97				1,086.21	146.30
65					171.41					179.16
66					218.58					228.46
67					297.50					310.96
68					455.80					476.47
69					931.99					974.45

Table of rates for an immediate life annuity guaranteed payable in any event for 10 years

[Annuity to be paid quarterly, the first instalment 3 months after purchase]

Age last birthday	Males		Females		Age last birthday	Males		Females	
	Amount payable for annuity of \$100 guaranteed 10 years	Annuity guaranteed 10 years obtainable for a payment of \$1,000	Amount payable for annuity of \$100 guaranteed 10 years	Annuity guaranteed 10 years obtainable for a payment of \$1,000		Amount payable for annuity of \$100 guaranteed 10 years	Annuity guaranteed 10 years obtainable for a payment of \$1,000	Amount payable for annuity of \$100 guaranteed 10 years	Annuity guaranteed 10 years obtainable for a payment of \$1,000
5	\$2,118	\$47.21	\$2,129	\$46.97	46	\$1,483	\$67.43	\$1,552	\$64.43
6	2,109	47.42	2,120	47.17	47	1,460	68.49	1,532	65.27
7	2,098	47.66	2,110	47.39	48	1,436	69.64	1,512	66.14
8	2,087	47.92	2,099	47.64	49	1,412	70.82	1,491	67.07
9	2,075	48.19	2,087	47.92	50	1,388	72.05	1,470	68.03
10	2,063	48.47	2,075	48.19	51	1,363	73.37	1,448	69.06
11	2,051	48.76	2,064	48.45	52	1,339	74.68	1,426	70.13
12	2,039	49.04	2,052	48.73	53	1,314	76.10	1,403	71.28
13	2,027	49.33	2,040	49.02	54	1,290	77.52	1,380	72.46
14	2,015	49.63	2,029	49.29	55	1,265	79.05	1,356	73.75
15	2,003	49.93	2,017	49.58	56	1,241	80.58	1,332	75.08
16	1,991	50.23	2,005	49.88	57	1,217	82.17	1,307	76.51
17	1,979	50.53	1,994	50.16	58	1,193	83.82	1,282	78.00
18	1,967	50.84	1,982	50.45	59	1,169	85.54	1,256	79.62
19	1,955	51.15	1,971	50.74	60	1,145	87.34	1,230	81.30
20	1,943	51.47	1,960	51.02	61	1,122	89.13	1,204	83.06
21	1,931	51.79	1,948	51.33	62	1,100	90.91	1,178	84.89
22	1,918	52.14	1,937	51.63	63	1,078	92.76	1,152	86.81
23	1,906	52.47	1,924	51.98	64	1,057	94.61	1,127	88.73
24	1,882	52.85	1,912	52.30	65	1,036	96.53	1,102	90.74
25	1,879	53.22	1,899	52.66	66	1,016	98.43	1,077	92.85
26	1,865	53.62	1,886	53.02	67	997	100.30	1,054	94.88
27	1,850	54.05	1,872	53.42	68	979	102.15	1,031	96.99
28	1,836	54.50	1,858	53.82	69	962	103.95	1,009	99.11
29	1,821	54.98	1,844	54.23	70	946	105.71	988	101.21
30	1,803	55.46	1,829	54.67	71	930	107.53	969	103.20
31	1,787	55.96	1,814	55.13	72	916	109.17	951	105.15
32	1,770	56.50	1,798	55.62	73	903	110.74	934	107.07
33	1,752	57.08	1,783	56.09	74	892	112.11	918	108.93
34	1,734	57.67	1,767	56.59	75	881	113.51	904	110.62
35	1,716	58.28	1,750	57.14	76	871	114.81	891	112.23
36	1,697	58.93	1,733	57.70	77	862	116.01	880	113.64
37	1,678	59.59	1,717	58.24	78	855	116.96	870	114.94
38	1,658	60.31	1,699	58.85	79	848	117.92	861	116.14
39	1,637	61.09	1,682	59.45	80	843	118.62	853	117.23
40	1,617	61.84	1,664	60.10	81	838	119.33	846	118.20
41	1,595	62.70	1,646	60.75	82	834	119.90	841	119.11
42	1,574	63.53	1,628	61.43	83	831	120.34	836	119.62
43	1,552	64.43	1,610	62.11	84	828	120.77	832	120.19
44	1,529	65.40	1,591	62.85	85	826	121.07	829	120.63
45	1,506	66.40	1,572	63.61					

Rates for immediate annuities

[Annuities payable quarterly; first instalment 3 months after purchase]

Age last birthday	Males		Females		Age last birthday	Males		Females	
	Amount required for a life annuity of \$100	Life annuity to be secured by payment of \$1,000	Amount required for a life annuity of \$100	Life annuity to be secured by payment of \$1,000		Amount required for a life annuity of \$100	Life annuity to be secured by payment of \$1,000	Amount required for a life annuity of \$100	Life annuity to be secured by payment of \$1,000
5	\$2,110	\$47.30	\$2,121	\$47.15	46	\$1,441	\$69.40	\$1,512	\$66.14
6	2,101	47.60	2,112	47.35	47	1,415	70.67	1,490	67.11
7	2,091	47.82	2,103	47.55	48	1,388	72.05	1,468	68.12
8	2,079	48.10	2,092	47.80	49	1,361	73.48	1,446	69.16
9	2,067	48.38	2,079	48.10	50	1,334	74.96	1,423	70.27
10	2,054	48.69	2,067	48.38	51	1,306	76.57	1,400	71.43
11	2,041	49.00	2,054	48.69	52	1,278	78.25	1,376	72.67
12	2,028	49.31	2,041	49.00	53	1,249	80.06	1,351	74.02
13	2,015	49.63	2,028	49.31	54	1,220	81.97	1,326	75.41
14	2,003	49.93	2,016	49.60	55	1,190	84.05	1,299	76.95
15	1,990	50.25	2,003	49.93	56	1,160	86.15	1,272	78.60
16	1,977	50.58	1,991	50.23	57	1,131	88.45	1,244	80.35
17	1,964	50.92	1,979	50.53	58	1,100	90.85	1,216	82.25
18	1,951	51.26	1,966	50.86	59	1,070	93.45	1,186	84.30
19	1,938	51.60	1,954	51.18	60	1,040	96.20	1,156	86.50
20	1,926	51.92	1,943	51.47	61	1,009	99.10	1,125	88.90
21	1,914	52.25	1,931	51.79	62	979	102.20	1,093	91.50
22	1,901	52.60	1,919	52.11	63	948	105.45	1,061	94.25
23	1,888	52.97	1,907	52.44	64	918	109.00	1,028	97.30
24	1,874	53.35	1,894	52.80	65	887	112.70	994	100.55
25	1,860	53.76	1,881	53.16	66	857	116.70	961	104.10
26	1,846	54.17	1,867	53.56	67	827	120.95	927	107.90
27	1,831	54.61	1,853	53.91	68	797	125.45	893	112.00
28	1,815	55.10	1,833	54.41	69	767	130.30	859	116.45
29	1,799	55.69	1,823	54.85	70	738	135.50	825	121.20
30	1,782	56.12	1,808	55.31	71	709	141.00	792	126.30
31	1,765	56.66	1,792	55.80	72	681	146.90	759	131.75
32	1,747	57.24	1,776	56.31	73	653	153.20	727	137.60
33	1,729	57.84	1,759	56.85	74	625	159.95	695	143.85
34	1,710	58.48	1,742	57.41	75	598	167.15	664	150.60
35	1,691	59.14	1,725	57.97	76	572	174.90	634	157.75
36	1,671	59.84	1,707	58.58	77	546	183.15	604	165.45
37	1,651	60.57	1,689	59.21	78	521	192.00	576	173.70
38	1,629	61.39	1,670	59.88	79	496	201.50	548	182.55
39	1,608	62.19	1,652	60.53	80	472	211.70	521	192.05
40	1,586	63.05	1,633	61.24	81	449	222.60	495	202.15
41	1,563	63.98	1,613	62.00	82	427	234.30	469	213.05
42	1,539	64.98	1,594	62.74	83	405	246.85	445	224.75
43	1,516	65.96	1,574	63.53	84	384	260.35	421	237.25
44	1,491	67.07	1,553	64.39	85	364	274.85	399	250.75
45	1,466	68.21	1,533	65.23					

LUMP SUM ANNUITY—EXAMPLE OF THE IMMEDIATE LAST SURVIVOR ANNUITY

A man's age is 66; his wife's, 62. Of course, they do not know how long either will live or which will live longer but they want to be assured of an income while they both live which will be continued after the death of one for the life of the survivor. This is called an immediate "Joint and survivor annuity,"—two-life annuity or a last-survivor annuity.

How much will it cost? Look down column marked "age of male" to age 66. Follow the dotted line across to the one headed 62 under age of female. The figure \$1,243 represents the amount that the man would have to pay the Canadian Government now for a two-life annuity of \$100 per year, payable in quarterly installments of \$25 each, the first installment to start 3 months from now. An immediate two-life annuity of \$200 or \$300 per year will cost respectively 2 and 3 times as much or \$2,486 and \$3,729

EXAMPLE OF THE DEFERRED LAST-SURVIVOR ANNUITY WITH 10-YEAR CERTAIN
GUARANTEE

A man age 40 whose wife is 35 wants to be sure of an income which will start when he is 60 and be payable to himself and wife jointly until the death of one and then during the life of the survivor.

How much will it cost per year?

Look down column marked "age of male" to age 40; then follow dotted line across to column 35 under "age of female." The figure \$48.29 is the amount he must deposit with the Government each year to obtain a 2-life annuity of \$100 per year beginning when he is age 60.

If both he and his wife died before the annuity fell due, all that they had paid in with 4 percent compound interest would be returned to their heirs.

If both annuitants died after their income had started, the Government would continue paying to their heirs for the balance of 10 years or until a total of \$1,000 had been paid.

This chart is similar to the one on the preceding page except that it shows cost of an annuity to start when the man is 65 instead of 60.

Using the 40 and 35 example it will be seen that the cost—\$31.03 per year—is much lower than the \$48.29 on the opposite page for two reasons: The man pays \$31.03, 5 years longer than he pays the \$48.29, and he and his wife will both be 5 years older when the income starts, which means that the Government will not have to pay them so long.

Rates for deferred last survivor annuities, Plan "A", guaranteed 10 years

[If both annuitants died at any time before the Annuity fell due, all that they had paid in, with 4 percent compound interest, would be returned to their heirs. If both annuitants died after receiving one payment of annuity the Government would pay to their heirs \$25 every 3 months until the whole of the \$1,000 guaranteed had been paid. Annual payments required to be made for the purchase of a deferred annuity, guaranteed 10 years, of \$100 on the joint lives of male and female, to commence when the male is aged 65]

Age of male	Age of female																																													
	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65								
30	\$16.74	\$16.49	\$16.24	\$16.00	\$15.78	\$15.56	\$15.36	\$15.17																																						
31	17.93	17.65	17.38	17.12	16.87	16.63	16.41	16.19	\$16.00																																					
32	19.22	18.92	18.63	18.34	18.07	17.80	17.55	17.31	17.09	\$16.88																																				
33	20.61	20.29	19.98	19.67	19.37	19.08	18.80	18.53	18.28	18.04	\$17.82																																			
34	22.12	21.78	21.44	21.11	20.79	20.47	20.16	19.87	19.59	19.32	\$18.83																																			
35	23.76	23.40	23.04	22.68	22.33	21.99	21.65	21.33	21.02	20.72	20.44	20.17	\$19.92																																	
36	25.55	25.16	24.78	24.40	24.02	23.65	23.28	22.93	22.58	22.25	21.94	21.64	21.36	\$21.10																																
37	27.49	27.08	26.67	26.27	25.86	25.46	25.07	24.68	24.30	23.94	23.59	23.26	22.94	22.64	\$22.36																															
38	29.60	29.17	28.74	28.31	27.88	27.45	27.02	26.60	26.19	25.79	25.41	25.03	24.68	24.34	24.03	\$23.73																														
39		31.45	30.99	30.54	30.08	29.62	29.17	28.71	28.27	27.83	27.41	27.00	26.60	26.22	25.87	25.53	\$25.22																													
40			33.46	32.98	32.49	32.00	31.52	31.03	30.55	30.08	29.61	29.16	28.72	28.30	27.90	27.52	27.16	\$26.83																												
41				35.06	34.52	34.02	34.10	33.58	33.07	32.55	32.05	31.55	31.07	30.61	30.16	29.73	29.33	28.95	\$28.59																											
42					38.06	37.51	36.95	36.40	35.84	35.29	34.74	34.21	33.68	33.16	32.67	32.19	31.73	31.30	30.89	\$30.52																										
43						40.69	40.10	39.51	38.92	38.32	37.74	37.15	36.57	36.01	35.46	34.93	34.42	33.93	33.47	33.03	\$32.63																									
44							43.59	42.96	42.33	41.69	41.06	40.42	39.80	39.18	38.58	37.99	37.42	36.87	36.35	35.85	35.39	\$34.95																								
45								46.80	46.12	45.44	44.76	44.08	43.40	42.72	42.06	41.41	40.78	40.17	39.58	39.02	38.49	37.99	\$37.52																							
46									50.36	49.63	48.90	48.17	47.43	46.70	45.98	45.27	44.57	43.89	43.23	42.60	41.99	41.42	40.88	\$40.38																						
47										54.34	53.55	52.76	51.97	51.18	50.39	49.61	48.84	48.09	47.35	46.64	45.96	45.31	44.70	44.11	\$43.57																					
48											58.80	57.96	57.10	56.24	55.39	54.54	53.69	52.86	52.04	51.25	50.48	49.74	49.04	48.37	47.74	\$47.15																				
49												63.85	62.93	62.00	61.07	60.14	59.22	58.29	57.39	56.51	55.64	54.81	54.01	53.25	52.52	\$51.83																				
50													69.59	68.59	67.58	66.56	65.55	64.54	63.54	62.55	61.59	60.65	59.74	58.87	58.03	57.24	56.50	\$55.80																		
51														76.18	75.08	73.97	72.87	71.76	70.65	69.55	68.48	67.42	66.39	65.40	64.44	63.53	62.66	61.85	\$61.09																	
52															83.81	80.16	77.73	75.33	72.94	70.59	68.28	65.93	63.54	61.11	58.65	56.17	53.67	51.15	\$67.20																	
53																92.74	87.35	84.67	81.74	78.57	75.16	71.63	68.00	64.28	60.48	56.61	52.68	48.70	\$74.36																	
54																	101.84	100.33	98.83	97.32	95.83	94.34	92.87	91.44	90.05	88.70	87.40	86.16	\$82.85																	
55																		116.07	114.39	112.70	111.01	109.32	107.64	105.97	104.33	102.72	101.15	99.64	98.18	96.79	95.47	94.22	\$93.07													
56																			131.08	129.78	127.86	125.94	124.03	122.12	120.22	118.36	116.53	114.75	113.04	111.38	109.81	108.31	106.90	\$105.59												
57																				151.24	149.06	146.85	144.65	142.45	140.26	138.08	135.94	133.84	131.79	129.82	127.93	126.11	124.40	122.77	\$121.27											
58																					176.43	173.89	171.32	168.75	166.18	163.62	161.08	158.58	156.14	153.75	151.45	149.24	147.13	145.12	143.23	\$141.47										
59																						210.09	207.06	204.00	200.94	197.88	194.84	191.81	188.84	185.92	183.08	180.35	177.71	175.19	172.81	\$170.55										
60																							257.28	253.57	249.83	246.08	242.33	238.60	234.69	231.25	227.69	224.21	220.86	217.63	214.55	211.62	\$208.86									

Lump-sum payments required to purchase an annuity of \$100 per year payable immediately of Canadian Government and American companies

Age	Canadian Government 4-percent basis	American companies 3½-percent basis, non-participating	Equitable Co. 3-percent basis, participating
50.....	\$1,334	\$1,471.10	\$1,689.80
55.....	1,190	1,315.00	1,502.30
60.....	1,040	1,153.10	1,310.80
65.....	887	990.00	1,120.40
70.....	738	830.70	936.60

I am advised that the companies now felt constrained to withdraw their 3½ percent nonparticipating annuity contracts from motives of prudence; and that only the 3-percent annuities (last column) are now available. These are participating and, they hope, will yield dividends commensurate with the 3½ percent nonparticipating contracts hitherto available. The Bureau of the Budget has supplied me with the following data showing the average rates of interest paid by the Treasury on outstanding bonds.

	Base amount of bonds outstanding	Annual interest charge	Annual average rate
			<i>Percent</i>
Dec. 31, 1932.....	\$14,222,970,490	\$541,408,000	3.806
Dec. 31, 1933.....	15,569,120,180	589,998,000	3.789
Dec. 31, 1934.....	16,245,192,550	573,357,000	3.529

The CHAIRMAN: We will take a recess until 2 o'clock.

(Whereupon, at 12:30 p. m., a recess was taken until 2 p. m. of the same day.)

AFTERNOON SESSION

The recess having expired, the committee reconvened at 2 p. m., Hon. Samuel B. Hill presiding.

Mr. HILL. We will hear Mr. M. L. Brown, of Columbus, Ohio.

Mr. Brown, will you please state your name and address and the capacity in which you appear?

STATEMENT OF M. L. BROWN REPRESENTING THE OLD-AGE PENSION BUREAU OF OHIO, COLUMBUS, OHIO

Mr. BROWN. My name is M. L. Brown, of Columbus, Ohio. I am the State secretary of the Fraternal Order of Eagles and the present chief of the division of aid for the aged, in Columbus, Ohio.

By way of preliminary I want to say that I am not a doctor; I am not a lawyer; I am not an orator; I am not a welfare worker. Neither am I an economist. But I have been identified with old-age pensions since 1921 and with the efforts of the Fraternal Order of Eagles in enacting laws in 29 States of the Union.

I am not identified with any organization that has attempted to collect money or to promote the cause of old-age assistance.

I understand that there is a limit on the time of each witness?

Mr. HILL. Five minutes.

Mr. BROWN. I have prepared quite a lengthy statement that I would not be able to deliver in 5 minutes. I have prepared a good