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INVESTIGATION OF IMPROPER ACTIVITIES IN THE  
LABOR OR MANAGEMENT FIELD

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HEARINGS  
BEFORE THE  
SELECT COMMITTEE  
ON IMPROPER ACTIVITIES IN THE  
LABOR OR MANAGEMENT FIELD  
EIGHTY-FIFTH CONGRESS  
FIRST SESSION

PURSUANT TO SENATE RESOLUTION 74, 85TH CONGRESS

---

MARCH 12, 13, 14, AND 15, 1957

---

PART 3

---

Printed for the use of the Select Committee on Improper Activities in the  
Labor or Management Field





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UNITED STATES  
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**MAY 3 - 1957**

**SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR  
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**BARRY GOLDWATER**, Arizona

**ROBERT F. KENNEDY**, *Chief Counsel*

**RUTH YOUNG WATT**, *Chief Clerk*



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# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, MARCH 12, 1957

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10:00 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the Caucus Room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Karl E. Mundt, Republican, South Dakota; and Senator Barry Goldwater, Republican, Arizona; also present Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; and Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, Goldwater, and Ervin.)

The CHAIRMAN. Counsel, call your next witness.

Mr. KENNEDY. Mr. Clyde Crosby.

## TESTIMONY OF CLYDE C. CROSBY; ACCOMPANIED BY HIS COUNSEL, WARREN E. MAGEE—Resumed

The CHAIRMAN. Have a seat, Mr. Crosby. You are the same Clyde Crosby who testified before this committee last week?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. You will remain under the same oath that was administered to you at that time, and you acknowledge that; do you?

Mr. CROSBY. Yes, sir. Mr. Chairman, I wonder if I might ask your indulgence for a second to introduce what I think is very important evidence to this committee in relation to testimony made by other parties. That is documented and it is sworn to, and I believe will meet your requirements in that respect.

The CHAIRMAN. You may submit any documents you have to the committee for its inspection.

Mr. CROSBY. I would like to read it, if I may.

The CHAIRMAN. No, sir; you will have to submit it to the committee. We require that, and that is the rule of the committee.

Mr. CROSBY. In that event, Mr. Chairman, I want to have copies made of it, so that I can retain a personal copy.

The CHAIRMAN. You may have copies made of it, or the original will be returned to you, either way. If you desire, you may have a copy made, and you may retain the original, if you desire, and submit a copy to the committee, just so it is an exact copy.

Mr. CROSBY. I did not receive them until late last night, and I did not have an opportunity to make copies.

The CHAIRMAN. You will be permitted to make copies, submit them to the committee for its consideration. The committee cannot just accept any kind of a document admitted into evidence until it has had an opportunity to examine it.

Mr. MAGEE. May I make a statement to the Chair, sir?

The CHAIRMAN. You may.

Mr. MAGEE. Friday afternoon your counsel, Mr. Kennedy, called me and advised me that the committee had met and had ordered Mr. Crosby to produce the wire recordings which he described in his testimony. I told Mr. Kennedy that we would make every effort to have them here this morning, and we obtained them, and they came in on the plane at 11 o'clock last night from Oregon. I have the nine copies here which I am ready to deliver to the committee now.

The CHAIRMAN. That was the purpose, I may say, of recalling Mr. Crosby at this time. The Chair will question him about them.

Mr. Crosby, you have heard the statement of your counsel that you have nine wire recordings; is that correct?

Mr. CROSBY. I have nine pieces of material, Mr. Chairman, of which I am not well enough informed about to be able to tell you how much testimony is on them. But it is the entire amount of spools of wire that I had in my possession.

Now, some of them carry the conversations that are of interest to this committee. Others, I believe, are blank. But all I could do was to have the whole works shipped out here because I wanted to comply with the committee's request.

The CHAIRMAN. Are there included in the nine pieces of material, as you referred to it, or wire recordings—are there included all of those that you made copies of at that time you were in Mr. Brad Williams' home, when he played for you and permitted you to copy the recordings, the tape recordings that were seized under the warrant that was issued to search Mr. Ray Clark's home, and which search warrant was later held to be fraudulent or illegal? Are these the recordings that you are now turning over to the committee, and are they included in this group of nine reels of wire, or whatever it is you are turning over?

Mr. CROSBY. The entire substance is included; yes.

The CHAIRMAN. All right. Thank you, very much.

Mr. KENNEDY. Are those the only copies that you have?

Mr. CROSBY. Yes.

(The witness consulted with this counsel.)

Mr. CROSBY. I would like to know if I may have them back after you are through, Mr. Kennedy, with them? I think it might have some bearing on some of the proceedings that will take place in the State of Oregon. I don't know whether you are going to give them back or not, but I am at least going to make the request.

The CHAIRMAN. So far as the Chair can determine now, there is no reason why, if they are needed by either you or the State or any other

tribunal of interested parties in a proceeding, there is no reason so far as the Chair knows now that they cannot be made available. The committee is not familiar with their contents. We will of course play them and have the staff play them and evaluate them. But I would think, sir, that if there is anything in there of any value to you and you consider it of any value to you, either the original will be supplied you, or copy thereof.

Is there anything further, Mr. Kennedy?

Mr. KENNEDY. I have nothing at this time.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. There were no copies made from these wire tapes for anyone?

Mr. CROSBY. No. As a matter of fact, I heard them in their full degree at the time they were being recorded. One other time in my home, I played them for my own edification, and after about an hour of it I got disgusted and quit and rewound it, and you have them now as they were since that time.

Mr. KENNEDY. None of them has been demagnetized at all?

Mr. CROSBY. I don't even know what that means.

Mr. KENNEDY. None of the voices have been taken off the wire at all?

Mr. CROSBY. Certainly I am not qualified to do that, and I am sure that has not happened to these.

Mr. KENNEDY. That is all at this time.

The CHAIRMAN. These nine reels of wire may be exhibit No. 45 for reference.

(The items referred to were marked "Exhibit No. 45" and may be found in the files of the select committee.)

The CHAIRMAN. Mr. Crosby, will you step aside for a moment. We have another matter that we wish to proceed with if we are ready.

Everyone can be at ease for a few moments. We are waiting for a messenger before we can proceed with the other matter, so that you may be at ease for a little while.

(Present at the taking of the recess, the chairman, Senators Ives, Ervin, McNamara, Mundt, and Goldwater.)

(Short recess.)

(Present at reconvening following the recess, the chairman, Senators, Ives, Ervin, McNamara, Mundt, and Goldwater.)

The CHAIRMAN. The committee will be in order.

Call your next witness, Mr. Counsel.

Mr. KENNEDY. Mayor Schrunk.

#### TESTIMONY OF TERRY D. SCHRUNK, ACCOMPANIED BY HIS COUNSEL, MARSHALL I. STEWART—Resumed

The CHAIRMAN. Mayor Schrunk, you appeared before the committee last week, and testified under oath?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You acknowledge you are under the same oath as you testify today?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. When you testified before the committee last week, you did not have counsel present with you at that time, I believe.

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Have you elected to have counsel present with you today?

Mr. SCHRUNK. I have a gentleman with me, an attorney that is here, that has asked to sit in with me.

The CHAIRMAN. That is your privilege. Will counsel identify himself for the record, please?

Mr. STEWART. My name is Marshall Stewart. I have offices in the Realty Building, Washington, D. C.

The CHAIRMAN. Thank you, Mr. Stewart.

All right, Mr. Kennedy, you may proceed.

Mr. KENNEDY. Mr. Chairman, when Mayor Schrunk testified last week, he requested that he be given a lie detector test. Those arrangements were made with the Secret Service Department. Yesterday Mayor Schrunk went down and kept an appointment at the Secret Service at 2:30 in the afternoon, and they went through the preliminaries. We submitted a list of questions that we wished to have asked of Mayor Schrunk. Mr. Calabrese brought those questions down and the operator of the lie detector changed them in accordance with their procedure, and then they were reviewed by Mayor Schrunk's attorney, Mr. Stewart, and by Mr. Calabrese, and approved.

Mr. Schrunk then went in to take the test, and as I understand it they go through the questions three times, and Mayor Schrunk, as I understand it, went through the list of questions once, and then said that he wanted 6 of the 9 questions eliminated.

Mr. Calabrese telephoned me and said that this is what Mayor Schrunk wished, and on that basis we felt that the test would not be proper or complete.

So the test was discontinued at that time.

The CHAIRMAN. The Chair will read at this point the letter just received from the Secret Service dated March 12, 1957.

HON. JOHN L. MCCLELLAN,

*Chairman, Select Committee To Investigate Improper Acts in Labor and Management Field, United States Senate, Washington, D. C.*

DEAR SENATOR: At the request of Mr. Robert F. Kennedy, chief counsel of the Select Committee to Investigate Improper Acts in Labor and Management Field, United States Senate, arrangements were made to give Mayor Terry D. Schrunk, of Portland, Oreg., a polygraph examination by the United States Secret Service on March 11, 1957.

Mayor Schrunk, before taking the examination, willingly signed a statement, in the presence of his attorney, Marshall I. Stewart, that he had been duly advised concerning his constitutional right and that he volunteered to take the examination.

A list of nine relevant questions to be used in the examination was prepared by your staff and agreed to by Mr. Stewart. Before the test was completed Mayor Schrunk refused to continue with the examination unless the following six questions were eliminated, on the basis that the subject matter was not a part of his testimony before the committee:

1. Are you personally acquainted with Jim Elkins?
2. While in a restaurant, did you receive several hundred dollars that was sent by Jim Elkins?
3. While sheriff, did you receive any payoffs from Stan Terry?
4. While sheriff, did you receive any payoffs from any pinball operators?
5. While sheriff, did you receive any payoffs from bootleggers through Ray Kell?
6. While sheriff, did you receive any payoffs from any gamblers?

Mayor Schrunk was agreeable to continuing the test using only the following three questions:

1. Did you pick up a package or envelope following the 8212 Club incident?
2. Did you receive several hundred dollars directly or indirectly from Clifford O. Bennett of the 8212 Club?

3. After the 8212 Club incident, did you assure Clifford O. Bennett that his operation at 1918 Southwest Fifth Avenue would not be bothered by the sheriff's office?

Mayor Schrunk's objections were referred to Mr. Alphonse F. Calabrese of your staff, who advised that the committee desired the examination be discontinued.

Yours sincerely,

U. E. BAUGHMAN,  
*Chief, United States Secret Service.*

Mayor Schrunk, you have heard the letter read. Is it substantially correct?

Mr. SCHRUNK. Substantially it is true, sir.

The CHAIRMAN. All right.

Mr. SCHRUNK. Senator Mundt, after we had some eight witnesses parade before this committee alleging that I had taken a bribe near some telephone post in the Kenton area, after closing up the Kenton Club, asked if I was willing to be examined on this matter. I at that time said "Yes." At the committee's urging, I was perfectly willing to stand and get the facts out. The only witness that could have been helpful to me was frightened away from testifying, and that is Mr. Bennett.

The CHAIRMAN. Now, that statement is not correct so far as this committee is concerned. He was not frightened away by this committee. He was given every opportunity to testify.

Mr. SCHRUNK. I did not say "the committee," sir. I am not sure who frightened him away.

The CHAIRMAN. I am not sure he was frightened away. He had been here, and he was given the opportunity to testify, and he was not frightened away, because he was here.

Mr. SCHRUNK. He certainly did not testify.

The CHAIRMAN. We know that. Go ahead.

Mr. SCHRUNK. At the time of the detector test I asked it be given by the Federal Bureau of Investigation or by a recognized national expert. It was insisted by the committee that it be given by the Secret Service. Certainly I haven't anything to say adversely against the Secret Service, but when I went down there, I found out that instead of trying to determine which of the witnesses—and I incidentally invited all of the witnesses concerned at the 8212 incident to take the test—when I got down there I found that they had a fishing expedition lined up with some very tricky questions. Apparently they were aimed at trying to make me flunk the test.

The CHAIRMAN. Now, let us see, sir. Were these questions submitted to your attorney before you took the test?

Mr. SCHRUNK. I did not have an opportunity to see them.

The CHAIRMAN. Did your attorney not acquaint you with the questions?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. Did your attorney approve the questions?

Mr. SCHRUNK. I don't know, sir. I was not—

The CHAIRMAN. What has he advised you about it, that he did or did not?

Mr. SCHRUNK. He was with the committee.

The CHAIRMAN. With what committee?

Mr. SCHRUNK. With the representatives of this committee, sir, and the Secret Service.

Senator MUNDT. The letter says specifically Mr. Stewart did approve the test. Mr. Stewart stands before us, and I suggest we ask Mr. Stewart. I am sure he will tell us the truth. I would like to find out about the Secret Service now, whether they are committing perjury. The witness indicates that Mr. Stewart did not approve the questions. I am inclined to believe the Secret Service, and I would like to find out.

Mr. Stewart, did you or did you not approve the questions?

(The witness consulted with his counsel.)

Mr. STEWART. I examined and approved the questions from my standpoint, but I did not discuss them with Mayor Schrunk.

Senator MUNDT. I don't know much about these tests, but I would not assume that the lie detector people rehearse the acts with the people they are trying to examine. I would not think that was customary.

Mr. STEWART. What Mayor Schrunk has said is true in that it was not discussed with him. The questions themselves from my standpoint, from a legal standpoint, from the angle I looked at them.

Senator MUNDT. And it is also true that you approved them, as far as your responsibilities as an attorney went to approve them.

Mr. STEWART. But I was not present at the testimony to see whether these questions were within the scope of the prior testimony. In other words, all I did of course was to read the testimony, and Mayor Schrunk was in more of a position to tell from that standpoint.

Senator MUNDT. We will read the letter.

A list of nine relevant questions to be used in the examination was prepared by your staff and agreed to by Mr. Stewart.

Is that true or false?

Mr. STEWART. That is correct.

Senator MUNDT. Thank you.

The CHAIRMAN. I note one of the first questions here and the Chair is going to proceed to interrogate you about them. The first question that you objected to answering on the test is:

Are you personally acquainted with Jim Elkins?

I read from the transcript of your testimony last week:

Senator McNAMARA. Do you know Mr. Elkins?

Mr. SCHRUNK. I know of him.

Senator McNAMARA. Do you know him personally?

Mr. SCHRUNK. No, sir; not personally.

The first question asked on this list which you refused to answer was,

Are you personally acquainted with Jim Elkins?

The Chair now asks you that question again.

Mr. SCHRUNK. To reply to your question, sir, referring to my previous testimony, I have met the gentleman that I recall once, and I know quite a bit of him, and I certainly recognize his pictures and things of that kind.

The CHAIRMAN. What was your objection then to answering the question that way on the test?

Mr. SCHRUNK. Well, you could not answer it that way, sir. When it said "personally", I am not sure what kind of a loaded question that is.

The CHAIRMAN. Do you think asking a witness or asking anyone, "Do you personally know someone", that is a loaded question?



Mr. SCHRUNK. Well, a person with a contact, I know a great deal of the man, and as far as having any social contact or things of that nature, no.

The CHAIRMAN. If this is a loaded question, then many, many witnesses and many, many people are asked that loaded question. I just cannot conceive that being a loaded question.

Mr. SCHRUNK. It would appear to me, sir, that it could be answered either way in my case.

The CHAIRMAN. It could be answered truthfully.

Mr. SCHRUNK. Truthfully either way, sir.

The CHAIRMAN. Were you unwilling to answer it truthfully and give your explanations?

Mr. SCHRUNK. You don't have a change to give any explanations down there, sir. That is the trouble.

The CHAIRMAN. You can answer "yes" or "no", whether you know him personally or not, can't you?

Mr. SCHRUNK. Yes, I suppose that you could answer either way, yes or no. But I am not sure which would be the right way.

The CHAIRMAN. If you do not know, aside from you and Mr. Elkins, I do not know who else would know. It would seem to me that you would know.

Mr. SCHRUNK. I have explained to the committee my contacts with Mr. Elkins.

The CHAIRMAN. I think you would know better than anyone else, because it is a question that is directed to your knowledge.

All right. What is your answer to it now? I ask you, are you personally acquainted with Jim Elkins?

Mr. SCHRUNK. I know him, sir, and I do not know him personally other than one meeting.

The CHAIRMAN. All right. Question No. 2:

While in a restaurant, did you receive several hundred dollars that was sent by Jim Elkins?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. What would be your objection to answering that question in a test?

Mr. SCHRUNK. Well, sir, the test was on the 8212 Club, and that is going a little far afield.

The CHAIRMAN. All right. Do you think that is going far afield?

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. I will ask you No. 3:

While sheriff, did you receive any payoffs from Stan Terry?

Mr. SCHRUNK. My first impulse was to answer the question "No," and secondly I realized that Mr. Terry has at times paid sums of money to me for various things, such as our Roaring Wheels show, which the men sponsored annually on behalf of our boys' club, and we sold tickets, and he has delivered the money to our office.

The CHAIRMAN. That does not come within the category of a "payoff," does it? That would come in the category of a contribution.

Mr. SCHRUNK. He has also made contributions to such things as the Oregon State Sheriffs' Association and District Attorneys' Association Conventions.

The CHAIRMAN. You do not regard those as payoffs, do you?

Mr. SCHRUNK. No, sir, I don't.

The CHAIRMAN. Well, you knew what they were asking about here when they were asking you about payoffs, didn't you?

Mr. SCHRUNK. Well, that question could be loaded, too, sir.

The CHAIRMAN. All right, it could be. I do not know. Now, No. 4:

While sheriff, did you receive any payoffs from any pinball operators?

Mr. SCHRUNK. The answer is "No." The same thing, of course, applies. That is relative to contributions. Undoubtedly they made various contributions to different things.

The CHAIRMAN. Well, let the Chair ask you now, you recognize the difference between a contribution and payoff to a public official.

Mr. SCHRUNK. I would imagine that you mean payoff, something that would accrue to his personal benefit.

The CHAIRMAN. Something that would be illegal.

Mr. SCHRUNK. Yes, sir.

The CHAIRMAN. You and I have the same impression about it. No. 5:

While sheriff, did you receive any payoffs from bootleggers through Ray Kell?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. What was your objection to answering that question?

Mr. SCHRUNK. Well, I just could not see where that tied into the questions under investigation.

The CHAIRMAN. Well, it may tie in. What is your answer to it now?

Mr. SCHRUNK. No, sir, I received no payoffs from bootleggers that I ever knew about.

The CHAIRMAN. No. 6:

While sheriff, did you receive any payoffs from any gamblers?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. All right. What is your objection to answering that question on the test?

Mr. SCHRUNK. It still was not a subject before the examination.

The CHAIRMAN. You have had tests before, have you not?

Mr. SCHRUNK. One, sir.

The CHAIRMAN. You know they ask you a number of questions that are not directly related to the subject under inquiry, do they not?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. That is part of the way of making the test.

Mr. SCHRUNK. Not the one that I had.

The CHAIRMAN. All right. Are there any further questions?

Mr. KENNEDY. I would like to explain that first question, Mr. Chairman. As you read in the transcript here, Mayor Schrunk was asked if he knew Mr. Elkins personally, and he said no, he did not. We had information that they knew one another personally, and so it was based on the fact that we felt that the information that he had given the committee might be false that that question was put in the questions.

Now he has straightened the record out and admits that he did know him personally. We have further information, based on all of these questions, that are in here for the reason that we have certain information indicating that, for instance, while in the restaurant, you did

receive several hundred dollars that was sent by Jim Elkins. That is the reason the questions are in there.

Now, you had said you did not know Jim Elkins personally at all.

The CHAIRMAN. All right. The Chair has now asked the questions, and the witness has answered them under oath.

Senator MUNDT. I wanted to clear up what I had in mind, Mayor Schrunk, and what I thought you had clearly in mind when we were having our colloquy about the lie-detector test. It goes on for several pages, but the gist of it was in this statement when I said:

I do think that any witness who is trying to establish his veracity has a right to request that of the committee and let the chips fall where they will.

That was referring to a lie-detector test. And then you said:

I will be happy to take the lie-detector test with the assurance of the committee that I will get a fair test. I don't want to be framed on this one, too.

Senator MUNDT. So that we know in advance what you consider a fair test, would you or would you not consider a test given by the United States Secret Service a fair test?

Mr. SCHRUNK. I have confidence in the Secret Service and I don't know the individual involved.

We go on in that vein at some length.

Now, is it your contention this morning that you have changed your mind about that, and that the Secret Service is not an impartial group to conduct the test and try to determine a witness' veracity?

Mr. SCHRUNK. I certainly care to make no aspersions against the Secret Service. This committee will recall that I said that I would have greater confidence in the Federal Bureau of Investigation, but we discussed the possibility of a private agency, a nationally known authority, and the committee said that would be impossible, and so I went down in good faith to the Secret Service.

Incidentally, I have stayed around Washington 4 days for this test. I was trying to cooperate with the committee.

Senator MUNDT. I interjected this discussion of a lie-detector test, Mayor Schrunk, with the preliminary statement that I was predisposed to believe a mayor of the city of Portland as against somebody who was an underworld character, and probably is an underworld character today. I said that we had a whole series of conflicting statements, and we had a lot of conflicting evidence, and to establish your veracity I thought it would be in your interest to take a lie-detector test if you requested it.

You said:

Yes; I request it if it is fair.

We discussed for pages whether the Secret Service was a fair institution to do that, and whether Mr. Elkins could control them or whether anybody else could control them. It is in the record pretty clearly that you agreed with me that the Secret Service was not going to be subservient to any outside force.

Now, you must realize that this put you in a terribly bad light. I cannot think of any witness who has gotten himself in a worse box than you have yourself in now; that is, by asking that a lie detector test be taken. I qualify that. Mr. Zusman is one degree worse off. He took it and flunked it. You started to take it and walked out, so you are a little bit ahead of him, but not much.

But I did this in your interest, and I am shocked and amazed and disappointed that the mayor of a great city, after agreeing to take a

test, and having it made available, walks up to the testing room and then says halfway through the test, or a part way through the test that he is going to discontinue taking it, because he does not like the questions. Obviously, nobody taking a lie detector test likes the questions because the questions are designed to test his veracity. I am positive Mr. Zusman also disliked the questions. That is one of the perils of taking a test. But an honest man trying to give honest answers to questions does not have to worry about what the questions are. I am terribly disappointed, because I did this in your interest, and I was predisposed, as I said, to want to believe you. But to determine how anybody can believe a witness who walks out of a detector test, I will have to consult the writings of Solomon. I am not wise enough to figure that one out.

I want to ask you again now, then, in view of the situation in which you have placed this committee, and in which you find yourself, whether on more serious reflection you would not like to take a lie detector test in which the people who run the test write the questions rather than the man who takes the examination? Obviously you can't write the questions yourself.

Mr. SCHRUNK. Well, sir, if I am to be expected to rebut all kinds of testimony that I haven't even had an opportunity to hear, charges and countercharges, certainly I should know about it ahead of time. All the testimony ahead of our discussion dealt with some 8 witnesses, as I recall, or 7 that paraded up and made certain allegations.

Senator MUNDT. Had their lie detector test included the question, "Did you kill a man in the Presidential Room of the Statler Hotel at midnight Sunday night?" would you object to that question?

Mr. SCHRUNK. I would think that it would be irrelevant; yes, sir.

Senator MUNDT. It seems to me you have got to ask some irrelevant questions if you are going to have a lie detector test. How else can you tell whether the needle fluctuates at the proper time? It seems to me that you have got to ask questions.

Mr. SCHRUNK. Senator Mundt, thank God this is still America, and that this type of thing is just not making sense.

Senator MUNDT. A lie detector test, you mean? It does not make sense? You understand certainly that a lie detector test has to include a variety of questions, so that the people taking it can determine on the pertinent questions whether you have different reflexes and reactions from what you have on the irrelevant questions?

Mr. SCHRUNK. Yes, sir; I understand that, but I also understand that at least some of your staff members on the committee have a tremendous stake in seeing that I flunk the test so as not to impeach the weight that you place on Mr. Elkins' testimony.

The CHAIRMAN. Just one moment. Will you identify the members of this committee that have a serious interest in your flunking a test?

Mr. SCHRUNK. No, sir; that is, no member of the committee. I did not say that.

The CHAIRMAN. Did you not say members of the committee?

Mr. SCHRUNK. No, sir.

The CHAIRMAN. I beg your pardon, then. Do you think some members of the staff?

Mr. SCHRUNK. I think possibly so; yes, sir.

The CHAIRMAN. Do you think that they could have any influence on the test down there?

Mr. SCHRUNK. I think so; yes, sir.

The CHAIRMAN. How? Now, that is a reflection upon the Service, if you mean it. I do not know anyone in that Service, a Government institution, and I have not contacted anyone in the Service, and I doubt if any member of the committee has, and I do not believe the charge that you are implying here, that someone there could be influenced by someone on this committee to cause you purposely to flunk a test. I do not believe that is correct. I want to know if you want to leave that accusation in the record.

Mr. SCHRUNK. I hope it is not correct, sir.

The CHAIRMAN. I am leaving it up to you whether you want to leave that charge in the record or withdraw it.

Mr. SCHRUNK. I am not making a charge, sir. I am merely expressing an opinion.

The CHAIRMAN. We will consider it. Go ahead.

Senator GOLDWATER. Mayor Schrunk, did you take a lie detector test in Portland prior to coming here?

Mr. SCHRUNK. Yes, sir.

Senator GOLDWATER. Were the questions asked you all relevant to the subject?

Mr. SCHRUNK. There were 2 questions, 2 relevant questions; yes, sir.

Senator GOLDWATER. And the rest were not relevant?

Mr. SCHRUNK. No, sir.

Senator GOLDWATER. How many questions were asked you in Portland?

Mr. SCHRUNK. I would guess maybe 10 or 15.

Senator GOLDWATER. And there were only two of them that were relevant?

Mr. SCHRUNK. Yes, sir.

Senator GOLDWATER. And yet back here you object because you say 5 of them were irrelevant, or 6 of them were irrelevant?

Mr. SCHRUNK. The other questions, supporting questions, sir, were questions that dealt with names, height, color of hair, and color of suit you are wearing and things of that nature.

Senator GOLDWATER. But they were questions that were designed to establish on this machine a pattern that would reflect your truthfulness or lack of truthfulness, is that not true?

Mr. SCHRUNK. Yes, sir, they tended to establish that.

Senator GOLDWATER. You have been a law enforcement officer and you know how a lie detector apparatus works?

Mr. SCHRUNK. I have never operated one.

Senator GOLDWATER. But you have seen them work. You know that there has to be some pattern established by the needle to know when the subject is telling the truth, so that when he tells an untruth there is a deviation from that pattern. Don't you understand that?

Mr. SCHRUNK. Yes, sir, I understand that.

Senator GOLDWATER. Why didn't you object in Portland to the questions that you felt were not relevant to the subject you were being queried on?

Mr. SCHRUNK. Because the questions there inferred no charge or accusation. They were positive-type questions.

Senator GOLDWATER. Did you pass that test in Portland?

Mr. SCHRUNK. I am not positive. I haven't seen the graph. I received word that it was negative, whatever that means.

Senator GOLDWATER. I ask the counsel if staff has any knowledge as to the outcome of the test that was given in Portland?

Mr. KENNEDY. I understand that Mayor Schrunk's testimony that he received an adverse test or received an adverse report on the test is correct. That is, that he flunked the test, and I understand that testimony of Mayor Schrunk is correct.

Senator GOLDWATER. Mayor Schrunk, I merely want to echo what Senator Mundt has said. I was trying my best to believe you. I have been in city government, and I have a high regard for the type of work that you are charged with doing. But it rather pains me to see the mayor of a great city come here, after asking, and refuse to take or complete a lie-detector test. I think that it is a bad reflection on you, and I certainly think it is a bad reflection on your city. I hope, like Senator Mundt, that you might reconsider your decision and subject yourself to this, knowing full well as a former law enforcement officer how this lie-detector apparatus operates.

Mr. SCHRUNK. Certainly, Senator, I came here in the best of faith, hoping to be of some assistance in the investigation of the potential racketeering and labor management.

But the longer I stayed, and I washed some of the dirty linen in the city of Portland, which we apologize for—we realize we have a problem—when I was confronted by this committee or the chief counsel with a list of 35 alleged places in the city of Portland, demanding why I hadn't cleaned them up in 2 months, upon checking that and finding that it was extremely inaccurate, the report, 1 of the places alleged to be operating was in an adjoining county, 1 of the houses was vacant and has been vacant for a period of time—

Senator GOLDWATER. Mayor, I do not think that that has any bearing on the subject we are discussing. I think the committee would be disposed to believe that cleaning up 35 places like that in the short space of a month or two would be a rather difficult task for a mayor. I do not think it had any bearing at all, to speak of, on this case. But what we are talking about now is your refusal to answer questions that certainly are relevant to this case, and objecting, I might say, to questions that you say are irrelevant, when in Portland you did not object to similar irrelevant questions.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. SCHRUNK. There was no similar irrelevant—

Senator GOLDWATER. They are simply trying to establish a pattern of veracity. That is all the questions were intended to do, the questions that the chairman read off this morning.

Senator ERVIN. Mr. Chairman, since there has been so much said about lie detectors, I just want to put my opinion of lie detectors on the record. As a superior court judge in North Carolina, I was called on at one time to rule on the question of whether I thought a lie-detector test had sufficient probative value to permit it to be offered in evidence against a defendant on trial for a criminal offense. I made such study as I could at that time and I found that lie detectors operate on what I would say is the theory of the recording of agitation. In other words, the apparatus records the mental turmoil or agitation or tension of the party being subjected to the test, and the result of the test is based on the inference which the operator or examiner of the record draws of the psychological meaning of the physical reaction.

From my study of it, I came to the conclusion that a man who is agitated, regardless of whether he be innocent or whether he be guilty, and regardless of whether he be truthful or whether he be untruthful, he will stand a poor test.

The more brazen a man is, and the more possession he has of his faculties, the better he passes the test, regardless of how untruthful he may be. For that reason, I excluded the results of the lie-detector test from evidence, because I came to the deliberate conclusion after studying the subject, that the alleged results of lie detectors are evidentially unreliable.

I make this statement because I would not want anyone to imply from the many questions asked about this, that I, as a member of this committee, place any great value on the results of alleged lie-detector tests.

I am not passing on the psychological effect on the minds of the committee or anybody else of the refusal of a person to submit to a lie-detector test.

Mr. SCHUNK. I think the Senator has certainly made a very good point.

(At this point, Senator Ives entered the hearing room.)

The CHAIRMAN. The Chair will make this statement. I think the record clearly reflects that the Chair has not at any time ordered anyone to take a lie-detector test. We were confronted by another witness with the demand that he be given a lie-detector test, along with another witness whose testimony conflicted with his. The Chair arranged for a lie-detector test to be made for that witness, through the efforts of the staff and the cooperation of the Secret Service. At that time Senator Ervin made some statement about doubting the validity or probity of that character of testimony.

The Chair stated then he has no opinion one way or the other about it, because he was not familiar with it.

When this witness came on the stand, I believe it was Senator Mundt who raised the question with him in view of the conflict of testimony as to whether he would take a lie-detector test.

The Chair announced at that time he would not arrange for it unless the witness requested it.

After other questions by Senator Mundt, the witness said he did request it.

That is the status of the record, so far as I recall, and if I am inaccurate about it, I would like to be corrected. But I think that is correct.

Senator ERVIN. Mr. Chairman, I would say that my recollection accords 100 percent with the recollection of what the chairman has just stated.

The CHAIRMAN. Thank you.

Senator McNamara?

Senator McNAMARA. Mr. Chairman, I do not have any special questions to ask the witness, but I have been more or less compelled to take somewhat of an interest in lie detector tests. After reading something about it in the last few days, I get the impression that the result of a surprise question to a witness, one that he might term—well, somebody used the example of "Did you kill a man at midnight at the Statler Hotel"—will give you a similar reaction on the machine to an untruth, because the surprise element would cause a fellow to jump, too. So I

do not think it is all black and white. I think for what it is worth, we ought to give it consideration, but definitely for what it is worth.

The CHAIRMAN. Senator Ives?

Senator IVES. I believe that the mayor, in his statement, said that he did not receive any payoffs from any source, with one possible exception, which I will come to, but that he did receive contributions.

That is correct, is it not?

Mr. SCHRUNK. That is substantially correct, sir.

Senator IVES. Contributions for various charitable undertakings of one kind or another, is that right?

Mr. SCHRUNK. Yes. We sponsor in our city a very fine boys club. I happen to be active with that, and have spent a lot of time. I served as the chairman of the building committee.

Senator IVES. Did you keep those contributions you received in a separate fund or did you put them in your own fund?

Mr. SCHRUNK. No, sir. They went into the corporation fund.

Senator IVES. Have you any record of those contributions that were made.

Mr. SCHRUNK. All the records are in the corporation, yes.

Senator IVES. They are all in existence?

Mr. SCHRUNK. But on the matter of the contributions, there would be all types of tickets that would be sold. We had a thrill show called "Roaring Wheels", which many of the pinball operators as well as many other people sold those tickets and bought them.

Senator IVES. I am not criticizing you for getting money for contributions. That is not the point. I am wondering if you had a record of it, or whether you put the money with your own fund.

Mr. SCHRUNK. No, sir. There are regular accounts filed. We have a nonprofit corporation. It is all accounted for.

Senator IVES. In one answer, you caused me to pause: While sheriff, did you receive any payoffs from any gamblers? As I recall, the answer that you gave to that was not that you were aware of, is that right? I think that is what you said in reply.

Mr. SCHRUNK. I don't recall what the reply was.

Senator IVES. I think that was your reply. Is that what you meant?

Mr. SCHRUNK. I meant that I received no payoffs from any gambler.

Senator IVES. That you definitely received no payoffs from any gambler, is that right?

Mr. SCHRUNK. That is right.

Senator IVES. There is no doubt about it?

Mr. SCHRUNK. Nor anyone else.

Senator IVES. That is what I mean, no doubt about it at all in your mind?

Mr. SCHRUNK. No.

Senator IVES. Thank you.

Mr. SCHRUNK. But I suppose what I had in mind was each of you gentlemen have been in political campaigns, and there might be contributions and you don't know whether the man is a bootlegger or a gambler or things like that. That is certainly conceivable.

Senator IVES. You do feel that you may have received contributions from such sources for your campaign, is that correct?

Mr. SCHRUNK. I don't know of any specific, but I think it is certainly possible. I wouldn't want to put myself out on a limb and say "Well,



I just didn't" and have you produce John Jones who would say, "Well, I put \$10 in his campaign, or \$100."

Mr. KENNEDY. How about Al Winters of the Sahara Club?

Mr. SCHRUNK. I never received any.

Mr. KENNEDY. You never received any contributions from him?

Mr. SCHRUNK. No, sir.

Mr. KENNEDY. That is, for your political campaign?

Mr. SCHRUNK. As a matter of fact, I haven't seen him since——

Mr. KENNEDY. Did he send you any contributions for your last political campaign?

Mr. SCHRUNK. No, sir. I didn't even hear from him or see him.

Mr. KENNEDY. You are sure of that?

Mr. SCHRUNK. I am sure I didn't see him.

Mr. KENNEDY. I did not ask you that. Did you receive any political contributions from Al Winters who owns the Sahara Club in your last political campaign?

Mr. SCHRUNK. No, sir. He never sent anything to me.

Mr. KENNEDY. I am not asking did he send it to you. He may have sent it to someone for you.

Did you receive any political contributions directly or indirectly from Al Winters?

Mr. SCHRUNK. I don't know what you mean by indirectly. I received no contributions from Mr. Winters. I have had no association with him.

Mr. KENNEDY. I am not asking that. Did you receive any political contributions from Al Winters directly or indirectly in your last political campaign?

Mr. SCHRUNK. Well, I don't know how you——

Mr. KENNEDY. This would be something that you would know about it.

Mr. SCHRUNK. How can you answer indirectly? What do you mean by indirectly?

Mr. KENNEDY. Did someone else call you, or come to one of your committees for you? This is something you would know. I am talking about where you actually knew about it.

Mr. SCHRUNK. No. Our committee has two basic principles. Number one, we accept money from no one where there are any obligations. We have made no commitments. Number two is that the committee raise sufficient money to pay the bills they incur.

The CHAIRMAN. Are there any further questions?

Senator MUNDT. Yes, Mr. Chairman.

Mayor SCHRUNK, I will give you a little background as to what motivated me to ask you whether you wanted to take this lie detector test or not. We had at that time received before the committee evidence which is in the public record that you had already taken a lie detector test given by the State police in Oregon and that you had flunked that test. We had scores of witnesses before us testifying under oath, making specific charges against you. Some of them were witnesses in whom I was not inclined to place very much confidence. But at least two of them were patrolmen under your employment in the city of Portland, Oreg., whose whole tendency, naturally, would be to protect their chief, not to incriminate him. They had testified, and they looked like honest young men, that they noticed certain things which incriminated you pretty badly.

So, as I say, I was inclined to believe you, because of the position that you hold, and my respect for the city of Portland, Oreg. I thought that this might be a way for you to demonstrate your veracity, if, indeed, you have been telling us the truth. That is why I brought up the colloquy about taking the test.

You complain now about six of the questions because you say they are irrelevant. That leaves me terribly cold, because I know that in a lie detector test you have to ask irrelevant questions. Then you stick in once in a while a pertinent question. It is in that way that you test the reactions of the individual.

Suppose that first question had read instead of, "Are you personally acquainted with Jim Elkins"—and I accept the validity of your uncertainty because knowing that you do not know him, you say socially, and you say you do not know whether that makes you personally acquainted with him or not—suppose that first question read this way: "Did you ever thank Jim Elkins for any gratuities that he gave you?" What would your answer be?

Mr. SCHUNK. Well, gosh, I don't know.

Senator MUNDT. That is a pretty clear question. Let me read it again. Did you ever thank Jim Elkins for any gratuities that he gave to you, or sent, that he sent or gave to you? This is something now within your own knowledge, certainly. If you thanked him, you did, and if you did not thank him, you did not.

Mr. SCHUNK. Well, now, I don't know. It is possible. If he contributed at a convention, I might have dropped him a note, I might have called him. It is conceivable.

Senator MUNDT. It is conceivable that you did thank him?

Mr. SCHUNK. If he made a contribution to—

Senator MUNDT. To your campaign?

Mr. SCHUNK. I don't recall Mr. Elkins ever contributing to my campaign.

Senator MUNDT. Why would he be giving you money? It would not be a payoff, would it?

Mr. SCHUNK. No, sir. What I said was if he contributed to something like the Lower Columbia River Peace Officers Association meeting or convention in Portland, or something like that, if he made a contribution like that, it is possible.

Senator MUNDT. He does not quite impress me as the kind of character that would be one of the directors of the boys club. I doubt if he would be contributing to that.

Mr. SCHUNK. We have a lot of people contributing to it, sir.

Senator MUNDT. Well, I do not doubt that, but I just did not think perhaps he would be involved in that kind of organization.

Mr. SCHUNK. My mother always taught me that the good Lord put some good in all of His people and a little bad in the best of them, so even probably Mr. Elkins contributed to the boys club.

Senator MUNDT. I accept your mother's philosophy.

He is possibly telling us the truth on all of these different items before us. That is what we are trying to explore. Since some of his statements involve you, we are trying to explore every way we can, and giving you an opportunity for you to defend yourself if you are innocent.

You said you were rather incensed about this list of 35 illegal places operating in your city. You have made a check since you heard

about it. Two of them were certainly not at the present time injuring the reputation of Portland, since one of them was outside of Multnomah County and one of them was closed or vacant. What did you find about the other 33? Were they all in that category?

Mr. SCHRUNK. No, sir. I will be most happy to go into that. If the Chair will permit, I will submit a report by the Oregon Journal, in which they checked each of the places independently. I also have the police reports, too, from the chief.

Senator MUNDT. I would be a little more inclined to like the reports from the police department, because the Oregon Journal seems to be sort of a protagonist of yours, for some reason or another, in this hearing.

Mr. SCHRUNK. You must say they are objective. That is right.

Senator MUNDT. I would not say they are objective. You can say that if you want to. I do not know. I hope they are objective.

Mr. SCHRUNK. I think they just want all the facts in it.

Senator MUNDT. That is what we want. What did your police department say? You do not rely on the Oregon Journal when you have the police department.

Mr. SCHRUNK. No, sir; I was just going to submit this for the committee's information as an outside source, outside the police department.

Senator MUNDT. I have no objection to your including that in the record so far as I am concerned, but I would rather get it from a law enforcement agency.

Mr. SCHRUNK. This report is from the chief of the vice division, directed to the chief, William Hilbruner, relative to the current vice situation.

In response to the highly inaccurate information gathered by an investigating committee that some 35 "joints" are going wide open, we will offer in rebuttal the following facts: First the attached list of 35 spots with a quick survey made within a couple of hours upon receipt of the list, with comments and results on the part of the surveying vice officer, Howard Wold. I will go through the list making a further comment and explaining some of the things an uninformed citizen might question.

Do you want me to read this whole report, sir?

Senator MUNDT. How long is it?

Mr. SCHRUNK. Two pages.

Senator MUNDT. I think it would be interesting to have it in the record, yes.

Mr. SCHRUNK (reading):

During the last 2 months, we have had information that the Bellevue had ceased operations as a walk-in joint, but had been sneaking a few old customers and men sent from contact places.

Senator MUNDT. That is point one for the investigating staff. They got that one. It is still open. Go ahead.

Mr. SCHRUNK. No, sir; not open, as such.

Senator MUNDT. Well, I did not mean they had neon signs up saying "Come on in," but if they can sneak in, I would call it open. We are talking about the sneak-in places.

Mr. SCHRUNK. Sir, you have that same type of situation right here in Washington. I received a personal call at my hotel, soliciting. It is a matter of record with your local police department.

Senator MUNDT. I am glad to hear the evidence you have on Washington. We can put that in the record.

Mr. SCHRUNK. Sir, I am sure that the committee——

Senator MUNDT. I am not saying that we should necessarily hold you culpable with regard to the fact that they are there. I am simply pointing out that the staff said there were 35 of them, and I thought you were saying that they did not exist. When you say one of them is operating secretly, to my mind that exists. That is what the staff had in mind.

Mr. SCHRUNK. But it has still improved materially over the way it was operating 2 months ago.

Senator MUNDT. Is that the criterion you use in law-enforcement work in Oregon, that you have to dwindle them down a little bit at a time? Can you not close them up when you know they are operating?

Mr. SCHRUNK. It is a little difficult all the time; yes, sir. All that you can do is keep the pressure on, attempt to get your arrests.

Senator MUNDT. Have they made any arrests out there in the last 2 months on that place?

Mr. SCHRUNK. Not in the Bellevue. Across the street, the Irving Hotel, they cleaned out three bellhops, three taxicab drivers, and a couple of girls.

Senator MUNDT. Why do they not arrest them in the building, since they know it is going on, since the vice squad reported it? If they know it is operating occasionally, with people sneaking in, why do they not go in and arrest them?

Mr. SCHRUNK. You know how you have to get an arrest. You have to have a proposition, money exchange hands, and an overt act.

Senator MUNDT. Go ahead.

Mr. SCHRUNK (reading):

The Irving Hotel is also no longer a walkin, but they have been sneaking, evidently with oriental customers, Chinese and Filipino, as during our surveillance we have noticed and stopped and questioned orientals coming out, and our questioning has prevented others from entering. The limited and select clientele of both of these hotels as well as others makes these places definitely not wide open.

Senator MUNDT. I will give your investigating staff credit for No. 2, then. They found a place where illegal activities are going on. That is all they allege. Your report confirms it.

Mr. SCHRUNK (reading):

Enforcement of the prostitution laws in these places is extremely difficult as we have no complainants and the operators are sure of their customers as they know we have no oriental policemen, nor can we get an oriental undercoverman.

Senator MUNDT. That is a pretty good alibi for the police department, but it certainly does not nullify what our very competent investigative staff found, does it? You would not expect the "Good Housekeeping" label to be applied to Portland, Oreg., on the basis of that testimony there.

Mr. SCHRUNK. I think the point is well taken, sir, but this is an old art, and it is pretty hard to eliminate.

Senator MUNDT. That is right. I am simply saying that you were incensed at the staff because you said they brought in 35 cases and that they obviously did not exist. You mentioned that 1 was now a vacant house and 1 was outside the county line.

Why do you not just put the rest of them in the record, unless you would rather read them.

The CHAIRMAN. Put them into the record and give them to the press, if he wants the press to have them.

Senator MUNDT. As long as we get the facts. I have one other question, Mr. Mayor.

The CHAIRMAN. Just to try to move along here, if he has a long list there with the explanation, I think if it is agreeable, just place them in the record at this point, the full report, the document he is testifying from. As far as I am concerned, he can release it to the press if he desires.

Mr. SCHRUNK. I only have the originals which were sent to me here, sir.

The CHAIRMAN. If you will trust anybody on the staff, I will have copies made immediately.

Mr. SCHRUNK. Thank you, sir.

The CHAIRMAN. That will be printed in the record at this point. (The documents referred to follow:)

## CITY OF PORTLAND INTEROFFICE CORRESPONDENCE

(Not for mailing)

MARCH 9, 1957.

From: Department of Vice Office.  
To: Department of \_\_\_\_\_.  
Addressed to: Chief William Hilbruner.  
Subject: Current vice situation.

In response to the highly inaccurate information gathered by an investigating committee that some 35 "joints" are going wide open, we will offer in rebuttal the following facts.

First, the attached list of the 35 spots with a quick survey made within a couple of hours on receipt of the list, with comments and results on the part of the surveying vice officer, Howard Wold. I will go through the list, making further comments and explaining some of the things an uninformed citizen might question.

During the last 2 months we have had information that the Bellvue has ceased operation as a "walk-in" joint, but has been sneaking a few old customers and men sent from contact places.

The Irving Hotel is also no longer a "walk-in" but they have been sneaking, evidently with oriental customers (Chinese and Filipino), as during our surveillance we have noticed and stopped and questioned orientals coming out, and our questioning has prevented others from entering. The limited and selected clientele of both these hotels as well as others makes these places definitely not wide open.

Enforcement of the prostitution laws in these places is extremely difficult as we have no complainants and the operators are sure of their customers as they know we have no oriental policemen, nor can we get an oriental undercover man.

I might explain what we mean by surveillance. It means watching a known or suspected spot for periods of time at various hours of the day and night, and actually checking the public parts—halls and lobby—and the register and the people coming and going. This surveillance is not liked by the illegitimate operators and is called harassment, as it discourages vice-minded customers and makes the operators overly cautious. They just can't operate wide open under close surveillance. Surveillance properly carried out amounts to a prevention and repression of vice crimes which is almost as important as arrest and prosecution.

This close surveillance by both the uniformed division and the vice squad had resulted in prostitution being practically eliminated on a walk-in basis. This drives the prostitutes to work on a "call girl" basis which is even more difficult to stop. The call girl operates with the connivance of bellhops and cabdrivers who identify and carefully screen would-be customers. It is known that they have a list of old known customers and also possibly a taboo list of policemen and their descriptions. We recently "busted" 1 call-girl ring, arresting 3 cabbies, 3 bellhops, and a pimp, charging them with felonies on 13 counts, which has rarely been done in the past. Most vice arrests on prostitution, the defendants were

charged with "bringing 2 people together" which is only a misdemeanor and brings a fine of usually \$50 and a sentence of 30 days suspended. This punishment is like paying a fee to operate, as they are back in business the next night and one "trick" pays the fine and possibly even the attorney.

Attached is a list of immoral-woman arrests made last year and note the number of suspended sentences.

The high prices paid here to call girls for prostitution, \$100 to \$700 a night, and \$20 for end up for a trick is witness to the scarcity of the product and not the quality.

Twenty-two of the spots mentioned, Nos. 13 to 34, inclusive, are "colored joints" and cater to Negroes only. We have Negro policemen, but after making initial vice arrest, they are now known and barred from entry. I have appealed to a prominent local leader of citizens for help through his national organization to get complaints from the law-abiding Negroes and the help of new colored faces to enter and get gambling and other vice evidence necessary for an affidavit and search warrant or gambling complaints. This appeal was made a month ago, and no help has been forthcoming. We have made some arrests and, in 1 gambling place alone, we arrested 67 Negroes. However, with the small fines and no jail sentences, the operators and customers were back in business the next night, at another address.

That prostitution is under control or down to that "irreducible minimum" that leading police authorities say is the best result possible to obtain is attested by the attached Armed Forces off-limits report. Portland and its immediate environment has both Army, Air Force, and naval bases, and yet there is only one off-limits place listed, that being the Harbor Club, which is neither a house of prostitution nor a gambling house. Our neighboring cities of comparable size to the north have 10 or more off-limits places listed. Under the interpretation of the courts on our present city ordinances, we are handicapped in making legal gambling and prostitution arrests. For instance, to make a gambling arrest, we have to show an exchange of money. It is easy to enter a gambling spot, but through lookouts and signal devices, they stop the actual game and what we see is money, checks, or chips, on the table with dice or cards, but can we make an arrest? No, because we have not seen an actual exchange of money. An undercover agent is our only chance, and in a game where only known players are allowed and others are carefully screened, what chance have we. To make a prostitution arrest, a proposition is not enough. We need four points, namely the proposition, the naming of a price, the paying of a price, and an overt act. It is hard to coach an undercover man in these legalities.

Attached also is a breakdown of the vice arrests for the months of January and February, while the present vice squad has been in operation. The dates of arrest in January will refute any testimony that we have been making arrests only since the institution of the hearings in Washington, D. C.

In conclusion, I might state that any rounder, prostitute, pimp, gambler, informed citizen, or any of the policemen not politically involved, will say that this town is dead as far as vice is concerned and has been since last year and particularly since the first of the year.

LT. W. W. NELSON,  
VICE SQUAD, Portland, Oreg., Police Department.

CITY OF PORTLAND, ORE., DEPARTMENT OF PUBLIC SAFETY, BUREAU OF POLICE

OFFICER'S REPORT

No. \_\_\_\_\_ MARCH 8, 1957.

Subject \_\_\_\_\_

Time \_\_\_\_\_

Captain: Chief William Hilbruner

SIR: The following is a list of vice outlets mentioned in Oregon Journal this date as having been in operation since January 1, 1957. In addition, we have added various information that we have on each location.

1. *Bellvue Hotel*.—This hotel is run by Blanche Kaye. In the past few years there has been several arrests for prostitution, however, during the past several months, it has been constantly checked by both the uniform division and this office. We have made many attempts to effect an arrest, however, each time our man has been turn down.

2. *Irving Hotel*.—The hotel license is made out to a Lee Dewey, however, it appears to be managed by a Evelyn Aull alias McNight. We, along with the uniform division, make frequent visits to this location, but to date have found

no evidence of any prostitution. We have received numerous complaints that this hotel is catering to old customers. This is quite possible, due to the fact that every man that we send in is turned down, even prior to reaching the top of the stairway which leads to the main floor.

3. *180 SW. Morrison*.—There is no such address as this, however, they are undoubtedly referring to 170 SW. Morrison. This location is run by Marie Maynard alias Marie Rogers. This location is also checked quite frequently by the uniform division and our office. We have received several complaints that the hotel is operating for prostitution, however, each time that we check it, we find the front door locked. We have been informed in the past that Marie Maynard is living there. The hotel has no city license and there are no rooms for rent.

4. *Libby Hotel*.—The hotel is run by Jerry K. Libby. He, in the past, has been the manager of the Arthur Hotel which we had reason to believe was used for prostitution. Since he took over the Libby, we have sent men into the hotel to effect arrests, but with no avail. We have also, in the past few months, kept numerous surveillances on this hotel, but have noticed nothing out of the ordinary.

5. *Victory Rooms*.—This hotel is at 19 NW. 6 and is run by a Sara A. Goldie. She has been talked to many times by members of this division and definitely states that she rents "rooms only." We have made surveillances on this location numerous times, but have noticed nothing to suggest any violations of the law.

6. *Evelyn* (SW. Morrison between First and Second).—This is the Morebridge Hotel at 82 SW. Morrison. The Evelyn referred to is Evelyn Brown, who, prior to 1953, ran the Irving Rooms at 10 NW. 4, which at that time, was a house of prostitution. During the past several months we have made many visits to the Morebridge Hotel. Each time, we find "Blind Evelyn" and a Marie Johnson of 836 NE. 23, playing cards. There has been no evidence at all of any prostitution going on at this address. Marie Johnson informs us that she is acting as a "sitter" for Evelyn due to the fact that Evelyn is blind and very near helpless. We have no record on Marie Johnson.

7. *Little Rusty* (First and Arthur).—This woman is known to us as Leona Wright alias Gosser. She has a past record for prostitution and an arrest for receiving the earnings of a prostitute, however, this case was dismissed in Oregon State Supreme Court. She has been known to frequent the Desert Room. We have received no complaints on this woman, however, it is quite possible that she is catering to old customers, if she is operating.

8. *Villa Rooms*.—These rooms are run by Della Brown alias Florence Miller, and located at 9 NW. 3d. She was arrested in February, this year, by this office on a felony charge of receiving the earnings of a prostitute.

9. *Eric Caldwell* (*Rodney & Cook*).—This person's house is located at 3237 NE. Rodney. He was arrested by this office in February this year for 6 counts of receiving the earnings of a prostitute, 1 county of ex-convict in possession of a firearm, and since then, has been charged by the Federal Government with an indictment of violation of the Mann Act. He is at the present time, in the Multnomah County jail.

10. *Huye Hansen*.—On February 23, 1953, she was arrested at 1983 NW. Flanders bringing two together. After her trial, she left town. To this date, we have received no information regarding her whereabouts, or any of her activities.

11. *Anne Greenough* (NW. 24th and Overton).—This person's name has come to our attention several times as having a call business; however, we have had no complaints or any information regarding any of her activities. In 1942 she was arrested two times for "bringing two together." At that time, she listed her address as 2284 NW. Overton. A recent traffic citation gives her present address as 2555 NW. Savier.

12. *Nortonia Hotel*.—This hotel is located at 409 SW. 11th and is operated by a Dave Feves. On February 25, 1957, this office arrested 3 bellhop employees at this hotel for 1 count of receiving the earnings of a prostitute (grand jury indictments).

13. *74 NE. Cook*.—This house is occupied by one Sylvester Frasier. He was arrested last year in a gambling raid at 19 N. Knott conducted by this office. We have received no complaints and have observed no unusual activities at 74 NE. Cook.

14. *72 NE. Monroe* (*Freddie*).—Freddie is known to us as Freddie Lee Johnson. He, at the present time, is the proprietor of the House of Sound at 2628 N. Williams Ave. This is a phonograph record shop. He is known to us as a

"procurer," and rumor has it that he has two white girls working for him. We have, thus far, been unable to make any contacts to effect an arrest.

15. 77 NE. *Morris (Mary)*.—This particular house is a two-story job with a phone listing to a Louis Cook. There is a 1955 Chrysler Imperial Newport, Ore. 2C7578, parked in front. It is registered to a Mrs. A. F. Winter of 933 SW. Davenport. This woman has been identified as the wife of Alf Winters, former partner in the Turf Club. We have received no complaints or information regarding this house.

16. 5 NE. *Thompson (S. Baker)*.—This house has a phone listed to a Peach Creig. We have no information or have we had any complaints regarding this address.

17. 1721 No. *Vancouver (Armetta)*.—This address has a telephone listing to a Mrs. Armetta Jones. We have no information, nor have we had any complaints regarding this house. No activity has been noticed in that particular area.

18. *Setback house on Russell, west of Union*.—This house is 318 NE. Russell. On March 12, 1956, we arrested a Deloris Rawlins for "immoral woman." She was arrested again on April 24, 1956, at this address for "immoral woman." On the date of this writing, we received a complaint that the house was again operating. We attempted to get a man into the house to effect an arrest at approximately 9:30 p. m. There was no answer at the door and the house was dark.

19. 106 NE. *Weidler (Pearl)*.—The owner of this house is Pearl Johnson. In the past years, there has been many arrests at this location; however, during the past year, it has been operated strictly as a roominghouse. We have spent many nights in surveillance at this location, but have observed no violations of any laws.

20. 1510 NE. 1st (*Kiser*).—On January 28, 1956 Kiser, David, was arrested for conducting gambling at this location by this office. Shortly after, he moved and another family moved in. Kiser has been gone from this address for approximately one year.

21. 1504 NE. 1st (*Robbie and Otis*).—Persons referred to are Robbie Jean Jackson alias Harris and her mother Otis, last name unknown. They moved from this address approximately 1 year ago.

22. *Nance's Bar-B-Q (Nance)*.—This location as listed in the journal is strictly a restaurant. It is quite possible that they mean to name the Fairmont Cafe at 37 NE. Weidler, which has an adjoining section immediately to the west of the restaurant, which is used for gambling. This is also controlled by David Nance. On September 8, 1956, this office conducted a gambling raid at this location. Since that time, we are keeping a constant surveillance at this address. As late as March 7, 1957, we had a talk with Nance, and were informed that he would keep his gaming room closed. As of this date, he is closed.

23. 1787 N. *Ross (Louise)*.—There is a 1952 Olds sedan parked in front of this address, registered to a Louise Lessane, who apparently is the woman named. We have no information nor have we had any complaints regarding any vice activity at this location.

24. 819 N. *Cook (Sammy)*.—We do not have a name to go with the "Sammy"; however, we have had several complaints regarding approximately 3 to 5 colored men shooting dice. This appears to us to be a small neighborhood "crap" game. The house sits up high on a bank which makes it impossible to observe any activity within. There has been very little activity observed in recent months.

25. 3626 N. *Commercial (Mamma)*.—This house has a telephone listing to a William Walker. We have no information, nor have we received any complaints on this address. A check this date revealed no activity.

26. 3705 N. *Commercial (Jessie)*.—Telephone listing to a Jessie D. Simms. We have no information, nor do we have any complaints regarding any of his activities.

27. 3539 N. *Commercial (Sailor)*.—Telephone listed to a Donnie W. Long. There is no record with us. We also have had no complaints on this location. A check tonight revealed no activity.

28. 3316 N. *Vancouver (Fowler)*.—The occupant of this house is Herhall Fowler. On June 16, 1956, this office made a raid at this location, at which time Fowler was charged and convicted with conducting gambling. Fifteen visitor arrests were made. Since then, we have kept a surveillance on the house and have observed considerable amount of activity on Friday and Saturday nights. As this is a private home, it is very difficult to effect an arrest, according to city attorneys.



29. *1200 N. Larrabee (Water Boy)*.—This house is vacant and boarded up. It is also listed as vacant in the latest city directory.

30. *120 NE. Multnomah (Hazel)*.—The name mentioned is Hazel Stamps, who is known to us as a prostitute. The house is a large frame dwelling with four apartments. Hazel has the upstairs rear apartment. She may pick up an occasional person from the street and take him to her room. Very small operation.

31. *13½ NE. Halsey (Rita)*.—This house is occupied by Alex Rainey, Mary Rainey, and Melba Mae Fisher. There have been several arrests made at this location in reference to prostitution since both Mary Rainey and Melba Fisher are known prostitutes. We are making a continual check each night at this address. We have complaints that both women are working; however, many surveillances reveal no law violations and no activity around this address.

32. *1476 N. Williams Court (Liz)*.—This is an old house on the corner of NE. Williams Court and NE. Cherry Court. During the past year there has been no activity of any type that we can observe. We did learn, several months ago, that there was an elderly man residing at this location. A constant surveillance revealed nothing.

33. *633 NE Morris (Poppa)*.—The telephone listing to this house is to a Tom E. Shea. He has no record with this department nor have we received any information or complaints regarding either he or his house. A check, this date, revealed nothing to suggest any vice activity.

34. *Old Chinese gambling place near Williams and Russell*.—The establishment referred to is quite possibly 2639 N. Williams. The proprietor is one Roma Ollison. He, at the present time, has a city restaurant license. We are and have been working on this location, the results of which will undoubtedly be an arrest in the near future. At the present time he is, according to complaints that we receive, conducting gambling.

35. *Fireside*.—We have no information on this establishment due to the fact it is in Clackamas County, outside of our jurisdiction.

Respectfully,

HOWARD E. WOLD,  
Vice, Nights, No. 500.

Senator MUNDT. Assuming that we eliminate question No. 1, because you seem to have difficulty in reconciling in your own thinking whether your knowledge or acquaintanceship with Jim Elkins is something which you would call personally acquainted or not, and since on the gratuities you would not know how to answer, suppose we eliminate that question also and ask the remaining eight.

I would like to have you tell me now whether you desire, after re-considering this, to have the Secret Service give you this lie detector test or not. I will leave that entirely up to you.

Mr. SCHRUNK. No, sir. After considering and spending about 11 days around here, in my opinion this matter is going to be settled in the courts in the State of Oregon. I shall rest on that.

Senator MUNDT. Very well. I should supplement your opinion by saying that I am sure the Department of Justice in Washington will also be involved in this case, because it is an obvious case of perjury on the part of someone. We do not know who.

Mr. SCHRUNK. Yes, sir; there certainly is.

The CHAIRMAN. May I again make the announcement that no lie detector test will be arranged for by the committee unless a witness specifically requests it.

As I understand, the witness does not desire to proceed with the test. Therefore, the Chair has no further control over it, and the committee has no further control over it.

I will take the position that the committee does not have the authority to order a lie detector test. It can only be done voluntarily. Therefore, if the witness does not desire to proceed with the test with these questions, then that will end the test as far as the Chair is concerned.

Senator MUNDT. That is perfectly satisfactory with me, Mr. Chairman. The witness does not only not request it, but he specifically refuses it. I want to say that for the record.

The CHAIRMAN. Will this witness be needed further?

As soon as copies are made of the document which he submitted for the record, return the original to Mayor Schrunk.

Mr. SCHRUNK. Thank you, sir. And may I have back from the committee the booklet that I presented last Friday that you requested that the staff have an opportunity to examine?

The CHAIRMAN. A what?

Mr. SCHRUNK. A booklet.

The CHAIRMAN. Yes, sir. I understand that the committee has made a copy of it, and the Chair now returns that to you. The other will be returned just as soon as copies can be made.

Mr. SCHRUNK. Thank you, sir.

The CHAIRMAN. Are there any further questions?

If, not, thank you very much, sir. You may stand aside for the present. We will try to determine during the day about releasing you from further attendance before the committee.

I might do this, and I think I shall, as in all of these cases we cannot know definitely. When you are advised by the staff that you are no longer needed for this particular hearing, will you acknowledge that you are under recognizance to appear again without being further subpoenaed upon reasonable notice being given?

I do not know that you will be needed, but you are under subpoena, and you can remain under subpoena. Will you agree to return, if the committee desires any further testimony from you, upon reasonable notice, of course?

Mr. SCHRUNK. Surely.

The CHAIRMAN. Thank you very much.

Mr. SCHRUNK. Will I hear sometime today?

The CHAIRMAN. I hope so, sir. The Chief Counsel advises me that we are finished now, and with that understanding you may go.

Mr. SCHRUNK. Thank you, sir.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Chairman, when Mayor Schrunk testified on Friday, he introduced an affidavit from Mr. Sutter.

Mr. Sutter at first testified before a grand jury out in Portland, Oreg., that he recognized Mayor Schrunk as the one that picked up the package. He stated in this affidavit that he was mistaken, or at least he saw somebody come by and pick up the package outside of Bennett's place but he is now unsure as to who picked up the package.

There were two police cars, as you will remember, in front of Bennett's place. He was traveling in the police car with a Lieutenant Lindholm. We have an affidavit from Lieutenant Lindholm.

The CHAIRMAN. Did I admit this affidavit?

Mr. KENNEDY. You allowed Mr. Sutter's affidavit to go in.

The CHAIRMAN. At the request of Mayor Schrunk?

Mr. KENNEDY. That is correct.

The CHAIRMAN. The Chair received editorial criticism, I believe, from one paper, that he had not admitted it, when in fact he had. I know I received a telegram complaining about it.

Senator MUNDT. Mr. Chairman, I think we should have the counsel read this affidavit, since it was issued by the man in the car with Mr. Sutter.

The CHAIRMAN. All right.

Mr. KENNEDY. This is Kenneth Lindholm. If you will remember, there were four police officers that came up. There was Kenneth Lindholm and Sutter in one car and the two witnesses who have already testified in one car.

The CHAIRMAN. We placed the other in the record?

Mr. KENNEDY. We have. We placed Sutter's affidavit in the record and we have the other two officers as witnesses.

The CHAIRMAN. Read the affidavit.

Mr. KENNEDY (reading).

I, Kenneth Lindholm, a city of Portland police officer, legally residing at 5608 North Warren Avenue, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of and an agent for the United States Senate Select Committee on Improper Activities in the Labor or Management Field. No threats, force or duress have been used to induce me to make this statement. I am fully aware of the penalties for perjury or falsely swearing and I have been informed that this statement may be introduced as evidence in the hearings before the aforementioned Senate Select Committee:

During September 1955 my regular duty assignment consisted of patrolling in a police car with another officer in the north section of Portland, on the second night shift, midnight to 8 A. M. About 3:30 A. M. in the morning of September 11, 1955, I was carrying out my regular duties in company with police officer Richard Sutter.

(At this point, the chairman withdrew from the hearing room.)

Mr. KENNEDY (reading):

As our police car was proceeding northward along Denver Avenue, we came upon another police car parked on Kilpatrick street, just east of the intersection with Denver.

We stopped our car and noticed that officers Lowell Amundson and Merlin Tiedemann in the other car had picked up a bicycle which had been found in the vicinity. I also noticed a Multnomah County sheriff's car double parked on Denver near the intersection and 2 or 3 Multnomah County deputy sheriffs, whose names I did not know.

I asked officers Amundson and Tiedemann what was going on and they told me that the deputy sheriffs must be conducting a raid. Then I noticed Multnomah County Sheriff Terry Schrunk and Clifford Bennett standing near each other on the sidewalk, apparently engaged in conversation. After chatting a few moments with officers Amundson and Tiedemann, Sutter and I took our police car around to Denver and parked it on the west side of Denver Avenue, headed south about 2 or 3 car lengths north of the intersection with Kilpatrick Street.

After the car was parked, Sutter got out and walked across Denver Avenue and stood talking to officers Amundson and Tiedemann. In the meantime, the proprietor of the Kenton Club, Merle Eastman, came up to the car and chatted with me while I remained seated in the car.

After Sheriff Schrunk and his deputies had left, Sutter returned to our car. Sutter stated that he had seen Sheriff Terry Schrunk pick up a package near the utility pole on the northwest corner of the intersection of Kilpatrick and Denver. Sutter was certain that Schrunk had received a payoff of some sort and he angrily denounced him as a dirty rotten crook.

I have read the foregoing statement, consisting of 2 pages, at the bottom of each of which I have affixed my name, and to the best of my present knowledge and belief, it is true and correct.

Signed, Kenneth Lindholm. Witness: Moredock and Williams, and notarized by Henry B. Skelton.

I, Bobby J. McClendon, a city of Portland police officer, legally residing at 1326 SE. 48th Avenue, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of and an agent for the United States Senate Select

Committee on Improper Activities in the Labor or Management Field. No threats, force or duress have been used to induce me to make this statement. I am fully aware of the penalties for perjury or falsely swearing and I have been informed that this statement may be introduced as evidence in the hearings before the aforementioned Senate select committee:

I first became a Portland police officer in March, 1955. From that time until the present date I have become well acquainted with Portland police officer Richard Sutter, in fact, so well acquainted that he has treated me as a confidant. During one period we were assigned to night duty in the same police patrol car. In addition, I have made frequent social visits to his house.

In the summer of 1956, after Sutter had first testified before a Multnomah County grand jury, Sutter reported to me that he had testified to the grand jury as follows:

1. Sutter saw Clifford Bennett place a package beside a utility pole at the northwest corner of Denver and Kilpatrick Streets about 4 a. m., on the morning of September 11, 1955.

2. Sutter saw Sheriff Terry Schrunk pick up this package a few minutes later.

3. Sutter explained to the grand jury at great length and in considerable detail what a crooked man Terry Schrunk was.

4. Sutter accepted "smile" money and spent it.

Sutter told me that he had had a difficult time trying to convince the grand jury, and that he had later found out that two persons on the jury were personal friends of Terry Schrunk. Sutter claimed that he also told the jury that at one time he had been assigned to watch Schrunk's house at night.

During subsequent conversations with Sutter, he reported to me that Lieutenant Bryan of the Portland police department was talking to him about the Kenton raid and Sutter's knowledge of it. According to Sutter, Lieutenant Bryan at that time did not know the substance of Sutter's testimony in his first appearance before the grand jury. Sutter stated that Bryan kept telling him what an honest man Schrunk was and later told him that if a man said and did the right things, he might be able to become a sergeant in about a year. Sutter was persuaded by Bryan that Bryan would become chief of police if Schrunk were elected and that thereafter Sutter would receive appropriate rewards.

According to Sutter, Lieutenant Bryan attempted to set up a meeting between Sutter and George Minielly, a deputy in the Multnomah County sheriff's office. Sutter at first declined the opportunity because of the testimony he had given to the grand jury. Later Sutter finally told Lieutenant Bryan of his testimony before the grand jury and also of his assignment to watch Terry Schrunk's home. According to Sutter, Bryan informed him that he would explain it all to Schrunk, and Bryan was confident that Schrunk would still want to meet Sutter.

Sutter never told me when or where he met Schrunk, but on a subsequent occasion both Sutter and his wife told me what a fine man Schrunk was and both of them declared that I should meet Schrunk. I have never met Mr. Schrunk.

A few days before the election in November 1956, Sutter told me that he had given a sworn statement to Terry Schrunk about the Kenton incident because he felt that Schrunk should have this statement in case the Oregonian should publicize the Kenton matter just before the election. Very shortly after this conversation, I learned from Sutter, Lieutenant Bryan instructed Sutter to leave the city for some time. Sutter claimed that he picked up his wife and child, packed up and left in 15 minutes, and did not return to the city for more than 2 weeks.

After Sutter appeared for a second time before a Multnomah County grand jury, Sutter told me that he had changed his earlier testimony concerning the pickup of the package in Kenton. He stated that he told the grand jury that he believed he was honestly mistaken about the identity of Schrunk.

In February 1957, Sutter learned that I had been subpoenaed to appear before a Multnomah County grand jury and he called me at the North Precinct Station the day before my appearance and asked me to stop off at his home after I finished work. When I arrived at his house he asked me why I had been subpoenaed. I told him I had no idea of the reason for my call and he then said that he had mentioned my name a few times before previous juries and that probably anybody whose name had been mentioned was being called to testify. Sutter asked me if I had told anyone about his conversations with me. I replied that I might have talked to somebody about these conversations. Sutter then asked me not to mention these conversations to the grand jury. I replied that I could not lie to the grand jury and I would not take a chance of being indicted for perjury. Sutter then claimed he wasn't asking me to lie and stated that if I were asked

about these conversations with him I should be vague and evasive and that I should tell the grand jury that I could not remember the conversations. I told Sutter that I would not know what it was all about until I got in the grand jury room and then I left his house.

On the following day after testifying before the grand jury I arrived for duty at the North Precinct about 6 p. m. My superior officer called me into the sergeant's locker room and related to me that prior to my arrival Lieutenant Bryan had telephoned my superior concerning my testimony before the grand jury. Neither my superior nor I have any idea how my testimony before the grand jury leaked out, but in any case, Bryan apparently had learned of the testimony. According to my superior, Bryan was very enraged and called me profane names. Bryan had declared that there was a conspiracy against him and he named me along with several others as being involved.

On the following day I was recalled to the grand jury to testify concerning this incident.

I have read the foregoing statement, consisting of three pages, at the bottom of each of which I have affixed my name, and to the best of my present knowledge and belief, it is true and correct.

/s/ BOBBY J. McCLENDON.

Witness :

T. GEORGE WILLIAMS.  
WATSON EASTMAN.

Sworn to and subscribed before me, a notary public in and for Multnomah County, State of Oregon, this 11th day of March 1957.

C. N. KING.

Senator IVES (presiding). Clyde Crosby, come back to the witness chair.

(Members present at this point: Senators Ives, Ervin, McNamara, Mundt, and Goldwater.)

#### TESTIMONY OF CLYDE C. CROSBY, ACCOMPANIED BY HIS COUNSEL, WARREN E. MAGEE—Resumed

(At this point, the chairman entered the hearing room.)

Mr. KENNEDY. We were talking the last time you testified about the E & R project, is that right, Mr. Crosby, and about the work that had been done in your basement by two employees of Mr. Elkins?

Mr. CROSBY. Yes, sir; there was testimony to that effect.

Mr. KENNEDY. You stated, I believe, that these employees informed you that they had been working for Mr. Elkins, is that right?

Mr. CROSBY. I stated that I learned that—

Mr. KENNEDY. Did you not state that they informed you prior to the time they finished their work?

Mr. CROSBY. I can't recall making that statement exactly that way, Mr. Kennedy.

Mr. KENNEDY. Well, what happened, then?

Mr. CROSBY. I said I think I ultimately realized that they were working for Elkins.

Mr. KENNEDY. But they did not tell you that? You did not state that, that they told you that they were employed by Elkins?

Mr. CROSBY. I don't believe that I did.

Mr. KENNEDY. We will have to look the record up. It was a little confusing to me, because when I talked to you out in Portland, you had told me that they hadn't informed you, and I believe on Friday you said that they had informed you, but now I believe the testimony is that they did inform you, is that right?

(At this point, Senator Ives withdrew from the hearing room.)

MR. CROSBY. The exact manner in which I became aware that they were employed by Elkins isn't clear to me.

MR. KENNEDY. Did they tell you that they worked for Tom Maloney or indicate that they worked for Tom Maloney?

MR. CROSBY. No; they did not, but any discussions held with reference to the progress of the work were held with myself and Mr. Maloney.

MR. KENNEDY. Did you have any discussions with them about the fact that they worked for Tom Maloney?

MR. CROSBY. No, sir.

MR. KENNEDY. That is another thing that confuses me. Again, we have a tape recording of our conversation in Portland which we can put in the record, but you told us at that time that they indicated that they worked for Tom Maloney. The only problem I have, Mr. Crosby—

MR. CROSBY. I am relying on a memory of an incident that took place a great time ago. For me to say under oath something concrete and specific, unless I can clearly remember it, I don't see how you can expect me to be concise on it.

MR. KENNEDY. I would not mind, you know, if you said you did not remember. That would be perfectly satisfactory, and if you had said, "I don't remember" out in Portland. But the problem for me is that you give one answer out there and then you change it here. It is a little confusing.

But we can go on.

SENATOR GOLDWATER. Mr. Chairman, I have a question.

THE CHAIRMAN. Senator Goldwater?

SENATOR GOLDWATER. Mr. Crosby, when this work was being done in your home, in the basement of your home, by, I believe, Mr. Slim Jenkins and Mr. Bernie Kane, did you at any time try to find out if those men were members of a union?

MR. CROSBY. I think I just assumed that they were part of some construction firm at the time they started the work.

SENATOR GOLDWATER. But you did not try to find out if they were actually members of any of the building trades?

MR. CROSBY. I did not, Senator.

SENATOR GOLDWATER. Is that not customary, to find out if a man is a member of a union, who is doing work for you?

MR. CROSBY. Well, I would say yes: it would be customary, with the exception of the fact that I just had a lot of things on my mind, and was busy, and I didn't pay a great deal of attention to it.

SENATOR GOLDWATER. Did these men ever work Saturdays or Sundays?

MR. CROSBY. Frankly, I cannot recall whether they did or not.

SENATOR GOLDWATER. Do you recall that they worked overtime?

MR. CROSBY. I can't even recall that.

SENATOR GOLDWATER. Mr. Chairman—

MR. CROSBY. I explained that by stating that it was only rare exceptions. I was away at the time they were working.

SENATOR GOLDWATER. This is one of the strange occurrences in this whole case, to me, that an international organizer would not ascertain if men doing work in his own home were members of a union. I can say this, that if any of we people who are not members of a union

attempted to do such a thing, we would know of it within a few minutes of trying. It is a very unusual thing for me to find an international organizer who has not found out that the men working for him are members of a union.

Mr. CROSBY. Senator, I considered it a rather insignificant thing. I have no apology or no excuses to offer for my failure to do exactly what you were suggesting.

Senator GOLDWATER. As far as this case goes, I agree with you, it is insignificant. But as far as the union movement goes, I do not think it is insignificant at all.

Mr. KENNEDY. Did you ever discuss this matter with Mr. Elkins?

Mr. CROSBY. Yes. He came to my house during the latter stages of the thing on one of his two visits.

Mr. KENNEDY. Did you discuss the fact at that time that this work had been done?

Mr. CROSBY. He asked me how it was coming along.

Mr. KENNEDY. Was there any discussion about the money that you owed him?

Mr. CROSBY. None whatsoever.

Mr. KENNEDY. Did you tell him that you paid Tom Maloney for the work?

Mr. CROSBY. There was no discussion about money.

Mr. KENNEDY. You are sure of that?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. I hate to keep coming back to this, but you can understand that it is confusing. You do not remember telling me out there that you told Elkins that you had paid Maloney \$200?

Mr. CROSBY. I was under the impression that you were talking about the instance when Elkins was at my home.

Mr. KENNEDY. There was another instance? I asked you, I think, whether you ever discussed this matter with Mr. Elkins.

Mr. CROSBY. Frankly, I can't even recall discussing it with him.

Mr. KENNEDY. Well, what were you talking about in this home?

Mr. CROSBY. I am talking about recalling the discussion relating to any money.

Mr. KENNEDY. No, no. I asked you if you ever discussed the fact that you had paid Tom Maloney for this work that had been done, and then you said yes—no, I asked you if you had ever discussed this matter with Jim Elkins, and you said, "Yes, I did," in your home. That was at one of the two times that he was at your home. Will you tell me what the facts are?

Let me start again. Did you ever discuss the matter with Jim Elkins?

Mr. CROSBY. What matter?

Mr. KENNEDY. The matter of your basement, the work done in your basement?

Mr. CROSBY. I state that he paid an ostensibly friendly visit to my home the first time that he came there, and asked me something in relation to how it was coming along.

Mr. KENNEDY. How what was coming along?

Mr. CROSBY. The basement.

Mr. KENNEDY. O. K. So what happened?

Mr. CROSBY. I can't think of anything peculiar that happened. I didn't attach any great deal of importance to it, because I didn't think he was doing the work.

Mr. KENNEDY. Did he not tell you that his men were doing the work?

Mr. CROSBY. He did not tell me that, no.

Mr. KENNEDY (reading):

What did he say to you about the men that were doing the work?

That is the question I asked. This is your answer:

He asked me if the work that was done in my basement was satisfactory, or something similar to that, and I asked him "What is it to you?"

and then you answered, and he said:

"Well, I did the work, my boys did the work."

Then you are saying:

I didn't particularly like it. I didn't see what I could do at that point. It was done.

Mr. CROSBY. We are talking now about the second incidence when he was in my home.

Mr. KENNEDY. Then you discussed this matter twice?

Mr. CROSBY. When he was playing these recordings for me that was discussed, primarily along that line. I can't recall the exact trend of the conversation, but I think he wanted to impress upon me that in some way I was obligated to him. I didn't feel that way.

Mr. KENNEDY. What did you tell him then about the money?

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. CROSBY. As I recall, I think I told him that I took care of the matter with Tom Maloney.

Mr. KENNEDY. You did. Now you remember that?

Mr. CROSBY. To the best of my ability to recall, yes.

Mr. KENNEDY. So that you did tell him?

Mr. CROSBY. You are asking me the same question. I just answered it, Mr. Kennedy.

Mr. KENNEDY. Well, did you tell him? You told him about the money?

Mr. CROSBY. In detail?

Mr. KENNEDY. Just answer the question. Did you tell him about the money that you had paid?

Mr. CROSBY. I told him that I took care of this matter through Tom Maloney.

Mr. KENNEDY. Then you did tell him that?

Mr. CROSBY. Yes.

Mr. KENNEDY. How much did you tell him you paid Tom Maloney?

Mr. CROSBY. I don't recall that I ever stated the amount.

Mr. KENNEDY. And did he say "You should have paid me"?

Mr. CROSBY. He might have inferred such. I don't recall any specific statement along that line.

Mr. KENNEDY. But that was the end of the conversation?

Mr. CROSBY. That is right. He was there primarily to play recordings.

Mr. KENNEDY. I see. Now, tell me this: On the E & R matter that you were discussing, when you said that you had no discussions with



Mr. Jim Elkins about it, or that there were any discussions about you making any kind of an agreement with him, did you ever have any discussions with his brother, Fred Elkins?

Mr. CROSBY. I don't even know his brother.

Mr. KENNEDY. You do not know his brother?

Mr. CROSBY. No, sir.

Mr. KENNEDY. You never met his brother?

Mr. CROSBY. No, sir.

Mr. KENNEDY. You never took a tour around this place where the E & R would be established?

Mr. CROSBY. I did not.

Mr. KENNEDY. You never discussed this with anyone, then. Did you ever discuss it with Joe McLaughlin?

Mr. CROSBY. Explain again to me, Mr. Kennedy, exactly what you mean by discussed. If you are talking about discussing an illegal act, the answer is "No."

Mr. KENNEDY. Well, did you discuss the fact with Joe McLaughlin that you thought you could get the location for this E & R, the Steel Bridge site?

Mr. CROSBY. I believe the record will show that I discussed with everybody who raised the question with me my conviction that I felt that it should be put there.

Mr. KENNEDY. Yes, but did you ever discuss that matter?

Let us go back. Did you ever mention that matter to Joe McLaughlin?

(At this point, Senator Goldwater entered the hearing room.)

Mr. CROSBY. I think it is conceivable that I might have discussed it.

Mr. KENNEDY. The problem is that when I talked to you in Portland, you said you hardly knew Joe McLaughlin. I am trying to establish that this is one of the matters you discussed.

Mr. CROSBY. Let me point out, Mr. Kennedy, that upon meeting someone for the first time, during that period of time, and because of the civic interest involved, you can almost count on a second or third subject discussed, that E. & R. did come up.

Mr. KENNEDY. Was he interested in E. & R.?

Mr. CROSBY. Whether he was or was not, I am not aware.

Mr. KENNEDY. He was from Seattle, Wash. Did he seem to have an interest in E. & R.?

(At this point, Senator Ervin withdrew from the hearing room.)

Mr. CROSBY. Nothing abnormal that I knew of.

Mr. KENNEDY. Did he seem to want the community built up in Portland? Is that why? I just want to find out why he wanted to discuss it.

Mr. CROSBY. I don't know how I can answer a question like that, Mr. Kennedy. I don't recall any specific peculiar show of interest in relation to it.

Mr. KENNEDY. But you think you did discuss it with him?

Mr. CROSBY. I think I discussed it with everybody I talked to.

Mr. KENNEDY. When Mr. Elkins was making this contract with Mr. McLaughlin, after you stepped out of it, there was a conversation in the office of either Mr. Sloniger or Mr. Kelley, the real estate man or the lawyer, about calling you and finding out exactly what options to take on this E. & R. business.

Mr. CROSBY. One moment, sir.

(The witness conferred with his counsel.)

Mr. CROSBY. Would you repeat the question, please?

The CHAIRMAN. Will you read the question.

Mr. KENNEDY. I will rephrase the question.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. Did Mr. McLaughlin ever discuss with you about the taking of certain options on the E. & R. property?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Did he ever discuss with you by telephone what property would be included in the steel bridge site, if that was selected?

Mr. CROSBY. If he did, I certainly can't recall it.

Mr. KENNEDY. Do you think it is possible that he might have called you?

Mr. CROSBY. I can only answer you as I have, Mr. Kennedy. I don't know.

Mr. KENNEDY. Well, I am just asking you if you think it is possible that he might have called.

(The witness conferred with his counsel.)

Mr. CROSBY. Go ahead, sir. The answer is that I don't know.

Mr. KENNEDY. You cannot remember that? Would not that be slightly unusual that he would call, somebody coming from Seattle, whom you did not know very well, who called you up and said he wanted to know about the options on the E. & R.? That would be something that would stick in your mind, would it not?

Mr. CROSBY. Not necessarily, because the question of options on many sites was a big discussion and subject that was discussed amongst the commissioners.

Mr. KENNEDY. I understand that. We are not talking about the commissioners. We are talking about Joe McLaughlin whom I understood you knew to be a gambler. Did you know he was a gambler?

Mr. CROSBY. No; I didn't.

Mr. KENNEDY. You did not understand him to have a gambling place?

Mr. CROSBY. I understood he had a restaurant.

Mr. KENNEDY. Did you not place some bets through his place?

Mr. CROSBY. Yes.

That is where you can get in trouble, Mr. Kennedy, by answering a simple question "Yes" or "No". Mr. McLaughlin at one time that I met him in Seattle told me a telephone number where I could place a bet if I ever wanted to bet on a horse. Whether he handled it or whether it was related to someone else, I don't know.

Mr. KENNEDY. That, again, is something that you have refreshed your recollection on. You will remember, again, when we talked first, you said that your bet had been placed through his place in Seattle?

Mr. CROSBY. I don't recall making that statement that way.

Mr. KENNEDY. You say now that he just gave you a number and you didn't know?

Mr. CROSBY. To the extent that you are questioning me, a great deal depends on personal assumption, I might have assumed at the

time and given that inference, but I had no way of knowing specifically that he handled bets personally, and I don't know yet that he does.

Mr. KENNEDY. How would you know 2 months ago and know that he had a place up in Seattle, 2 months ago, when you don't know now?

Mr. CROSBY. Well, I don't see how you can say that I knew 2 months ago.

Mr. KENNEDY. You told me 2 months ago when I was out in Portland.

Mr. MAGEE. Mr. Chairman, point of order. Can't we have counsel put his questions without testifying, to ask a specific question? If Mr. Kennedy wants to testify to that conversation under oath, I would be happy to cross-examine him about it.

The CHAIRMAN. The Chair indulged you to make a statement. Counsel has a right to ask him, "Do you not know you told me so and so 2 months ago," or "Well, you told me that" or "Did you or did you not?"

Mr. MAGEE. That is correct, sir, but I submit that is not the way he put that question.

The CHAIRMAN. Let me ask you, then. I think I can take care of it. Did you have a conversation with Joe McLaughlin about a betting establishment where you could place a bet?

Mr. CROSBY. I indicated at one time to him——

The CHAIRMAN. I did not ask you what you indicated. Did you have a conversation with him about where you could place a bet?

Mr. CROSBY. I think I did; yes, sir.

The CHAIRMAN. Where did he tell you you could place it?

Mr. CROSBY. He just simply gave me a telephone number.

The CHAIRMAN. Where was that number?

Mr. CROSBY. It was in Seattle.

The CHAIRMAN. Was that his place of business and did he tell you that?

Mr. CROSBY. I do not know. He did not tell me that.

The CHAIRMAN. Did you tell the counsel in your conversation that that was his place of business or that you placed a bet through Joe McLaughlin's place of business?

Mr. CROSBY. I said I placed a bet based on information that I received from Mr. McLaughlin.

The CHAIRMAN. Is that your exact statement now?

Mr. CROSBY. To the best that I can recall.

The CHAIRMAN. What connection did he have with gambling?

Mr. CROSBY. I have no knowledge of any connection that he had with gambling.

The CHAIRMAN. Were you a pretty close associate of his?

Mr. CROSBY. No, sir.

The CHAIRMAN. Did you ever travel with him?

Mr. CROSBY. On one occasion. I don't consider that I traveled with him.

The CHAIRMAN. Why do you not?

Mr. CROSBY. Because I was requested to obtain a ticket for him by another person.

The CHAIRMAN. To obtain a ticket for him out of union funds?

Mr. CROSBY. Yes, sir; that is what happened.

The CHAIRMAN. And that is what you did?

Mr. CROSBY. Yes, sir; I complied——

The CHAIRMAN. You traveled with him where?

Mr. CROSBY. To San Francisco.

The CHAIRMAN. From where?

Mr. CROSBY. From Portland.

The CHAIRMAN. For what purpose?

Mr. CROSBY. There was no purpose between Mr. McLaughlin and I.

The CHAIRMAN. What conversations did you have with him after you got down there?

Mr. CROSBY. None whatsoever. I checked in the hotel and reported up at the Teamster Building.

The CHAIRMAN. Did you go to the prizefight with him?

Mr. CROSBY. No, sir.

The CHAIRMAN. Did you pay his hotel bill? Did the teamsters pay it?

Mr. CROSBY. Not to my knowledge.

The CHAIRMAN. You say they did not pay it?

Mr. CROSBY. I think——

The CHAIRMAN. Do you not know it was paid by the teamsters?

Mr. CROSBY. No; I——

The CHAIRMAN. You took him on that trip?

Mr. CROSBY. No, I don't know it was paid, Mr. McClellan.

The CHAIRMAN. You know the fare was paid, the plane fare was paid, do you not? You know that?

Mr. CROSBY. The ticket was obtained at the request of another party.

The CHAIRMAN. Who is the other party?

Mr. CROSBY. John Sweeney.

The CHAIRMAN. John Sweeney was who?

Mr. CROSBY. Secretary-treasurer of the Western Conference of Teamsters.

The CHAIRMAN. And you obtained a ticket for him to travel with you down to San Francisco at the request of John Sweeney, who was a high official in the union, and you paid for that ticket out of union funds; is that correct?

Mr. CROSBY. Yes, sir; I think that is correct.

The CHAIRMAN. All right, out of union funds. By that you mean out of the dues paid by the members of the union; is that correct?

Mr. CROSBY. I think I would have to answer in the affirmative.

The CHAIRMAN. I think so, too.

All right, Mr. Counsel.

Mr. KENNEDY. John Sweeney is dead; is that right?

Mr. CROSBY. Yes, sir; he is.

Mr. KENNEDY. So you are putting the responsibility for this on Mr. John Sweeney, who is dead?

Mr. CROSBY. I am telling the truth, Mr. Kennedy, alive or dead.

Mr. KENNEDY. Mr. John Sweeney ordered you to take Joe McLaughlin down?

Mr. CROSBY. As I recall, Mr. Sweeney called me the day previous, which I think was a Sunday. I would like to point out that we were in the process of the final stages before a strike. I was going to San Francisco to discuss some of the ramifications of it with San Francisco members. He knew I was going.

Mr. KENNEDY. Who knew you were going?

Mr. CROSBY. Mr. Sweeney. We discussed it on the telephone. He simply asked me if I would mind obtaining a ticket for Mr. McLaughlin, and I complied with his wish in the manner in which I would. My air-travel card doesn't permit the purchase of tickets for other people. So I got ahold of Bill O'Connell and asked him to come to the airport and get a ticket for Mr. McLaughlin.

Mr. KENNEDY. Why did they want to take Joe McLaughlin down to San Francisco?

Mr. CROSBY. I can't answer the question.

Mr. KENNEDY. You have no idea?

Mr. CROSBY. I didn't spend any time with Mr. McLaughlin in San Francisco.

Mr. KENNEDY. Did Sweeney tell you what the reason was?

Mr. CROSBY. He didn't explain; no.

Mr. KENNEDY. He did not explain why they wanted Joe McLaughlin to come down to San Francisco?

Mr. CROSBY. No, sir; he didn't.

Mr. KENNEDY. Let me see if I can phrase this correctly. Did you tell me in Portland that you had not seen Joe McLaughlin except at the fights in passing when you went down to San Francisco?

Mr. CROSBY. I think you asked me a question if I was traveling with him. I still maintain that even though I arranged to get the ticket, I was not traveling with the man.

Mr. KENNEDY. Did you sit with him?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Were you on the same plane with him?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you arrange to get his ticket?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you go to the same hotel?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you take the same transportation in from the airport to the hotel?

Mr. CROSBY. As I recall, there were about five people that got into the same cab.

Mr. KENNEDY. Did you take the same transportation in?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Were you traveling with him?

Mr. CROSBY. Not as such, no.

Mr. KENNEDY. Did you register at the hotel?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you register at the same time?

Mr. CROSBY. I believe so, sir.

Mr. KENNEDY. Did you have adjoining rooms?

Mr. CROSBY. That I don't know.

Mr. KENNEDY. Well, the record shows that you did.

Mr. CROSBY. The record could very well show that.

Mr. KENNEDY. What do you consider traveling with somebody if that does not describe traveling with somebody? You buy his ticket, get on the same plane, take a trip to the same place, you get off, get the same transportation from the airport into the hotel, you register at the hotel at the same time, and you have adjoining rooms. Is that traveling with him, when you bought his ticket, arranged to buy his ticket?

Mr. CROSBY. Yes, you are right, but I would like to say this—

Mr. KENNEDY. Can I go back before you say that? Did you not tell me when I was out in Portland that you had not traveled with Joe McLaughlin?

Mr. CROSBY. And I don't feel that I ever did as such. I interpreted your question to mean did I arrange to travel with him for any specific purpose between Mr. Laughlin and I, and I certainly did not do that.

Mr. KENNEDY. What has your relationship been with Mr. Tom Maloney, Mr. Crosby?

Mr. CROSBY. Unfortunate.

Mr. KENNEDY. When did you meet Mr. Tom Maloney?

Mr. CROSBY. It has been a bad relationship.

Mr. KENNEDY. Excuse me?

Mr. CROSBY. It has been a bad relationship.

Mr. KENNEDY. How did it originate, your relationship with Tom Maloney?

Mr. CROSBY. Mr. Maloney came into the Teamsters Building, and introduced himself. He showed me a withdrawal card from a San Francisco local, if I am correctly recalling the incident, and stated that he had been a prizefight manager, and knew many things and was able to be of assistance to anyone on political campaigns.

Mr. KENNEDY. When was this, 1954?

Mr. CROSBY. Yes, I am sure it was.

Mr. KENNEDY. During the election or prior to the final election in 1954?

Mr. CROSBY. The exact date in 1954 I cannot recall.

Mr. KENNEDY. No, but it was probably around October 1954? Prior to the final election?

Mr. CROSBY. Yes.

Mr. KENNEDY. O. K. So this ex-manager of prizefighters came into the Teamsters Building. What did he want?

Mr. CROSBY. He wanted to be of assistance in a political campaign. He professed a love for the teamsters union, and so on. Very frankly, he sold me a bill of goods.

Mr. KENNEDY. Tom Maloney did, the man who has been a witness before this committee?

Mr. CROSBY. Tom Maloney; yes, sir.

Mr. KENNEDY. At that time, when he came in to see you—let me go back a little bit. You had formerly endorse Mr. McCourt for the district attorney, is that right?

Mr. CROSBY. In the primary, yes, sir.

Mr. KENNEDY. The Teamsters had endorsed Mr. McCourt. In the final election they endorsed Mr. Langley?

Mr. CROSBY. That is correct.

Mr. KENNEDY. Mr. Maloney came down there and was one of the assistants to Mr. Langley, is that right?

Mr. CROSBY. I believe he worked a great deal.

Mr. KENNEDY. Did Mr. Maloney's arrival in Portland have anything to do with the support, the Teamster support, of Mr. Langley?

Mr. CROSBY. No, it didn't, not to my knowledge.

Mr. KENNEDY. Did all the unions get together and decide at a meeting who they would support between Mr. McCourt and Mr. Langley?

Mr. CROSBY. The legislative committee of the joint council met and discussed the problem, yes, sir.

Mr. KENNEDY. Do you have the minutes for that meeting?

Mr. CROSBY. They were informal meetings. I don't think any minutes were kept.

Mr. KENNEDY. Do you have any minutes for the meeting when you decided that you were going to vote to support Mr. Langley?

Mr. CROSBY. As I say, those meetings, basically, were informal.

Mr. KENNEDY. Is that not a pretty important step, to decide who the Teamsters are going to support for the district attorney?

Mr. CROSBY. I don't know whether it was important or not.

Mr. KENNEDY. Do you not think it is important? You are a Teamster. Is that not important?

Mr. CROSBY. To be perfectly frank—

Mr. KENNEDY. Please do.

Mr. CROSBY. I don't recall that I was particularly upset one way or another about who was elected district attorney in the primary. I did become a little concerned when I obtained confirmation of the fact that Jim Elkins was financing some of Mr. McCourt's campaign.

Mr. KENNEDY. Did you ever hear during this period of time that he had anything to do with Mr. Langley's campaign?

Mr. CROSBY. That who did?

Mr. KENNEDY. Mr. Elkins.

Mr. CROSBY. Yes, I think I have heard that, but I believe he followed an age-old creed of backing both candidates so he can't lose.

Mr. KENNEDY. O. K. Why did you people back Mr. Langley?

Mr. CROSBY. Because Mr. Langley, to my knowledge, indicated no particular friendliness for prostitution or for the various other things that were allegedly going on in the city. He seemed to want to try to do a job to the best of his ability.

Mr. KENNEDY. Was it because Mr. Elkins was backing Mr. McCourt?

Mr. CROSBY. That could have had something to do with it.

Mr. KENNEDY. He was also backing Mr. Langley.

Mr. CROSBY. I am stating here that I don't know to what extent he did, if he did.

Mr. KENNEDY. Did you have a lot of evidence or a considerable amount of evidence?

Mr. CROSBY. I had something that I considered unimpeachable and I will be glad to relate it to you when you get around to it.

Mr. KENNEDY. Fine. Go ahead.

Mr. CROSBY. Some time in the summer or early fall of 1954, a man by the name of Leonard Givens came to my office. He identified himself as a member of the investigating staff of District Attorney McCourt. His purpose for coming there was to find out if there was any way that I could help him in his quest for reinstatement upon the Multnomah County sheriff's department. He had formerly been a lieutenant, but at the election of Mike Elliott, who was later recalled, he got embroiled in some sort of personality differences and told me that Sheriff Elliott practically rode him out of the department.

He wanted to know if there was any way the Teamsters could help to try to get him reinstated. I talked to him at some length concerning the subject, and I told him this: "The only thing that I know that I could do is that I am personally familiar with one of the members of

the Multnomah County civil service commission. I could speak to him about it and ask him at least to give it consideration to see if there are any grounds for reinstatement. "But," I said, "before I agree to do that, I want an answer from you on something that I am perplexed about."

I asked him simply this: I said, "I know you are on Mr. McCourt's staff, and I know that you know the answer to this question. If you don't answer it either way, then I will assume that you don't want to answer it and you can look elsewhere for your assistance. But either way I would like to have an answer." I simply asked him this: "Do you have any knowledge of Jim Elkins financially supporting John McCourt?"

He hemmed and hawed for several minutes. Finally, he said, "Well," he says, "you could get me into a lot of trouble if you identify me as your source of information. But," he says, "the facts are that Jim Elkins is putting a pretty big chunk of dough into McCourt's campaign."

I don't feel that he had any motive for telling me a lie. He could just as well have told me "No," and I still would have tried to help him. I would like to go on to say that the Multnomah County civil service commission did reopen Mr. Givens' case. He was reinstated to the sheriff's department with his former rank, and a contest developed between the Civil Service Union, of which the deputy sheriffs are members, in the courts as to the validity of the thing. It later developed that a court decision came out stating something along this line, that the Multnomah County civil service commission had exceeded its authority, and they nullified the action.

MR. KENNEDY. Based on this information that Mr. Givens gave you, the Teamsters backed Mr. Langley over Mr. McCourt?

MR. CROSBY. Yes, sir.

MR. KENNEDY. You do not have any minutes of the meeting at which you made that decision?

MR. CROSBY. I am not sure. But as I recall they were informal conferences.

MR. KENNEDY. Was it ever explained to the rank and file that the reason you were backing Mr. Langley and that you had switched from Mr. McCourt to Mr. Langley, was because of the fact that you found Jim Elkins was interested in Mr. McCourt?

MR. CROSBY. I am sure that that point was carefully explained to all of the secretaries who, in turn, meet with their membership and go into the ramifications of any recommendations.

MR. KENNEDY. Were you not puzzled to see some of Mr. Elkins' employees working for Mr. Langley?

MR. CROSBY. Mr. Kennedy, I think Mr. Elkins' employees are perjuring themselves when they state that they were all over the city helping him. I don't think they were.

MR. KENNEDY. We had Mr. Slim Jenkins who testified before the committee who said he helped Mr. Langley. He delivered some signs, put some signs up. Do you say that he is perjuring himself?

MR. CROSBY. I frankly don't believe he did. But, then——

MR. KENNEDY. Did you ever——

SENATOR MUNDT. You do not believe he perjured himself or you do not believe he put out the signs?



MR. CROSBY. Perhaps I should recant on that, Senator. It is quite a charge to make, to accuse someone of perjuring himself. But, to my knowledge, neither Elkins nor any of his employees contributed anything toward Mr. Langley's election.

SENATOR MUNDT. So you do not believe Mr. Jenkins told us the truth when he said he was active in the Langley campaign?

MR. CROSBY. No, sir; I don't.

MR. KENNEDY. You never met with Mr. Elkins yourself during that period of time?

MR. CROSBY. No, sir.

MR. KENNEDY. You never talked to him?

MR. CROSBY. No, sir.

MR. KENNEDY. And he never delivered a speech to you that had been made up, with the possibility of having it delivered?

MR. CROSBY. A speech for whom?

MR. KENNEDY. For Mr. Langley?

MR. CROSBY. Absolutely not.

MR. KENNEDY. You never had any discussions with him at all about Mr. Langley's campaign?

MR. CROSBY. I absolutely had no discussions with Mr. Jenkins in relation to District Attorney Langley.

MR. KENNEDY. What about Mr. Maloney? What was Mr. Maloney doing there? Who had he been sent by during this period of time?

MR. CROSBY. To the best of my knowledge, I don't think he was sent by anyone.

MR. KENNEDY. Who was paying his bills during this time he was working for Mr. Langley?

MR. CROSBY. The joint council in Oregon absorbed some of the man's bills during the period of time we felt he was performing a service for us.

THE CHAIRMAN. They absorbed his bills? Do you mean they paid them?

MR. CROSBY. I think they paid a telephone bill. I later found out they paid some hotel bills.

THE CHAIRMAN. Paid out of union funds?

MR. CROSBY. Yes, sir, paid out of funds allocated for legislative activity.

THE CHAIRMAN. Paid out of dues collected from union members?

MR. CROSBY. That is correct, sir.

MR. KENNEDY. During this period of October——

SENATOR MUNDT. May I question at this point?

THE CHAIRMAN. Senator Mundt.

SENATOR MUNDT. Let us see if I have this picture right.

The only function that Mr. Maloney was performing for the Teamsters, as I understand it, was that he was helping with the Teamsters program to elect Mr. Langley over Mr. McCourt, is that right? He was not an organizer or a business agent, or a full-paid operator, but his only function for the Teamsters was helping them in that particular objective?

MR. CROSBY. Senator Mundt, I don't like to agree that the word "only" is appropriate there. I was under the impression that he was also working in support of other candidates that were being supported by the Teamsters.

Senator MUNDT. Let me rephrase it. I was not trying to trick you. The only function of Mr. Maloney for the Teamsters was to help them in connection with their endorsements and campaigns for candidates?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And, in that capacity, he did not draw a salary from the Teamsters?

Mr. CROSBY. He did not.

Senator MUNDT. But the Teamsters paid for hotel bills and telephones. I think you testified that you got a telephone in his name that you paid for? Did you not make that testimony the other day?

Mr. CROSBY. I said I authorized the installation of a telephone for him. Whether it was in his name or the joint council's, I am not aware.

Senator MUNDT. But you authorized it to be secured for his use and to be paid for by the Teamsters?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And those funds were paid from the Teamsters' treasury?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. The Chair wants to clear up one point.

I believe you said the money used to pay these bills of Maloney was out of funds allocated by the central council for legislative work. Is that correct?

Mr. CROSBY. Well, I think it is, although there are some qualifying—

The CHAIRMAN. Well, is that what you said?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. I understood you correctly?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Mr. Langley was not a candidate for the legislature, was he?

Mr. CROSBY. No, sir; but that—

The CHAIRMAN. Just a moment. He was not a candidate for Congress?

Mr. CROSBY. That is correct.

The CHAIRMAN. He was a candidate for district attorney?

Mr. CROSBY. That is correct.

The CHAIRMAN. He could not enact legislation if he was elected, could he? He had no power to enact legislation, to vote on any legislation, either National, State, city, or county, could he, if he were elected?

Mr. CROSBY. That is correct, sir.

The CHAIRMAN. All right, then. You were using dues of union members to promote a political campaign, pure and simple, were you not? Is that not the truth?

Mr. CROSBY. Well, if you will permit me to clarify this thing—

The CHAIRMAN. Answer yes or no.

Mr. CROSBY. The question of—

The CHAIRMAN. Just a moment. Was not the money used, out of the union funds paid in by dues from the members—was not that money used, according to your testimony, simply to promote a political campaign?

Mr. CROSBY. Yes, on State, county, city, and every other level.

The CHAIRMAN. I do not care how broad it was. How much did you allocate out of the dues of the members to promote these political campaigns?

Mr. CROSBY. Frankly, I do not have the figures. I didn't disburse the funds.

The CHAIRMAN. Can we get those figures?

Mr. CROSBY. I think you will have them before you are through here. You have another witness.

The CHAIRMAN. I imagine we will get them or something in the neighborhood of the amount, maybe. But the point I am making here is the question of whether you high officials or council, or whatever it is, have the authority, either under the union or under the constitution and bylaws of the union, or under the law, to take the money paid in as dues for membership to belong to a union and to keep in good standing, to take that money allocated to support candidates for office and use it for that purpose. I do not believe you have that right. Therefore, I wanted to determine if that is exactly what you were doing.

Mr. CROSBY. Well, I have not had an opportunity, Senator, to properly identify our organizational setup so it would be clear to you.

The CHAIRMAN. I do not care what the——

Mr. CROSBY. You refer to money being taken out of local unions. No money to my knowledge was taken out of local unions. The funds that were used were funds in the treasury of the joint council, which is a parent organization over the local unions.

The CHAIRMAN. How does it get its money?

Mr. CROSBY. On a per capita tax basis.

The CHAIRMAN. From the members, is that correct?

Mr. CROSBY. From the local unions, that is correct.

The CHAIRMAN. From the local unions, and they get it from the members?

Mr. CROSBY. That is the ultimate source, yes, sir.

The CHAIRMAN. That is the ultimate source. They have to pay that per capita tax, if it came from that fund. They have to pay that per capita tax to keep in good standing, to keep their membership in good standing, is that not true?

Mr. CROSBY. Yes, that is true.

The CHAIRMAN. And then you make the decision, your high officials, your council, or whatever it is makes the decision, to take that money and allocate it to someone's political campaign and use it for that purpose, is that correct?

Mr. CROSBY. Based on as good a judgment as possible, that is correct.

The CHAIRMAN. I am basing it on your testimony. Is your testimony true?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. All right, then, there is no other conclusion, is there? Can you draw any other conclusion from it except what I have stated?

Mr. CROSBY. Well, Senator, I don't agree with your conclusion that we have performed an illegal act.

The CHAIRMAN. Whether it is illegal or not, the conclusion on the facts is correct, is it not, as to the source of the money and the use of it?

Mr. CROSBY. That is correct.

The CHAIRMAN. We will determine about the other later.

Senator Goldwater?

Senator GOLDWATER. Mr. Crosby, do you have any idea of how much money went into the Langley campaign from the Teamsters?

Mr. CROSBY. Only a hazy idea, Senator. Somewhere between \$1,900 and \$2,300. I am unable to give you the exact amounts because I didn't handle disbursements of those funds.

Senator GOLDWATER. Would it be over \$2,400?

Mr. CROSBY. Well, again, based on information that I received, I don't believe so.

Senator GOLDWATER. Mr. Chairman, it might be interesting at this point to note that between the date of the 27th of October and the 2d of November, 1954, just those few days, in four checks for the Langley campaign, it totaled \$2,489.80. That is just in a few days.

Mr. Crosby, do you not have a better recollection of the total amount spent by the Teamsters in this campaign?

Mr. CROSBY. No, I don't; because I didn't have any particular handling of that particular phase of it, Senator. What the money was spent for, I am unable to say. Probably for bills incurred, for unpaid printing, or for advertising, or for this or that. I just don't feel qualified to be able to answer it.

Senator GOLDWATER. Do you recall if the teamsters backed the governor in his campaign?

Mr. CROSBY. Paul Patterson?

Senator GOLDWATER. No. I believe his name was Holmes.

Mr. CROSBY. We did, sir.

Senator GOLDWATER. You backed Governor Holmes. Do you recall how much you put into that campaign?

Mr. CROSBY. Yes, sir.

Senator GOLDWATER. How much was it?

Mr. CROSBY. I have a photostatic copy of a check with me that was given to Governor Holmes in the amount of \$2,000.

Senator GOLDWATER. That is the extent of the help that came from the teamsters that you are aware of?

Mr. CROSBY. I believe so, sir; other than the publications that we printed which did not constitute financial aid.

Senator GOLDWATER. At any time, did your locals hold a meeting to determine whether or not you would support either Langley or Governor Holmes? Was it put to a vote of the membership?

Mr. CROSBY. Well, the matter was discussed first in the joint council meetings. These joint council meetings that are held are for the purpose of getting the feel of the pulse of the membership of the various local unions, through their officials.

Senator GOLDWATER. How do you get the feel of the pulse on a political campaign unless you ask the members to vote on it? You have both Republicans and Democrats, and I will admit the Republicans are probably in the minority.

Mr. CROSBY. We have supported Republicans.

Senator GOLDWATER. I am talking about this particular time. Did you call for a vote in these locals to determine whether you would support Langley or support Governor Holmes?

Mr. CROSBY. The only way I can answer that question, Senator, would be to refer you to the secretaries involved, since I did not participate.

Senator GOLDWATER. To your knowledge, was there a vote taken?

Mr. CROSBY. I just don't know.

Senator GOLDWATER. You do not know?

Mr. CROSBY. No, sir.

The CHAIRMAN. The Chair would like to ask you this one question: Was the \$2,000 that you gave to Governor Holmes from the same source as the money you gave to Langley?

Mr. CROSBY. I believe so, sir.

The CHAIRMAN. Go ahead. I just wanted to know about that.

Senator GOLDWATER. Mr. Chairman, I have nothing further along that line. I know it is close to the time to recess, but I do have one more question as I want to get the record straight inasmuch as several references have been made to the State that I represent.

It is true, I believe, that you testified that you were convicted of a felony in 1930, in Arizona?

Mr. CROSBY. Yes, sir; that is correct.

Senator GOLDWATER. And it is true, I believe, that you testified that in 1956, I believe it was July or August, you made efforts to have that charge expunged from the records?

Mr. CROSBY. That is correct, sir.

Senator GOLDWATER. And you were successful in having that done?

Mr. CROSBY. The judge complied with the request and granted it; yes, sir.

Senator GOLDWATER. Just one more question.

Am I right in assuming that having this charge expunged has removed one count of indictment from you in Portland?

Mr. CROSBY. That is the legal conclusion of my attorney, sir.

Senator GOLDWATER. That is all I have.

The CHAIRMAN. Senator McNamara?

Senator McNAMARA. Mr. Chairman, I would like to ask the witness just a couple of questions.

I think the record shows now, as I understand it, that all of the money that went into the campaign for Mr. Langley came from union dues?

Mr. CROSBY. Yes, sir.

Senator McNAMARA. You did not have any voluntary contributions for political activities? You did not have what is commonly known as voluntary contributions?

Mr. CROSBY. Well, yes; we did.

Senator McNAMARA. Do you consider them union dues?

Mr. CROSBY. No; not in that sense.

Senator McNAMARA. Was there any of that money involved in this thing?

Mr. CROSBY. No, sir.

Senator McNAMARA. None of the political activity money was involved in this thing?

Mr. CROSBY. None of the voluntary money that was——

Senator McNAMARA. That was separate?

Mr. CROSBY. That was turned directly over to Federal candidates.

Senator McNAMARA. You did not use any for State candidates?

Mr. CROSBY. Not voluntary money; no, sir.

Senator McNAMARA. Were you secretary-treasurer of the committee?

Mr. CROSBY. No, sir.

Senator McNAMARA. What was your connection? What was your job?

Mr. CROSBY. My job—are you referring to just prior to this 1954 election?

Senator McNAMARA. Yes. This same incident that we are talking about with these sums of money.

Mr. CROSBY. I was a member of the legislative committee, sir.

Senator McNAMARA. The legislative committee is a peculiar term to me. Does that mean the political activity committee?

Mr. CROSBY. Basically; yes, sir.

Senator McNAMARA. Then you would make no distinction between the political activity committee of your union and the legislative committee? It would, in effect, be just another name for the political activity committee; is that correct?

Mr. CROSBY. I think that is a fair statement; yes, sir.

Senator McNAMARA. Your testimony is that all of the voluntary funds went into Federal campaigns and none of it went into State or local campaigns? There was that distinction?

Mr. CROSBY. Yes. That is to the best of my knowledge, and I am sure that I am correct in that.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. I take it that the teamsters did not rely solely on the political genius of Maloney to conduct their campaign for Langley; is that right? Impressive as he is, I doubt whether you would rely entirely upon his political acumen.

Mr. CROSBY. That is very true, Senator. Many of our business agents took time out to take Mr. Langley around and introduce him to members of our organization at work, and I think that helped materially in his campaign.

Senator MUNDT. Did you have any other full-time workers in addition to Mr. Maloney, or was he the only full-time man devoting his time to this project?

Mr. CROSBY. As I recall, we had a couple of other fellows who were paid officials of the teamsters, who normally do organizing work, but during that period at our request they concentrated on political activity.

Senator MUNDT. And the only pay they would receive, I presume, would be their regular union salaries, and any expense, out of pocket money, that they invested?

Mr. CROSBY. Yes, sir.

Senator MUNDT. There would be two of those only, or would there be more than two?

Mr. CROSBY. Well, I think there were times when all of us jumped in, in an effort to help under some certain situation. We would attend political rallies. We would go to areas where large crowds gathered. We had a panel truck. We even put a loudspeaker on it, suggesting or requesting that the people give consideration to such and such a candidate.

Senator MUNDT. Of course the cost of all of that would come out of this same legislative fund or political activity fund that you mentioned earlier?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And which ultimately comes from the dues of the members?

Mr. CROSBY. Yes, sir; that is correct.

Senator MUNDT. In 1954 you had, I suppose, an election that involved other candidates besides Mr. Langley?

Mr. CROSBY. Yes, sir; we did.

Senator MUNDT. Did Mr. Maloney also help with the election of the other candidates endorsed by the teamsters?

Mr. CROSBY. All I can say is that I was under the impression that he was generally helping with the slate that we had; to wit, the extent that he was asked or his ability. That same year we were working very hard to insure the reelection of Republican Governor Paul Patterson.

(At this point, Senator McNamara withdrew from the hearing room.)

Senator MUNDT. Very well. Who else did you endorse that year?

Mr. CROSBY. Well, a great number of people for the legislature, whose names I couldn't recall at the moment.

Senator MUNDT. I am not asking you for the name, now. I am asking you for a recital of the facts. Did you endorse any candidates for the United States House of Representatives or the Senate?

Mr. CROSBY. Yes, sir.

Senator MUNDT. And Mr. Maloney helped in connection with that?

Mr. CROSBY. No, sir. Not to my knowledge.

Senator MUNDT. How could he divorce his activities? You said a minute earlier that he helped with the endorsed slate. You just got through telling me that.

Mr. CROSBY. I am trying to clear the air so there isn't some unintentional inference left.

Senator MUNDT. Let us rehearse your testimony. I asked you specifically on two different occasions whether Mr. Maloney helped with the entire slate endorsed by the teamsters—very directly—and, of course, you said, "Yes, sir; he helped the people that we endorsed." I asked you whether you endorsed candidates for the Senate or House of Representatives in Washington, and you said, "Yes," which means obviously that Mr. Maloney helped with the election in connection with the campaign of those endorsed candidates.

Mr. CROSBY. He may have assisted, sir.

Senator MUNDT. It is quite obvious that he assisted if he is helping with the endorsed slate, is that right?

Mr. CROSBY. I think that is a fair assumption, that he probably did, to a limited degree.

Senator MUNDT. Yes. To whatever degree he was called upon, or to whatever degree his activity seemed justified, is that right?

Mr. CROSBY. Yes, sir.

Senator MUNDT. Thank you.

The CHAIRMAN. The committee will stand in recess until 2 o'clock. The witness will be back at that time.

(Members present at the taking of the recess: The chairman and Senators Mundt and Goldwater.)

(Whereupon, at 12:33 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

## AFTERNOON SESSION

(The hearing was resumed at 2 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, and Goldwater.)

The CHAIRMAN. Mr. Crosby, will you resume the stand, please, sir. Mr. Kennedy, you may proceed.

**TESTIMONY OF CLYDE C. CROSBY, ACCOMPANIED BY HIS COUNSEL,  
WARREN E. MAGEE—Resumed**

Mr. KENNEDY. Mr. Crosby, some of the testimony has been to the effect that Mr. Brewster and Mr. Sweeney were responsible for sending Joe McLaughlin and Tom Maloney down to Portland to organize vice, et cetera, and for their own purposes.

Now you say that Mr. John Sweeney called you and told you that he wanted the transportation of Joe McLaughlin to be paid?

Mr. CROSBY. I can't answer it that way. What he told me was this. He said, "I would like to have you pick up the airplane ticket for Mr. McLaughlin, who is coming down to San Francisco." I said, "Well, I am unable to do it myself, but I think that I can get it done."

Mr. KENNEDY. Why would you want that done? What did he tell you was the reason?

Mr. CROSBY. He did not give me any reason.

Mr. KENNEDY. Did you know Joe McLaughlin to be associated with the teamsters?

Mr. CROSBY. To my knowledge, Joe McLaughlin has no official capacity with the teamsters.

Mr. KENNEDY. Does he have an unofficial capacity with the teamsters?

Mr. CROSBY. If he has, I am not aware of it.

Mr. KENNEDY. What would be the explanation, or what did you give for using union funds to pay the transportation of a gambler from Portland down to San Francisco?

Mr. CROSBY. To whom, sir?

Mr. KENNEDY. You did not give an explanation to anyone?

Mr. CROSBY. No; I gave no explanation.

Mr. KENNEDY. You can use union funds to pay transportation of gamblers or for any purpose and not have to give an explanation or accounting to anyone?

Mr. CROSBY. Well, the situation is, Mr. Kennedy, that Mr. Sweeney was to some extent my superior and I did not question his motives, and his reasons, and if he asked me to buy a ticket for the Queen of Rumania, I would have bought it.

Mr. KENNEDY. And use union funds and nobody knows the difference, none of the union members were informed about it, is that right? Were union funds used to pay the transportation of this gambler from Portland to San Francisco?

Mr. CROSBY. The answer to that is "Yes."

Mr. KENNEDY. And you made no accounting to the union members as to why their dues should be used for such a purpose?



MR. CROSBY. The fund from which the ticket was purchased was the joint council fund, and one that does not directly require reporting to the membership. It is a mother organization of a group of local unions, within the confines of jurisdiction area.

MR. KENNEDY. Hadn't the unions, or wasn't that the union members' money originaly?

MR. CROSBY. Well, certainly.

MR. KENNEDY. I would just like to find out what your procedure is. Could you use that union money and union members' dues for any purpose that you wanted, if you and John Sweeney or Frank Brewster decide that you are going to pay for anybody's hotel bills, while they are staying in Portland? Could you do that?

MR. CROSBY. Certainly not.

MR. KENNEDY. Did you use any of that union members' money to pay for the hotel bills of Mr. Tom Maloney when he was in Portland?

MR. CROSBY. Mr. Kennedy, I didn't pay Mr. Maloney's hotel bills.

MR. KENNEDY. Maybe you misunderstood the question. I asked was any of the union members' dues used to pay Tom Maloney's hotel bill or telephone bills while he was in Portland?

MR. CROSBY. I rather presume that that is the case; yes.

MR. KENNEDY. Who gave the instructions for that?

MR. CROSBY. Well, it was generally understood that he was performing a service that merited the payment of certain expenses.

MR. KENNEDY. Under whose instructions was he down in Portland?

MR. CROSBY. He was not under anyone's instructions. He just simply sold me a bill of goods.

MR. KENNEDY. Who told you that he should have his hotel bill and his telephone bills paid by the union?

MR. CROSBY. Nobody told me that.

THE CHAIRMAN. Let me ask you, do you take the full responsibility now for making union funds derived from the dues and assessments made against members of the union for providing Maloney with a telephone and paying other expenses of his while he was in Portland engaged in this political work or work with the union?

MR. CROSBY. I think that I can take that responsibility, sir.

THE CHAIRMAN. You do take it?

MR. CROSBY. Yes, sir.

THE CHAIRMAN. You were not directed to pay that, and you were directed to get a ticket for him, but you were not directed to take care of those expenses down there?

MR. CROSBY. Well, I have to apologize, Mr. Chairman. I have a severe cold, and I am having trouble absorbing your statement. Now I have to admit that I am mixed up on what you said. Would you repeat it, please?

THE CHAIRMAN. All right. Mr. Maloney was in Portland, Oreg., for some time, was he not?

MR. CROSBY. That is correct, sir.

THE CHAIRMAN. How long?

MR. CROSBY. I don't know, but as a general guess I think he was probably there around a year.

THE CHAIRMAN. Around a year. During that time did you provide him a telephone and other expenses while he was there?

MR. CROSBY. During the political campaign, he was provided with expenses having to do with his hotel bill and his telephone bill.

The CHAIRMAN. Did you pay any of his expenses after the campaign?

Mr. CROSBY. I find out that we inadvertently allowed him to maintain a telephone beyond the election period. It was an oversight.

The CHAIRMAN. For how long a time?

Mr. CROSBY. I don't know.

The CHAIRMAN. I ask you, then, Did you get orders to do that from anyone, your superior, to set him up in business down there or pay these expenses for him?

Mr. CROSBY. Absolutely not.

The CHAIRMAN. Then you take the full responsibility for it?

Mr. CROSBY. Yes, sir, Senator; I do.

The CHAIRMAN. That was the question I asked you, and you said you were mixed up. Now it is cleared up. I believe it is cleared up.

Mr. KENNEDY. While he was in Portland, after the political campaign that ended in November of 1954, you continued to pay his telephone bill; is that right?

Mr. CROSBY. The record seems to indicate that someone neglected to shut the authorization off.

Mr. KENNEDY. Is that possible with union members' dues? That you keep using them to pay people's bills, and nobody knows about it?

Mr. CROSBY. I think anybody can be chiseled, Mr. Kennedy, corporations, unions, or anybody else. We were chiseled on a telephone bill by that man.

Mr. KENNEDY. Month after month you continued to pay Tom Maloney's telephone bill, and nobody knew anything about it. Is that what you want this committee to believe?

Mr. CROSBY. That is what I believe.

Mr. KENNEDY. Now, in March of 1955, you paid his telephone bill, \$67.80, and that is 4 or 5 months after the political campaign was finished. In April 1955, \$95.58 for his telephone. In May 1955, \$36.03. In June 1955, \$152.52. In July 1955, \$92.10. In August 1955, \$69.04. In September of 1955, \$51.31. In October 1955, \$53.52. In December of 1955, \$11.55. Making a total of \$707, you were chiseled, you say?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. You mean that the union would give out \$707 of union members' money, \$707, and not know anything about it?

Mr. CROSBY. I don't even know the manner in which we were billed for the telephone, whether it was billed in the name of the joint council that made it difficult to tell who it was.

Mr. KENNEDY. It was billed in care of the Teamsters Building Association, Tom Maloney.

Mr. CROSBY. Well—

Mr. KENNEDY. This isn't a question—this bill comes in each month, and somebody decides it is going to be paid, and you have decided in March of 1955, and you decided again in April 1955, and May 1955, and June 1955, and July 1955, and August, September, and October and December of 1955.

(The witness consulted with his counsel.)

Mr. KENNEDY. Do you need some advice on his legal rights?

Mr. MAGEE. I think he does occasionally the way you ask questions; yes, sir.

Mr. CROSBY. No. 1, the question of detailed expenses of the joint council by and large are not my field. I don't disburse funds, with

one minor exception. The question of the disbursement of funds covering Mr. Maloney's bills were not my prerogative.

Mr. KENNEDY. Whose responsibility is that?

Mr. CROSBY. The secretary-treasurer of the joint council.

Mr. KENNEDY. What is his name?

Mr. CROSBY. I am sure you know.

Mr. KENNEDY. What is his name, the man that you say is responsible for paying Tom Maloney's bills, because you are not. What is his name?

Mr. CROSBY. I am saying that the man authorized is Reg Mixell.

Mr. KENNEDY. Is he the one that is responsible for paying Tom Maloney's bills?

Mr. CROSBY. Frankly, I think we are all derelict in that respect.

Mr. KENNEDY. But you say you are not responsible?

Mr. CROSBY. I am saying that I had no daily, monthly, or weekly record of what was happening.

Mr. KENNEDY. But he never discussed this with you?

Mr. CROSBY. I don't believe he did.

Mr. KENNEDY. And you never discussed it with John Sweeney?

Mr. CROSBY. No; I did not.

Mr. KENNEDY. And you are in charge of that area, for the teamsters, and all of this money was coming out of teamster funds, with the union members being kept informed that this money was being used to pay Tom Maloney's bills?

Mr. CROSBY. Every month when we had a joint council meeting, a financial report was read and approved, and it is a matter of record in the minutes.

Mr. KENNEDY. So everybody knew that Tom Maloney's bills were being paid, and it was not a secret?

Mr. CROSBY. I don't know if it was specifically pointed out in the way you put it. I do know that the trustees go over the books at various times, and they look at the bills.

Mr. KENNEDY. How could it get by? You said at the beginning it just sneaked by and nobody knew about it, and now you say the trustees went over the books and they knew about it. How did they let it go by?

Mr. CROSBY. It is perfectly explainable, I believe, if you will allow me about 5 seconds to try to explain.

No. 1, in its original instance, I was the one that was responsible for authorizing the telephone. In the succeeding months that followed, when these bills were mistakenly paid, I believe that the financial officers were going on the assumption that I had still O. K.'d them. They were being paid without my knowledge, and had I known about it, I would have had them shut off.

Mr. KENNEDY. Tell me this: If that is the explanation on the telephone bill, what explanation do you have for paying the hotel bill of Mr. Tom Maloney in Portland, Oreg., at the Hotel Multnomah, \$241.50, when he was there from January 6, 1955, to February 2, 1955?

Mr. CROSBY. The only explanation I can give you is it is very likely it was considered the tail end of the aftermath of the election.

Mr. KENNEDY. That is 3 months after the election.

Mr. CROSBY. What I am trying to say is that I was not even aware of the bill. I am just trying to rationalize why it would be paid.

Mr. KENNEDY. It appears to me that it is a very peculiar way of handling the union funds, that all of this can go on and nobody know about it, and nobody do anything about it.

Mr. CROSBY. I believe that every human being is vulnerable to certain types of approach from an individual, and I think the man used us for a patsy, and he got away with it, and I have no explanation for it. This is to the extent I have stated I am responsible and I am not ducking that responsibility.

The CHAIRMAN. May I ask you this question, Mr. Crosby: Mr. Maloney was sent down there from Seattle, and you knew that, did you not?

Mr. CROSBY. No, sir; I did not.

The CHAIRMAN. Did he not tell you he was sent down there from Seattle?

Mr. CROSBY. Mr. Maloney simply sold himself to me.

The CHAIRMAN. Did he sell himself to you? He had to tell you something if he didn't tell you he was sent down there from Seattle.

Mr. CROSBY. How can I answer a question that I don't know the answer to, Senator?

The CHAIRMAN. You know whether he told you that or not.

Mr. CROSBY. He did not tell me that.

The CHAIRMAN. We will say he did not, and I ask you if he told you that.

Mr. CROSBY. I said it.

The CHAIRMAN. Did Sweeney tell you he was sending Maloney down there?

Mr. CROSBY. No, sir.

The CHAIRMAN. Was Maloney under your direction or you under Maloney's direction while he was down there?

Mr. CROSBY. Frankly, Maloney apparently to all extents was my responsibility.

The CHAIRMAN. All right, he was your responsibility; now, what kind of a bill of goods did he sell you?

Mr. CROSBY. He simply convinced me that he was in a position through knowledge and experience to be of aid and assistance to us in our election campaign. I bought the thing because he sold me a bill of goods, and he convinced me that he probably——

The CHAIRMAN. He was selling you a bill of goods that he could come down from Seattle, Wash., and take over the politics in Portland, and elect the officers you wanted elected? Is that right?

Mr. CROSBY. Not in that sense, no.

The CHAIRMAN. In what sense?

Mr. CROSBY. Aid and assist, which is an entirely different thing.

The CHAIRMAN. Didn't you give him large measure of credit for having succeeded?

Mr. CROSBY. I think we gave him credit for firing us up, and giving use some ideas we had not thought about, and yes, we did, we patted him on the back and we thought he did a real good job at the time.

The CHAIRMAN. Is this the way you patted him on the back, in your November meeting, 1954, among other things, you said:

Tom Maloney received a great deal of credit for the election of our new district attorney, William Langley, as it was principally due to his efforts that this was accomplished.

Is that a part of the minutes of your meeting of that date?

Mr. CROSBY. I presume that it is.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. What was Tom Maloney doing in Portland during the period of time from December 1954 until the time he left in 1955?

Mr. CROSBY. It is my understanding, and again it is hearsay and I don't know anything about the man on a concrete basis, I have since learned that he was on the payroll of Jim Elkins, for one thing, and he was also an undercover agent for the district attorney, for which copies of pay vouchers were published in the papers.

Mr. KENNEDY. You say you have since learned. Did you see him much when he was down in Portland?

Mr. CROSBY. No, sir, I did not see him a great deal.

Mr. KENNEDY. Did you go out to lunch with him much?

Mr. CROSBY. I had to have lunch with him several times.

Mr. KENNEDY. Did you go to dinner with him?

Mr. CROSBY. I believe I did, yes, sir.

Mr. KENNEDY. How many times do you think that you might have gone to dinner with him?

Mr. CROSBY. I can't state that with any degree of accuracy.

Mr. KENNEDY. A dozen times?

Mr. CROSBY. No, I don't believe it was a dozen times, by any stretch of the imagination.

Mr. KENNEDY. He never came to your house, did he?

Mr. CROSBY. He came to my house a couple of times, yes, sir, and maybe more.

Mr. KENNEDY. Could he have come to your house 10 or 11 times? Could he come to your home 10 or 11 times? Were you that close that he would have come to your home 10 or 11 times?

Mr. CROSBY. Well, I am glad you put it the way you do, because I want to take issue with that statement.

No. 1, we were not close, and that made no difference to Tom Maloney, and if he wanted to go to your house, he went to your house, period.

Mr. KENNEDY. Did he come to your house 10 or 11 times? We can't find out from Tom Maloney, and he takes the fifth amendment on his relationship with you.

Mr. CROSBY. I am not taking any fifth amendment.

Mr. KENNEDY. So you tell us.

Mr. CROSBY. I don't know.

Mr. KENNEDY. How many times did he come to your home?

Mr. CROSBY. He came to my house once that I can vividly remember, because of the manner in which he opened up a discussion.

Mr. KENNEDY. How many times do you think that he came all along, all during this period of time? How many times do you think he came to your house?

Mr. CROSBY. I don't know, possibly 4 or 5 times.

Mr. KENNEDY. Do you remember? Let me ask this, did you tell me when I was in Portland that he came to your home 10 or 11 times? Do you want to change that? First, did you tell me that?

Mr. CROSBY. First of all, I don't know what I told you.

Mr. KENNEDY. I think that is getting obvious. You know what I would like to suggest to you, that you tell the truth, and then the

same thing you told me 2 months ago—would you wait a minute—you told me 2 months ago would be the same as you told me now, and you would not have any problem. Just tell the truth.

Mr. CROSBY. You are asking questions on innocuous things, and a person can't be specifically accurate about them. Whether Maloney came to my house 3 times or 300 times, would not mean anything to me particularly, as I know the man and understand him.

Mr. KENNEDY. We are trying to find out about your relationship with him now. Now, during this period of time, the Teamsters Union was paying bills in Portland, Oreg., and you say that you did not find out what he was doing in Portland until now, or recently. Now I am trying to establish whether you knew him quite well then. Now, if a man came to your house 10 or 11 times, you might have been discussing some of the things he was doing in Portland.

Mr. CROSBY. Well, I can tell you this. Mr. Maloney did not discuss any of his nefarious activities with me.

Mr. KENNEDY. What did you think he was doing? Where was he getting his money from?

Mr. CROSBY. I don't know as I particularly paid too much attention to him.

Mr. KENNEDY. He was down there—

Mr. CROSBY. I thought he was on the payroll of the undercover branch of the district attorney's office.

Mr. KENNEDY. You thought that during this period of time?

Mr. CROSBY. I had heard it, yes. I got confirmation of it when the photostatic copies of the checks were printed.

Mr. KENNEDY. When did you learn that his activities were nefarious?

Mr. CROSBY. I guess concrete examples, when this stuff started in April of last year.

Mr. KENNEDY. Stuff from what? What do you mean? What stuff?

Mr. CROSBY. These disclosures by the Oregonian newspaper.

Mr. KENNEDY. Which you considered to be accurate?

Mr. CROSBY. The disclosures of the paper?

Mr. KENNEDY. Yes.

Mr. CROSBY. Not to the extent that they attempt to involve us, no.

Mr. KENNEDY. But as far as Tom Maloney was concerned?

Mr. CROSBY. I don't know.

Mr. KENNEDY. You said, you are the one that said that you learned that his activities were nefarious, and I would like to find out about it. How did you learn that?

Mr. CROSBY. Well, newspaper reporters came to me and asked me my version of some particular story in the paper, and then they would in turn tell me something of what they had learned in other places.

Mr. KENNEDY. Did you learn—

Mr. CROSBY. That is the first time that I learned that Mr. Elkins paid a hotel bill for Maloney when he first came to Portland at the Congress Hotel, and apparently was giving him money.

Mr. KENNEDY. Did you learn also from reading these newspaper articles?

Mr. CROSBY. Did I learn also what?

Mr. KENNEDY. About Mr. Tom Maloney being mixed up in nefarious activities?

Mr. CROSBY. All I know is what I read in the papers, and I certainly was concerned about it, but even up to now I am not in a position to state without equivocation exactly what the man's activities have been.

Mr. KENNEDY. You are also paying Tom Maloney's hotel bills, and certain of his hotel bills when he left the city of Portland. What explanation is there for that?

Mr. CROSBY. I don't know what you are talking about.

Mr. KENNEDY. The Hotel Benjamin Franklin, is there one of those in Portland?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Well, it is a Hotel Benjamin Franklin up in Seattle, Joint Council paid Mr. Maloney's bill there from December 16 to December 20, 1955, \$33.73. Now, that is a year after the campaign. Why were you paying his hotel bills a year after the campaign. That is 13 months.

Mr. CROSBY. Just a second, and I will try to reconcile the date; December 16, 1955, is that it?

Mr. KENNEDY. Yes, I think that you might know about it because you were up there at the same time.

Mr. CROSBY. That is very possible. Don't tell me I was in bed with Maloney, though. Frankly, I think that date, Mr. Kennedy, involved a period whereby Joint Council 28, which embraces the local unions in Washington, annually has a big get-together whereby employer and union representatives spend a part of the day together on a goodwill basis. Now, it is very possible that Mr. Maloney attended that thing. If he did, it is very possible that the bill was paid by us, and I don't know.

Mr. KENNEDY. For what reason? Was he considered a teamster at that time?

Mr. CROSBY. He never was considered a teamster.

Mr. KENNEDY. I don't understand. If he was not considered a teamster, why you are paying all of his bills during this period of time.

Mr. CROSBY. Well, Mr. Kennedy, I don't know why you are bombarding me with those questions, because I am not the one that paid the bills.

Mr. KENNEDY. Was there ever any arrangement made for sending the bills that you paid down in Portland, sending them up and being reimbursed by the Western Conference of Teamsters for Tom Maloney?

Mr. CROSBY. To my knowledge there never was any understanding to that effect.

Mr. KENNEDY. Why would there be such an arrangement, and why would the Western Conference of Teamsters want to reimburse the Teamsters in Portland for paying Tom Maloney's bills?

Mr. CROSBY. May I answer it now, I mean in detail, because it takes a detailed answer.

Mr. KENNEDY. If you think it does.

Mr. CROSBY. I know it does. The very pages that you are looking at, I think will indicate that an arrangement was made with the western conference to provide some paid assistance to the Oregon area.

Mr. KENNEDY. To the what?

Mr. CROSBY. Some full-time teamster employees, and not Mr. Maloney. Each month the men were paid by the Oregon joint council. The matter of the money paid out was set up as a reimbursable item and forwarded to the western conference for reimbursement.

Now, how Tom Maloney's bills got into that, if they did, is something that I don't know.

Mr. KENNEDY. What is your answer to the question? You don't know?

Mr. CROSBY. I thought I answered it.

Mr. KENNEDY. You ended up by saying, "I don't know why his bill is in there." Is that the answer to the question?

Mr. CROSBY. I did not prepare that statement, and I don't know why it is on there.

Mr. KENNEDY. Did you ever have any conferences or conversations with John Sweeney or Frank Brewster as to why the Western Conference of Teamsters should reimburse the teamsters of Portland for Tom Maloney's bills?

Mr. CROSBY. No, sir, I did not.

Mr. KENNEDY. Well, could you explain to us what your financial arrangements are down there, and what procedure you are following, and your paying people's bills, and you don't know anything about it, and your sending bills to the Western Conference of Teamsters, and you don't know anything about it, and your buying a transportation ticket, airline ticket for a gambler from Portland to Los Angeles or San Francisco, and you don't know anything about it?

Mr. MAGEE. Mr. Chairman, is this a question? Is there anything pending for this witness to answer? I suggest if he has questions, to put them to the witness and not make these long speeches.

The CHAIRMAN. He can remind the witness of the facts, and what the record shows, and predicate a question upon it.

Mr. KENNEDY. Can you explain that?

Mr. CROSBY. Can I explain what?

Mr. KENNEDY. I will go through it again.

What financial procedure was followed by the teamsters in Portland that they paid the bills, some eight or nine hundred dollars of bills for Tom Maloney in Portland, and did not know they paid them?

Mr. CROSBY. That is quite a question in itself; if you are willing to wait, I will try to answer that.

Mr. KENNEDY. I am trying to get some answers, to tell you the truth. You answer that, then.

Mr. CROSBY. As I stated before, we had an understanding with the western conference that we were in a political campaign.

Mr. KENNEDY. Oh, no, we are not talking about that, now.

Mr. CROSBY. You want to know how come these things happened.

Mr. KENNEDY. Let us discuss from January or December after the political campaign is finished, December of 1954 to December of 1955.

Mr. CROSBY. I would say right now that the western conference is still reimbursing joint council 37 for field help.

Mr. KENNEDY. I am not talking about that. We are talking about Tom Maloney now, and why would they be reimbursing you for Tom Maloney, that is the second question. Why are they reimbursing you for Tom Maloney?



Mr. CROSBY. I did not even know Tom Maloney was listed on there.

Mr. KENNEDY. Well, I will let you see it.

Mr. CROSBY. I am not questioning your word; if you say it is there, it must be there.

The CHAIRMAN. Just a moment. Let the Chair get it straight. We will present it to the witness.

(A document was handed to the witness.)

The CHAIRMAN. The clerk presents to you some documents. One purports to be a photostatic copy of a check. The other is a photostatic copy of a letter or bill rendered, for which the check is in payment as a reimbursement. Will you examine those documents and identify them, if you can?

Single out one document and hold it up so we can identify it, and see if you can identify it and tell us what it is.

The first document that you are looking at there is what? What does it purport to be?

Mr. CROSBY. It appears to be the certified copy of a check for an amount of \$3,426.57.

The CHAIRMAN. A photostatic copy, is it not?

Mr. CROSBY. I believe so, sir.

The CHAIRMAN. Who is the check made payable to?

Mr. CROSBY. The Joint Council 37.

The CHAIRMAN. By whom is it signed?

Mr. CROSBY. By F. W. Brewster and John J. Sweeney.

The CHAIRMAN. Who were they?

Mr. CROSBY. The president and secretary-treasurer of the Western Conference of Teamsters, respectively.

The CHAIRMAN. Now look at the second document. What is that?

Mr. CROSBY. It appears to be a letter from the secretary of the joint council, R. R. Mikesell, to Mr. John Sweeney, secretary-director of the Western Conference of Teamsters, itemizing and outlining the amounts of money expended by the Joint Council 37 for which they were asking reimbursement. It involves pickets and full-time teamster employees.

The CHAIRMAN. Do you find the name of Tom Maloney on there?

Mr. CROSBY. Yes, sir, Tom Maloney is on there.

The CHAIRMAN. For what?

Mr. CROSBY. For a phone bill, in the amount of \$93.01.

The CHAIRMAN. So whoever paid that bill could not have been mistaken as to what part of the money being a reimbursement for money paid to Tom Maloney, could they?

Mr. CROSBY. It simply came in as a bill from one council to another.

The CHAIRMAN. Well, you check a bill, do you not, to find out if it is correct?

Mr. CROSBY. If I handled it, yes, sir, but I did not handle it.

The CHAIRMAN. Whoever handled it, that was notice to whoever paid that bill that there was being paid for Tom Maloney's benefit ninety-some-odd dollars, isn't that correct?

Mr. CROSBY. I think one of the problems here, Senator—

The CHAIRMAN. It is not a problem now. It certainly indicates that to whoever paid it, isn't that correct?

Mr. CROSBY. It indicates the phone bill was in there and was paid, yes, sir.

The CHAIRMAN. That is right. Now, what is the amount of the bill rendered there?

Mr. CROSBY. The total amount?

The CHAIRMAN. Yes.

Mr. CROSBY. \$3,426.57.

The CHAIRMAN. Now compare that with the amount on the check.

Mr. CROSBY. They are identical.

The CHAIRMAN. They are identical amounts?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. And you recognize the signatures of John Sweeney and Frank Brewster on the check, do you?

Mr. CROSBY. Yes, they look familiar to me.

The CHAIRMAN. Those two documents may be made exhibit No. 46, A and B.

(The documents referred to were marked "Exhibits No. 46-A and 46-B" for reference, and will be found in the appendix on pp. 1071 and 1072.)

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. I have a few more.

Going back to this fight for just a moment, when you went down to San Francisco, for what reason did you go down there?

Mr. CROSBY. To discuss the details relating to an impending strike in an effort to try to devise ways and means to avoid it, but we were unable to and ultimately 35,000 people were on strike.

Mr. KENNEDY. How long were you down there?

Mr. CROSBY. I was down there overnight.

Mr. KENNEDY. Did you go to the fight?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. John Sweeney was down there?

Mr. CROSBY. John Sweeney was in the city; yes, sir.

Mr. KENNEDY. John Sweeney is the one who asked you or requested that you use the union funds to buy or purchase Mr. Joe McLaughlin's ticket, is that right?

Mr. CROSBY. John Sweeney requested that I obtain a ticket; yes, sir.

Mr. KENNEDY. Did you stay down there 3, 4, or 5 days to have these conferences?

Mr. CROSBY. Can I explain that situation?

The CHAIRMAN. Well, answer this question and you may explain it.

Mr. KENNEDY. Did you stay down in San Francisco 3 or 4 days?

Mr. CROSBY. No, sir, I did not.

Mr. KENNEDY. Did you come back the day after the fight?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you come back with Joe McLaughlin?

Mr. CROSBY. Not with him, no, sir.

Mr. KENNEDY. Did he come back on the same plane as you?

Mr. CROSBY. You are stating he did?

Mr. KENNEDY. Did he? I am asking you.

Mr. CROSBY. I don't know whether he did or not.

Mr. KENNEDY. You do not know if he was on the same plane?

Mr. CROSBY. I am not sure, no, sir.

Mr. KENNEDY. You do not know that?

Mr. CROSBY. I am not sure.

Mr. KENNEDY. You did not see him on the plane?

Mr. CROSBY. If I saw him on the plane, I certainly don't recall it.

Mr. KENNEDY. You do not remember that at all, and you do not remember Joe McLaughlin being on the plane?

Mr. CROSBY. I remember him going down.

Mr. KENNEDY. Yes?

Mr. CROSBY. But I don't remember specifically, him coming back.

Mr. KENNEDY. But you came back the day after the fight?

Mr. CROSBY. Yes, that's correct.

Mr. KENNEDY. And you do not remember seeing Joe McLaughlin on the plane?

Mr. CROSBY. Now may I explain this thing?

Mr. KENNEDY. You do not remember seeing him on the plane?

Mr. CROSBY. That is what I stated.

Mr. KENNEDY. The records from United Air Lines indicate that they were on the same flight.

The CHAIRMAN. You may make your explanation.

Mr. KENNEDY. They are in the record, exhibit No. 37, Mr. Chairman.

The CHAIRMAN. If it is exhibit No. 37, I think the witness may have heard the testimony when these were placed in the record. Exhibit No. 37 is in the record, a photostatic copy of the record of the airline company showing the flight was made by you and Mr. McLaughlin, both down and back.

(Exhibit 37 was introduced during the hearings on March 5, 1957, and will be found in the appendix of pt. 2, on p. 743.)

Mr. CROSBY. I didn't see those, or I wasn't present at the time.

The CHAIRMAN. We will be very glad to show them to you. We will exhibit this to the witness, please, and tell him to examine them and see what they are. They are already in as exhibits and they have been sworn to and placed in the record. That is why the questions are being asked you, if you went with him on the same plane and you came back with him on the same plane. You made arrangements for the ticket.

(A document was shown to the witness.)

Mr. CROSBY. There doesn't seem to be any question about it, Senator.

The CHAIRMAN. I did not think that there was. Let us proceed.

Mr. CROSBY. I simply want to explain the circumstances relating to that trip.

The CHAIRMAN. We will be glad for you to explain.

Mr. CROSBY. I had a briefcase full of material relating to these negotiations that we had spent a number of weeks in, and I was very, very much concerned with the impending strike we were faced with. When I got aboard the plane, I went to the tail end of the plane and I rode in the circular area, in the extreme tail end and I worked on these matters in my briefcase until we got down there.

The CHAIRMAN. All right, now may I ask you what time did you arrive in San Francisco?

Mr. CROSBY. I don't know exactly, but I imagine it was around noon, or shortly before.

The CHAIRMAN. Around noon, and what time did you leave the next morning on your return flight?

Mr. CROSBY. Offhand, I don't recall.

Mr. KENNEDY. Was it the next morning or the next afternoon?

Mr. CROSBY. I don't know.

Mr. KENNEDY. The tickets that you examined there, do those indicate the hour of the flight?

Mr. CROSBY. They may have, and if they did, I didn't notice it.

The CHAIRMAN. They will speak for themselves, if they do. What I want to determine is this: To lay it on the line, you went down there to see a fight, and that was the main purpose of your trip, was it not?

Mr. CROSBY. No, sir.

The CHAIRMAN. What did you do other than go to the fights?

Mr. CROSBY. That is exactly what I have been trying to explain.

The CHAIRMAN. All right, I am asking you to tell us.

Mr. CROSBY. I walked into the hotel to sign the register slip, and I asked the bellhop to take my suitcase upstairs and I took my briefcase and I went to the office of Pat Andre and Joe Dillon in Telefero Building, 25 Taylor Street.

I spent the afternoon with them discussing many of the problems we were facing in relation to this impending strike. Later in the evening the three of us went down to a cocktail lounge called the Paddock, run by a man and his wife who are particular friendly to Teamsters.

We had a cocktail hour there and we took a bus provided by the people that owned the cocktail lounge and went to the fights. We went to the fights at the Cow Palace in the bus and after the fights we got back in the bus and we came back to the cocktail lounge.

We had a couple more drinks with some of the people there and I went to my room and I went to bed.

The CHAIRMAN. All right. The only thing this Chair was trying to do, and I do not care about you getting a drink, the Chair was trying to determine what business you attended to. Did you see Mr. Sweeney while you were there?

Mr. CROSBY. Only to nod to him, that's all. I didn't sit at the fight with him. I was with this other gang of people.

The CHAIRMAN. Did you have any conference with him while you were there?

Mr. CROSBY. Only on the telephone.

The CHAIRMAN. You had a telephone conversation with him and was he interested in this impending strike?

Mr. CROSBY. Very much so.

The CHAIRMAN. He was your superior?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. And you were down there to confer about that?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Would you naturally not have talked with Mr. Sweeney about it?

Mr. CROSBY. I would have, had he had time available, but he was balled up in other meetings and I wasn't able to tear his attention away.

The CHAIRMAN. You just had a telephone conversation with him?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Did you ask him in that telephone conversation what this man McLaughlin was doing down there, and why he wanted him there?

Mr. CROSBY. No, sir, I didn't.

The CHAIRMAN. Do you not usually do that, and do you not confer about those matters?

Mr. Crosby. I am not in the habit of questioning someone I consider my superior, sir.

The CHAIRMAN. I did not say you questioned his judgment, but would you not naturally interrogate him or ask who is this man McLaughlin and what has he got to do with our Teamsters or what business he has here and why do you want him?

Is that not a natural thing to do?

Mr. Crosby. It was a completely innocuous thing to me and I had no concern about him one way or the other.

The CHAIRMAN. You mean the spending of money on a character like that is innocuous to you?

Mr. Crosby. I didn't mean to put that inference on it, Senator. I merely meant it was a detail to me that I knew nothing about.

The CHAIRMAN. In other words, is it your practice whenever Mr. Sweeney called you or Mr. Brewster and told you to do something, you did it without question. Is that right? That is what you want us to understand?

Mr. Crosby. I don't want to leave that kind of a blanket statement in the record.

The CHAIRMAN. Well, you say you never questioned your superiors. I just asked you. It seems to me that you are close enough to them. You were the national representative there in that area, and it would seem to me you are close enough to them that you could talk to them about business matters and you naturally would do so.

Mr. Crosby. There have been times when I have questioned Mr. Brewster and Mr. Sweeney over matters where there were differences of opinion relating to contracts and that is the only way we have ever found that progress can be made. That is by arguing points of view.

The CHAIRMAN. I am sure that that is true, and the Chair is not questioning it at all. I simply inquired about this particular matter. Would it not be the natural thing for you to talk about that? Did you not talk about it?

Mr. Crosby. It was just to me an insignificant thing, that I did not talk to him about.

The CHAIRMAN. All right, it is insignificant. Proceed, Mr. Counsel.

Mr. Kennedy. Talking about the use of union funds, you had some difficulty down in Arizona some years ago, did you not, in 1930?

Mr. Crosby. That seems to be pretty well known, Mr. Kennedy.

Mr. Kennedy. Excuse me.

Mr. Crosby. Yes, sir.

Mr. Kennedy. There was a move, a successful move to get that expunged from the record, is that right, within the last 6 or 8 months?

Mr. Crosby. Yes, sir.

Mr. Kennedy. Now, was that handled by your own personal attorney?

Mr. Crosby. I haven't paid him yet.

Mr. Kennedy. Was that handled by your own personal attorney?

Mr. Crosby. I retained Mr. O'Brien to make arrangements to find someone in the State of Arizona for me and to have him intercede in my behalf, yes, sir.

Mr. Kennedy. Now, is Mr. O'Brien the attorney for the teamsters?

Mr. Crosby. Yes, he is general counsel for the Teamsters.

Mr. KENNEDY. Now, you say that you arranged to have him get in touch with somebody in Arizona. That implies that he never left the city of Portland on your behalf, is that correct?

Mr. CROSBY. No, I didn't imply that.

Mr. KENNEDY. I am sorry.

Mr. CROSBY. I simply said that as a result of that request, he retained a man by the name of E. C. Locklair in the city of Prescott, Ariz., who handled the details of the presentation to the court.

Mr. KENNEDY. Did he ever make a trip to Arizona himself?

Mr. CROSBY. Yes, sir, he did.

Mr. KENNEDY. And he made that in connection with your personal matter?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. And do you know who paid for the transportation of Mr. O'Brien when he went to Arizona?

Mr. CROSBY. He paid it himself.

Mr. KENNEDY. Do you know that the Teamsters reimbursed him for that transportation?

Mr. CROSBY. Not to my knowledge.

Mr. KENNEDY. You do not?

Mr. CROSBY. No.

Mr. KENNEDY. Did you pay him for that?

Mr. CROSBY. I don't think that I am ever going to get through paying him.

Mr. KENNEDY. Did you pay him for that trip?

Mr. CROSBY. No, I haven't paid him anything yet, and I am involved in so much trouble—

Mr. KENNEDY. You have not reimbursed him at all, have you?

Mr. CROSBY. No, sir.

Mr. KENNEDY. And you did not pay for his transportation down there. That was 8 or 9 months ago, was it not?

Mr. CROSBY. That's correct.

Mr. KENNEDY. Did he make any other trips? Did he come back here to Washington, D. C., in your behalf?

Mr. CROSBY. Oh, yes, just recently.

Mr. KENNEDY. Did he come any other time on your behalf? That is, on this personal matter of yours?

Mr. CROSBY. I can't recall any if he did.

Mr. KENNEDY. How many trips did he make to Arizona?

Mr. CROSBY. I believe two.

Mr. KENNEDY. He is the attorney for the union, is that right?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. You have not paid him?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Now, as I understand it, Mr. Crosby, the reason that the teamsters switched from McCourt to Langley was because you learned that Jim Elkins might be interested in McCourt's election, is that right?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. That was never taken up with the rank and file of the union?

Mr. CROSBY. It was reported in the meetings to them.

Mr. KENNEDY. The rank and file union members; and were they ever given the reason that you were supporting Langley?

Mr. CROSBY. Not publicly; no.

Mr. KENNEDY. Now, as I understand it, you were very anxious to clean up the city of Portland if you could, is that right?

Mr. CROSBY. No, sir; I think that I made it clear in the record that I was not a crusader. Somebody or the press has portrayed me as some self-styled crusader.

Mr. KENNEDY. But you were supporting the elements in government that were attempting to rid the city of any vice?

Mr. CROSBY. I wanted the guy to leave us alone.

Mr. KENNEDY. The report that has come to this committee is that you made a visit, or at least according to the mayor himself, you made a visit to the mayor in order to get him to fire the chief of police, is that right?

Mr. CROSBY. I made a visit to the mayor upon two occasions.

Mr. KENNEDY. On one occasion to ask him to get rid of the chief of police?

Mr. CROSBY. On the second occasion I suggested that perhaps if he replaced the chief, Elkins' activities might better be controlled.

Mr. KENNEDY. Did you tell him at that time that the teamsters would not support him unless he got rid of the chief of police?

Mr. CROSBY. Not at that time.

Mr. KENNEDY. Did you ever tell him that?

Mr. CROSBY. I may have, and I don't recall specifically telling it to him.

Mr. KENNEDY. Now, Leo Plotkin has testified before this committee that Maloney was anxious to get rid of the chief of police because he was uncooperative. Maloney said that the teamsters were anxious to get rid of the chief of police because he was uncooperative.

Now, you say you did go to the mayor and try to get rid of the chief of police.

Mr. CROSBY. Mr. Kennedy, you have my statement there, and you know the background. I went in the first instance at the request of Mr. Russ Conger, a Portland detective and a representative of the policeman's union.

Mr. KENNEDY. Did you tell the mayor that the teamsters would not support him unless he got rid of the chief of police?

Mr. CROSBY. I did not.

Mr. KENNEDY. So that his testimony to that effect, the mayor's testimony to that effect, is not correct, is that right?

Mr. CROSBY. It is highly embellished.

Mr. KENNEDY. Did you tell him something like it?

Mr. CROSBY. He might have gotten an inference from me to that effect, but I recall no such statement.

Mr. KENNEDY. Is that the inference that you intended to make?

Mr. CROSBY. Frankly, I don't recall whether I did or not. At that time, we were considered to be quite friendly.

The CHAIRMAN. If he got that impression, he was not wrong, was he?

Mr. CROSBY. As testified, Senator, he was not wrong at all.

The CHAIRMAN. He was not wrong at all?

Mr. CROSBY. No.

Mr. KENNEDY. That is the mayor. Now, we also had a member of the public utilities commission, Mr. Howard Morgan, again going

into this idea that you were interested in cleaning up your city, and supporting those elements in government that were interested in cleaning up your city.

He stated before this committee that you said that the Governor should lay off in his investigation of the liquor commission, is that correct?

Mr. CROSBY. That is not correct.

Mr. KENNEDY. So he was wrong, too, is that right? Is Mr. Morgan wrong, also?

Mr. CROSBY. Mr. Morgan is incorrect, sir.

Mr. KENNEDY. Mr. Morgan gave wrong testimony before this committee, and so did the mayor, is that correct?

Mr. CROSBY. I don't think that there is any question in my mind. As a matter of fact, with relation to Mr. Morgan's testimony, there are eight points. I went over the transcript of his statements. There are eight points of definite statements that he made that, in my opinion, are grossly incorrect, if not outright something else. I would like to read them to you, if you would like to take the time.

Mr. KENNEDY. That is up to the committee.

The CHAIRMAN. You may read them, because if you were connected with that in any way, as I recall the testimony, you are at liberty to read the statements that you say are inaccurate, incorrect, false, or lies. Proceed.

Mr. CROSBY. I am being charitable to Mr. Morgan when I say "inaccurate."

The CHAIRMAN. All right.

Mr. CROSBY. With reference to Mr. Morgan's statement before this committee, the first point that he stated that is wrong—and I admit that I probably don't have all of them in there that would be incorrect, but I have eight.

No. 1, is the circumstances surrounding Paul Patterson and William Langley. He drew conclusions there that amounted to accusations that were untrue.

No. 2, that a great deal of money was spent on Langley's campaign by the teamsters. The inference there is that a big pot was thrown in, which is not true. You haven't got the records of what was spent.

No. 3, Crosby backed up Maloney in reference to the liquor commission investigation and that relates to Mr. Morgan's testimony having to do with Maloney dropping ashes on the front of his suit. He deliberately misstated what I said to him.

Mr. KENNEDY. That is the question I just asked you. Could you go into that a little bit? You did not say that?

Mr. CROSBY. May I read the rest of them?

Mr. KENNEDY. All right.

The CHAIRMAN. Proceed with it and we will come back to that one.

Mr. CROSBY. No. 4, the statement that the teamsters were attempting to take over law enforcement in the State of Oregon.

No. 5, the teamsters attempting to control the county commissioners and remove James Gleason.

No. 6, the statement that the teamsters led the attack on Mr. Thornton's bid for reelection.

No. 7, that the teamsters opposed Mayor Lee.

No. 8, Mr. Morgan's inference that the teamsters did not contribute financially to Governor Holmes' campaign. Now, he left the inference



in his testimony that, because of the circumstances surrounding the discussion he had with this other gentleman, and I forget his name, he inferred that \$10,000 would be made available by the teamsters officials provided someone was put on the liquor control commission. The facts are that Governor Holmes personally came to our office and I did not talk to him because I was under charges.

He met with some other members of the legislative committee and he was given a check for \$2,000, which shows that we did financially support him.

The CHAIRMAN. Just at that point, may I ask you, did you also financially support the other candidate?

Mr. CROSBY. Governor Smith?

The CHAIRMAN. Whoever it was, the other candidate.

Mr. CROSBY. No, sir, we did not support him.

The CHAIRMAN. Did you make a contribution to him?

Mr. CROSBY. Not financially, no, sir.

The CHAIRMAN. What kind of contribution did you make?

Mr. CROSBY. This is the only step that we took. Governor Smith, rather a young man, indicated a desire to appear before our joint counsel and explain his views on right-to-work legislation.

We have always followed a policy of making candidates welcome from both parties to express their views on legislation that affects us. Governor Smith came to the meeting and he gave about a 10-minute talk and was received enthusiastically by the people in the meeting by virtue and for the reason of the statements that he made in relation to right-to-work legislation.

I thanked the Governor and I think some pictures were taken and were printed in our next issue of our paper. We printed a full account of it for the information of the members. But the following editions of the paper carried our regular endorsement for Governor Holmes.

The CHAIRMAN. I was not talking about endorsement. I simply asked you if you made any financial contribution to the other candidate and the other one I understand is Smith.

Mr. CROSBY. No, sir, not financially.

The CHAIRMAN. You made no financial contribution to him?

Mr. CROSBY. The only contribution——

The CHAIRMAN. I do not know that you did. I am just asking, did you make any to the other, you or the teamsters?

Mr. CROSBY. Sometimes people consider something besides money a contribution, Senator, and that is all I was trying to get at. To the extent that we asked him or invited him over to speak before our group and accorded him a welcome and thanked him for coming. That is the only contact that we had with him or his campaign.

The CHAIRMAN. That is all right. You said you made a \$2,000 contribution to Mr. Holmes.

Mr. CROSBY. I would like to offer that in evidence if you would like to have it. I have a photostatic copy.

The CHAIRMAN. Of what?

Mr. CROSBY. Of the check for \$2,000 that was given to Governor Holmes.

The CHAIRMAN. We would be very glad to receive it, sir, and it may be made exhibit No. 47 in the record at this point.

(The document referred to was made Exhibit No. 47 for reference and will be found in the appendix on p. 1073.)

Senator GOLDWATER. Mr. Crosby, while we are on this subject of union dues money for political purposes, how many members would you say comprise council 37?

Mr. CROSBY. It fluctuates, sir, because of our large cannery personnel, but I would say between 18,000 and 24,000 on an annual basis.

Senator GOLDWATER. Are their dues the same as were recited here in the local about \$5.25 a month?

Mr. CROSBY. Well, sir, it fluctuates all of the way from \$4 to \$5 and \$5.50. In some of the outlying areas, they go up to \$6.

Senator GOLDWATER. I would like to ask you if you are aware of having received questionnaires that were mailed out by the subcommittee on privileges and elections and asking for the reporting of monies spent in the political campaign of this past year.

Mr. CROSBY. Yes, sir.

Senator GOLDWATER. Are you aware of those?

Mr. CROSBY. It was called to my attention that such a communication did come in and I think from Senator Gore.

Senator GOLDWATER. Senator Gore's committee, yes.

Mr. CROSBY. It is my understanding that our office complied with the request in complete detail.

Senator GOLDWATER. The reason I was asking that is this: In the committee report it shows the Joint Council No. 37 of Portland, Ore., as listing no contributions or expenditures on these reports.

I was wondering if you had any explanation of that, in view of the fact that the Democratic State Committee shows rather sizeable contributions from this Council.

Mr. CROSBY. Well, Senator, I did not fill out the forms.

Senator GOLDWATER. Was that your responsibility?

Mr. CROSBY. No, sir.

Senator GOLDWATER. The responsibility of someone else?

Mr. CROSBY. That would be someone else's responsibility.

Senator GOLDWATER. But you would know about the money that was spent from that council for political purposes?

Mr. CROSBY. Yes, sir. That is, basically. There might have been some money spent that I don't know of.

Senator GOLDWATER. You testified to \$2,000 being spent for Governor Holmes.

Mr. CROSBY. Yes, sir.

Senator GOLDWATER. Do you recognize \$1,000 having been given either to Mr. Sweetland or Sweetlard, I do not know which it is, running for Secretary or State?

Mr. CROSBY. Yes, sir, we made such a contribution.

Senator GOLDWATER. Did your council give \$14,000 to the Democratic Party of Oregon?

Mr. CROSBY. That is a question that I am not clear on, as to what extent we contributed to the Democratic Party of Oregon, sir. I would rather that you would ask that question of someone who is better qualified to answer it. I don't know the total amount.

Senator GOLDWATER. The Democratic Party shows three different contributions, \$5,000, \$5,000, and \$4,000, which means that your council, Joint Council 37, gave a total of \$17,000 to two candidates and the Democratic Party. Would you say that is substantially correct?

Mr. CROSBY. Senator Goldwater, I am not trying to be evasive, but I am really not sure.

Senator GOLDWATER. \$17,000 is not just pin money. It is not something you would take out for a weekend.

Mr. CROSBY. I am aware of that.

Senator GOLDWATER. Do you recall that that is about right?

Mr. CROSBY. I don't know. I have to qualify it by saying, that, again, many times I am away from town and I don't know exactly what has been done in exact, round figures. Filling out those forms, the summing up of our total expense, was done by the statistical division of our joint council, and I don't know that I am qualified to make a definite statement about it.

Senator GOLDWATER. What do you have to do with the joint council's legislative committee? Are you chairman of that?

Mr. CROSBY. Figuratively speaking, I think I am the chairman.

Senator GOLDWATER. Would you recall that an additional \$4,000, in addition to the \$17,000, an additional \$4,000, went to—I do not recognize one of the names, but one of the names was a candidate at the national level, for the House.

Mr. CROSBY. No, sir. To my knowledge we made no such contribution.

Senator GOLDWATER. The records that I have that are taken from the report of the Democratic Party of Oregon shows a total of \$21,000 having come from the joint council of Teamsters No. 37, and I find no mention of it at all in the Subcommittee on Privileges and Elections Report. Instead, I find your organization having stated that there were no contributions or expenditures during the election period.

Mr. CROSBY. The responsibility for the accuracy of that report, Senator, I don't feel is mine, because I didn't—

Senator GOLDWATER. I do not want to take the responsibility for the accuracy of this report, either. I was trying to shed some light on the inaccuracy.

Mr. CROSBY. I can say this. I believe with a fair degree of assurance that it was never any practice, nor did we indulge in, the spending of money on congressional candidates out of union funds. We did give some money to the State Democratic fund, but it was plainly marked on the checks to be used for State candidates only.

Senator GOLDWATER. That is all I have.

The CHAIRMAN. I just want to ask you 1 or 2 questions.

The first is with respect to the \$2,000 given Robert Holmes. This check that you have introduced, a photostatic copy of which appears to have been issued on the Joint Council of Teamsters No. 37, special account. Is that correct?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. The check was signed by you and by one Anthony Vavrus?

Mr. CROSBY. The name is Vavrus, sir.

The CHAIRMAN. Vavrus?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Was this a special account out of union funds?

Mr. CROSBY. Indirectly it was, sir. I would like to explain that special account.

The CHAIRMAN. What I am trying to determine—and I am just trying to expedite this—is, Are these funds that are represented by this check out of union dues?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. The other funds there that Senator Goldwater has been questioning you about, some of which you identified as incorrect, were those out of union dues, originally, primarily?

Mr. CROSBY. Well, I am treading on dangerous ground and I would like to explain why, Mr. Chairman, not because I want to be evasive, but because I want to be concise.

The CHAIRMAN. I am just trying to clear this up. All I want to know is, and I do not know, whether these contributions to campaigns—this one here represented by the \$2,000 which you have submitted a photostatic copy of the check given to Mr. Holmes—whether that came out of union dues.

Mr. CROSBY. Yes, sir.

The CHAIRMAN. Then I ask you the same question regarding those other items Senator Goldwater has just questioned you about, those of them that you identified. Did they come out of union dues?

Mr. CROSBY. Therein lies the problem, and I would like to make an explanation. I think I have to, in order to make the picture clear.

The CHAIRMAN. You may. If they did, I want to know it, and if they did not, I want to know it.

Mr. CROSBY. Here is what the teamsters did. At our national conference—at our conference, not national conference—our western conference, held in Vancouver, we took up voluntary contributions from individuals for Senator Morse's campaign. When we returned to Oregon, we discussed the matter amongst ourselves, and agreed to voluntarily contribute \$100 from our own personal funds, and we recommended that all paid officials, if possible, try to meet that sort of an objective, to be utilized by Senator Morse in his efforts to be reflected. That money was turned over to Senator Morse, and it did not come from union funds.

Whether that reflects any part of what Senator Goldwater was asking me about or not, I am unable to say.

The CHAIRMAN. In other words, there was a special fund or a political fund specifically collected from voluntary donations that went to Senator Morse. You know that?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. So as to that which was voluntarily contributed from members, such as yourself and others, that would not be union dues?

Mr. CROSBY. That is right.

The CHAIRMAN. It would be perfectly proper, from my viewpoint, and I would like to encourage it. I like to encourage political contributions.

Mr. CROSBY. As a matter of fact, a very, very large number of the members of various teamster unions sent in envelopes—

The CHAIRMAN. My friend here suggests specifically the Democrats, and I agree with him.

Go ahead.

Mr. CROSBY. A great many of the membership of the teamster union sent in voluntary contributions in the amounts of \$1, \$5, \$2 whatever

they felt they could spare, and a receipt was written and mailed back, and the money was tabulated and turned over to the "Morse for Senate" campaign. I don't know how much money was received.

The CHAIRMAN. Let me ask you the question this way, and then you may answer it. I do not want to belabor this, but I am trying to identify, and I think the committee is interested in it, political contributions made from dues collected from members that they are compelled to pay to keep in good standing in the union. Can you identify any of the funds, the contributions, referred to by Senator Goldwater in his questioning as money that came out of union funds?

Mr. CROSBY. I don't think I can, Senator, because I am not familiar with the form. All I knew was that we received it. I believe that the man who filled it out would be the only one who could give a logical explanation for it.

The CHAIRMAN. But there is no mistake about this \$2,000?

Mr. CROSBY. None whatsoever.

The CHAIRMAN. It came out of the union. Thank you very much.

Senator GOLDWATER. To clear that up, I asked you about \$1,000 for Mr. Sweetland.

Mr. CROSBY. That amount I recall specifically. There is no question about it.

The CHAIRMAN. That came out of union funds?

Mr. CROSBY. Yes, sir.

Senator GOLDWATER. There are other donations listed under Joint Council of Teamsters No. 37, there is one for \$5,000, another for \$5,000, and another for \$4,000, as being contributed to the Democratic Party. I think the chairman was trying to get out of you whether or not that sum of \$14,000 came out of union dues. This was made to the Democratic Party of Oregon. It does not include \$4,000 additional. As I say, I recognize one of the names, and it is not a Senator. I recognize one of the names. I assume the other name must be a candidate for the House, also.

There is a sum of \$4,000. What the chairman is interested in is that \$14,000, whether or not that was out of union dues.

Mr. CROSBY. I hesitate to try to answer the question. I am honestly not qualified, Senator.

The CHAIRMAN. You honestly do not know either way, is that correct?

Mr. CROSBY. I would like to say this. I am positive there must be something incorrect about the report, if it indicates that \$4,000 of union funds was spent for someone running for the House.

Senator GOLDWATER. We will forget that. Let us assume that that might be. That \$4,000 could very well be voluntary funds that were spent for the candidates for the National Congress. But we still have to account for \$14,000 that went directly to the Democrat State committee from No. 37.

Mr. CROSBY. Well, that is no question in my mind but what we very likely did contribute the money. I don't specifically know that we did. I don't think there is any reason to say that we didn't, because we probably did.

Senator GOLDWATER. It is on the Democrat contribution list. Sometimes I do not have high regard for the Democrats, but I think they are highly honest.

Mr. CROSBY. I am just not sure, Senator, but that is more than likely correct.

Senator GOLDWATER. If it is more than likely correct, are we right, more than likely, assuming that it came out of the general fund, the union dues?

Mr. CROSBY. Yes, sir, that would be the case.

Senator GOLDWATER. That is what we wanted to get. Thank you.

The CHAIRMAN. Mr. Counsel?

Mr. KENNEDY. Can we go back, Mr. Crosby, to your conversation with Howard Morgan? I might say in that connection, on the \$2,000, this check is dated August 10, 1956. Mr. Morgan's testimony was that the conversation with Spear and DeShazor took place in September, as I remember.

Did the teamsters make any contribution to Holmes after September of 1956?

Mr. CROSBY. That is the total contribution of the teamsters to Governor Holmes campaign. My point was that I didn't think Mr. Morgan even knew about it.

Mr. KENNEDY. Yes, he did.

Mr. CROSBY. He certainly didn't mention it.

Mr. KENNEDY. The other thing I want to mention to you or ask you about is whether any other teamster organizations outside the State of Oregon made any contributions to Mr. Smith's campaign.

Mr. CROSBY. I am unable to answer the question. I frankly doubt it. They look to the joint council for leadership in that direction, in which they participated. I can't say definitely, but I don't think that any money was contributed—

Mr. KENNEDY. Did you ever understand there was any money given by the teamsters through California, for instance, to Mr. Smith's campaign?

Mr. CROSBY. No, sir, absolutely not.

Mr. KENNEDY. You never heard of that?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Now would you go back to your conversation with Mr. Morgan, where he stated that you spoke to him and said you thought the Governor should lay off in his investigation of the liquor commission?

Mr. CROSBY. I am real happy to. The incident that Mr. Morgan related took place at a night that they were holding a Democratic victory dinner. That night I had the privilege of presenting a brochure to—

Mr. KENNEDY. He has explained about—

Mr. CROSBY. To Congressman Green.

Mr. KENNEDY. All right. Why do you not get right to the facts?

Mr. CROSBY. Before the people were seated at the table, there was a gang of people filed up around the entrance to the dining room. Among them was Mr. Morgan, and I was standing there waiting for someone. I believe it was my wife. She had stepped out temporarily.

I seen them talking. I could tell without much concentration that—

Mr. KENNEDY. Who is "them"?

Mr. CROSBY. Mr. Maloney and Mr. Morgan.

I knew that Mr. Morgan was mad by the look on his face. But I went up and asked him, I said, "What is that guy doing, giving you trouble?" He said, "Yes, he is giving me trouble." I said, "What is it all about?" And he said, "Well, he is trying to tell me what to do in reference to advising the attorney general in reference to the liquor control investigation."

I made one statement, and I could make it anyplace without any fear of being in violation of anything. I simply stated to Mr. Morgan this, that, "I think it would be a terrible state of affairs if Tommy Sheridan lost his accumulated 25 years of service to the State upon the accusation and proving that an industry representative paid a \$42 hotel bill for him."

That was the sum and substance of the whole thing. I didn't ask him to lay off or anything else.

MR. KENNEDY. Mr. Morgan testified before this committee that you did make such a statement.

MR. CROSBY. Mr. Morgan and I have found ourselves on opposite courses many, many times.

MR. KENNEDY. But do you think that he came in here and testified falsely about that?

MR. CROSBY. I think Mr. Morgan certainly didn't state the truth.

MR. KENNEDY. So you are accusing him of testifying falsely about your statement?

MR. CROSBY. Just a second, please.

(The witness conferred with his counsel.)

MR. CROSBY. I am simply relating it as I remember it.

MR. KENNEDY. You deny that you said to him that you wanted the Governor to lay off the liquor commission.

MR. CROSBY. Yes, sir.

MR. KENNEDY. You did not say that?

MR. CROSBY. No, sir.

MR. KENNEDY. So Mr. Morgan's testimony to the contrary is incorrect, is that right?

MR. CROSBY. Well, I am not a judge or a jury.

MR. KENNEDY. I am just asking you whether it is correct or incorrect. Is it incorrect?

MR. CROSBY. As far as I am concerned, it is incorrect.

MR. KENNEDY. Have you got any reason that he would come in here and testify in that manner if it was not true?

MR. CROSBY. I think there are a number of events that took place months prior that had something to do with the building up of a relationship that might possibly cause him to exaggerate, yes.

MR. KENNEDY. And testify falsely on this matter before the committee?

(The witness conferred with his counsel.)

MR. CROSBY. Well, you are putting those words in my mouth. I said his statement was inaccurate.

MR. KENNEDY. And there are matters in his background that would make him come before this committee and give inaccurate testimony?

MR. CROSBY. I believe Mr. Morgan is a political opportunist without the slightest moral sense of responsibility. Is that good enough?

MR. KENNEDY. What about Mr. Tommy Sheridan? He was a member of the liquor commission, was he not?

MR. CROSBY. Mr. Tommy Sheridan—

Mr. KENNEDY. Just answer the question. Was he not?

Mr. CROSBY. No, he was not a member. He was an employee.

Mr. KENNEDY. He was an employee of the liquor commission?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you have any conferences or conversations with him and Mr. Jim Elkins?

Mr. CROSBY. Absolutely not.

Mr. KENNEDY. Did Mr. Jim Elkins ever bring Mr. Sheridan to your office?

Mr. CROSBY. No, sir, he did not. And I can tell you the party that did.

Mr. KENNEDY. Excuse me?

Mr. CROSBY. I can tell you the party that did.

Mr. KENNEDY. But Mr. Elkins never talked to you about Mr. Sheridan?

Mr. CROSBY. Mr. Elkins, I think, was responsible for obtaining for me a photostatic copy of an improper travel expense voucher relating to another individual in the liquor control commission that I presented to the Governor as an indication that—

Mr. KENNEDY. Now would you answer the question?

Mr. CROSBY. What is the question?

Mr. KENNEDY. Did Mr. Elkins bring Mr. Sheridan to see you?

(The witness conferred with his counsel.)

Mr. KENNEDY. Mr. Attorney, would you mind not coaching the witness?

Mr. MAGEE. I am not coaching the witness, sir.

Mr. CROSBY. He just told me to relax. I am sorry, Mr. Kennedy. I have missed the question again.

Mr. KENNEDY. I will state it again. Did Mr. Elkins bring Mr. Sheridan to you?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Did you ever have a conversation with Mr. Sheridan and Mr. Elkins?

Mr. CROSBY. I don't believe so.

Mr. KENNEDY. Do you think it is possible that you might have?

(The witness conferred with his counsel.)

Mr. CROSBY. I just don't recall any such conversation. I would like to relate the ones—

Mr. KENNEDY. I want you to answer my question, and then if you want to relate who brought Mr. Sheridan to you, or someone else that brought Mr. Sheridan to you, that is fine. We have had some testimony here from Mr. Elkins that he brought Mr. Sheridan to your office, or that he talked with Mr. Sheridan and you. Do you state that he did not do that?

Mr. CROSBY. I have to interpret your question as did he and Mr. Sheridan sit down in my office and talk to me, or did they meet me and talk to me.

Mr. KENNEDY. No. Let us start over again. Did Mr. Sheridan and Mr. Elkins ever meet with you?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Did they ever have a conversation with you, where both of them were together and you were there also? It is very clear now.

Mr. CROSBY. I cannot recall any such instance.



Mr. KENNEDY. You say you cannot recall that instance, but you know that you did not meet with them, is that right? And there is a difference.

Mr. CROSBY. The reason that I am differentiating is because of the fact that I think I had several conversations with Mr. Sheridan, and it is possible that he might have been standing near by, or something, at the time I was talking to him. I am trying to be fair to myself, if you will permit me.

Mr. KENNEDY. Was there ever a conversation in your office? Let us start that way. Was there ever a conversation in your office between Mr. Sheridan, Mr. Elkins, and yourself?

Mr. CROSBY. No.

Mr. KENNEDY. You are absolutely certain of that?

Mr. CROSBY. To the best of my knowledge.

Mr. KENNEDY. You would remember if that had happened. What do you mean to the best of your knowledge? You would remember if that would have happened.

Mr. CROSBY. Mr. Kennedy, I wonder if you will remember what witness barged in your office on some matter. So many people come into my office, and you are asking me to make a definite statement when I just don't know for sure. I don't think it happened.

Mr. KENNEDY. You think it is possible that Mr. Sheridan, Mr. Elkins, and you met at your office?

Mr. CROSBY. I don't recall any such incident.

Mr. KENNEDY. You do not recall it, but you think it is possible?

Mr. CROSBY. I didn't say I thought it was possible.

Mr. KENNEDY. Let me ask you. Do you think it is possible?

(The witness conferred with his counsel.)

Mr. CROSBY. All I am saying is I don't recall any such instance.

Mr. KENNEDY. But you will not deny that it happened?

Mr. CROSBY. Nor confirm it.

Mr. KENNEDY. Did you ever discuss the Sheridan matter with Mr. Elkins?

Mr. CROSBY. I believe he called me one time and asked me if I could help the guy.

Mr. KENNEDY. He did?

Mr. CROSBY. Yes.

Mr. KENNEDY. So you are not denying the testimony of Mr. Elkins, then, on the Sheridan matter?

Mr. CROSBY. I am stating this—certainly I am denying any previous statements that he made.

Mr. KENNEDY. You think that the meeting might have taken place, and you think that Mr. Elkins might have asked you for help.

Mr. CROSBY. You know, we could get right to the heart of it if you would let it go. I can tell you in a few words exactly how that thing happened. I don't doubt but what Elkins had a lot to do with it, from what I learned since.

Mr. KENNEDY. Fine, you tell us.

Mr. CROSBY. I was contacted by Lt. Carl Crisp, who at that time was second night commanding officer of the Eastside Precinct. I don't mind telling you that I tried to build up a friendly relationship with those people, because we represent drivers, and occasionally they have problems. If we can get one of them out of jail and get him back to work, we certainly wouldn't be above trying to do it.

Mr. Crisp came to me and gave me the following story. He said, "I wonder if there is anything that you can do to help Tom Sheridan. He is an old friend of mine. I worked with him in the police business."

I don't remember whether he said state police or city police. And he says, "They are framing the guy, and I wish to gosh that there was something that you could do. I know that you worked in Governor Patterson's campaign. Is there any possibility that you could speak a word for him?"

I asked him this, I said, "What is it that they are accusing Mr. Sheridan of?" He said, "No. 1, a \$41 hotel bill paid by a liquor distillery representative at Seattle in a convention; and No. 2, there is some veiled accusations relating to an alleged \$10,000 bribe that was paid to Tommy Sheridan and is causing a great deal of ruckus."

I told Mr. Crisp that if there was a \$10,000 bribe involved, I couldn't do a darn thing for him, that certainly I would not attempt to inject myself into a situation where that kind of a problem existed.

These are roughly the words. I am sure they are not the exact words. He spent a great deal of time telling me the inaccuracy of the charge of the \$10,000 bribe, and I told him, I said, "Well, if it simply is a matter of a \$41 hotel bill, and it is pretty well recognized that these things go on in all segments of government and industry, at least to some extent—not perhaps with everyone but to some people—I will at least try it."

I believe Mr. Elkins was responsible—yes, Mr. Crisp referred to the fact that one other member of the Liquor Control Commission had been receiving travel expense, mileage, from Hillsboro to Portland, while, in reality, he was living in the city of Portland and not entitled to the money.

I said, "Well, that parallels this thing. It is pretty much the same kind of a situation."

The CHAIRMAN. The Chair asks you at this point, to see if we can get away from the minute details, how well did you know Mr. Crisp?

MR. CROSBY. I didn't know him too well. I have gotten acquainted with him.

The CHAIRMAN. You are relating in detail quite a lengthy conversation you had with him, which you seem to remember pretty well.

MR. CROSBY. I remember the gist of it, Senator, yes.

The CHAIRMAN. All right, you remember the gist of it. You were asked with respect to this same matter whether Mr. Elkins, a man whom you regard, I believe, as a notorious character, and had known as such, from his business reputation and so forth, whether Mr. Elkins came with Mr. Sheridan and talked to you about it in your office.

It seems to me if you could remember the long detailed conversation with Mr. Crisp in so much detail, you would at least remember whether Mr. Elkins, this notorious character, brought Mr. Sheridan to your office and had a conference with you about it. Can you?

MR. CROSBY. I don't know as I was asked specifically whether or not—I guess I was asked whether or not a meeting was held in my office. I think I tried to get you to ask me that question.

The CHAIRMAN. He did.

MR. CROSBY. Well, the answer to that is "No."

The CHAIRMAN. All right.

Mr. CROSBY. I drew some reservation with reference to conversations I might have had with him outside of the building, on the street or something.

The CHAIRMAN. The question is, to put it direct: You say positively that Mr. Elkins and Mr. Sheridan did not come to your office and have a conversation with you about this matter?

Mr. CROSBY. I don't believe so; no.

The CHAIRMAN. Just a moment. I do not want you to swear to something—I am not trying to put words in your mouth. It struck me that you were remembering in great detail this conversation with Mr. Crisp, whom you didn't know much about. You know Elkins being the character he is, who is being portrayed here from time to time, and you didn't want to have anything to do with him, apparently. You would certainly remember if he brought a man to your office and talked to you there about this same subject.

Mr. CROSBY. The reason I am able to remember Mr. Crisp's conversation is because we didn't meet in the office. We went down in the restaurant, sat down and had coffee, and discussed it at length.

The CHAIRMAN. Would you not remember just as well if a notorious character like Mr. Elkins would bring someone in there to see you and talk about it?

Mr. CROSBY. I think I would.

The CHAIRMAN. So according to your best recollection, you don't believe it happened?

Mr. CROSBY. That is right, sir.

Senator GOLDWATER. I may be wrong, but it seems to me that, in answer to an earlier question, you said to Mr. Kennedy that you would tell him who brought Mr. Elkins to your office. Am I wrong about that?

Mr. CROSBY. No; I meant I would tell him who brought Mr. Sheridan to my office.

Senator GOLDWATER. I believe you said Mr. Elkins.

Mr. CROSBY. If I did, I made a mistake, Senator, and I am sorry. I was trying to properly identify the basis under which I had met Mr. Sheridan.

(The witness conferred with his counsel.)

Mr. CROSBY. I would like to finish the conversation.

The CHAIRMAN. You may finish. I do not want you to say something that you do not mean, unless you can be certain. I think we can maybe pretty well establish that Mr. Elkins did come to your office with Mr. Sheridan and talk to you about it. It may be something of importance in this matter.

Mr. KENNEDY. It was at 7 o'clock at night, Mr. Chairman. There wasn't anyone else in the building.

The CHAIRMAN. I want to give you the benefit of every opportunity to say yes or no.

Mr. CROSBY. Mr. Kennedy says the meeting was held at 7 o'clock at night and there was no one else in the building. I can certainly recall that that never happened.

The CHAIRMAN. Proceed.

Mr. CROSBY. Well, the upshot of the conversation with Lieutenant Crisp was that I did ask the Governor if I could speak to him the next time he happened to be in Portland. I got a call from his ad-

ministrative assistant, I believe, to the effect that he was going to be in within a day or two, and giving me the time and date and place where he was staying. I went up and had a drink with him and raised the question. His immediate reaction was unfavorable. He didn't appreciate me bringing it up, and he simply stated that he did not feel that I should have interceded in the man's behalf in the first place. All I said, again, was that it just looks like a tragic thing for a man to lose 24 or 25 years of accumulated pension rights over an inadvertent incident where an industry member picked up a hotel bill. He said "Well, I am not convinced about this \$10,000 situation," and I think that it later is a matter of record that the firm of Bobbett & Maguire, two attorneys with FBI experience, were retained by the Governor and conducted an exhaustive investigation, and that \$10,000 thing was never justified or charged. Mr. Sheridan appeared before the State civil service commission. He admitted the \$42 hotel bill incident, and he was given 30 days off, at the end of which time he was returned to work.

The CHAIRMAN. All right. Let's proceed.

Mr. KENNEDY. Let me ask you about this: When we were talking about the finances, are all the books and records of the joint council 37 all available to the committee for the period of time that Tom Maloney and Joe McLaughlin were in Portland?

Mr. CROSBY. I am not qualified to answer the question. I didn't keep the books.

Mr. KENNEDY. Do you know whether all those books and records are available?

Mr. CROSBY. I am not aware what the situation is, exactly.

Mr. KENNEDY. You do not know about the books and records?

Mr. CROSBY. No, not to the extent that I could testify to them.

Mr. KENNEDY. I am just asking you. Do you know about the books and records?

(The witness conferred with his counsel.)

Mr. CROSBY. It wasn't my function.

Mr. KENNEDY. I am not asking you whether it was your function. Do you know whether the books and records between the time Tom Maloney and Joe McLaughlin came to Portland and the time they left, whether those books and records are available to this committee?

Mr. CROSBY. I don't know for sure. I know that some changes were instituted. I think that Mr. Mikesell is the man who can answer the question intelligently.

Mr. KENNEDY. Do you know, yourself, whether they are available? You have that \$2,000 check. That is what brought it to my mind. You were able to go in there and get a \$2,000 check. I am sure you inquired about the rest of the books and records.

Mr. CROSBY. I can answer any other questions—

Mr. KENNEDY. This is a joint council, a very important joint council, under your jurisdiction. Are the books of joint council 37 available from the period of time of the middle of 1954 to the middle of 1956?

Mr. CROSBY. As far as I am concerned, they are. The actual facts I don't know.

Mr. KENNEDY. You do not know?

Mr. CROSBY. Not for sure.

Mr. KENNEDY. You never discussed that?

Mr. CROSBY. I have heard some remarks, but I don't know the extent of them, and I don't want to indulge in hearsay when I know you can get good expert testimony.

Mr. KENNEDY. What have you heard about the books and records? Have you heard that the books and records for the period of time that Joe McLaughlin and Tom Maloney were in Portland have been destroyed?

Mr. CROSBY. I don't think there is the slightest connection.

Mr. KENNEDY. Aren't the books and records of the Joint Council 37 available prior to August 1954, and after August 1956? Aren't the books and records available for that period of time?

Mr. CROSBY. I presume they are, but you are asking me to testify on something I know nothing about.

Mr. KENNEDY. This is under your jurisdiction, Mr. Crosby. You are in charge here.

Mr. CROSBY. No, I am not. You are giving me a great deal more authority than what I actually have.

Mr. KENNEDY. Are you the international organizer?

Mr. CROSBY. Yes.

Mr. KENNEDY. Are your headquarters in Portland?

Mr. CROSBY. Yes.

Mr. KENNEDY. Aren't you in charge in that area?

Mr. CROSBY. No.

Mr. KENNEDY. You have no jurisdiction in that matter?

Mr. CROSBY. Wait a minute. Not in charge in the general way you are putting it. You are leaving the impression that all I need to do is snap my fingers and anything would happen.

Mr. KENNEDY. No, I am just talking about these very important books and records and I am trying to find out about them from you.

Mr. CROSBY. The president and the secretary-treasurer of Joint Council 37 are the people who handle the finances of the joint council. The secretaries of the local unions are autonomous groups that handle their own funds. I know nothing about them.

Mr. KENNEDY. Would it interest you that the books and records had been destroyed for that period of time, 1954 to 1956?

Mr. CROSBY. Would it what?

Mr. KENNEDY. Would it be of interest to you?

Mr. CROSBY. It would be disturbing.

Mr. KENNEDY. It would be disturbing. That has not been brought to your attention?

Mr. CROSBY. I have heard some remarks about some of the—

Mr. KENNEDY. You have heard some remarks about that, have you? You do know something about it? Mr. Crosby, if you would give the truth at the beginning, we would move along very quickly. Could you know something about it?

(The witness conferred with his counsel.)

Mr. CROSBY. I am giving you the truth, Mr. Kennedy, and I certainly feel that you are taking an unfair advantage of me when you imply that I am not.

(Senator Mundt entered the hearing room.)

Mr. KENNEDY. Let me ask you the question again: Do you know or have you heard that the books and records from the middle of 1954, certain of the books and records from the middle of 1954, to the middle of 1956 of Joint Council 37 have been destroyed?

(The witness conferred with his counsel.)

Mr. KENNEDY. Mr. Counsel, no coaching the witness.

Mr. MAGEE. What do you want me to say?

The CHAIRMAN. You can answer that, whether you have any information as to whether those records have been destroyed or whether they are available. You have an interest in them. You said you would be disturbed if they were. You can answer that and we can move along.

Mr. CROSBY. I am trying to figure out to what extent I should try to qualify myself as someone—

The CHAIRMAN. You don't have to qualify yourself at all to simply say whether you have information that they have been destroyed or that they have not been destroyed.

Mr. CROSBY. I think there are some records of an invoice and canceled check status that have been destroyed.

The CHAIRMAN. Let me ask you this: When did you get a photostatic copy of this check?

Mr. CROSBY. Since I have been in Washington.

The CHAIRMAN. Since you have been in Washington. The check was August 10, 1956. The term used here is from the middle of 1954 to the middle of 1956. Apparently, from the information we have, a lot of records are missing, they cannot be found, or they have been destroyed. What information do you have about those records for that period of time?

Mr. CROSBY. I don't know as I have any specific information.

The CHAIRMAN. Do you mean that you have information as to whether those records exist or whether they are available, whether they can be made available?

Mr. CROSBY. I don't think some of them are, but to what extent, I don't know.

The CHAIRMAN. If it would disturb you, would you have any responsibility to try to find out what happened to them, in your position?

Mr. CROSBY. I don't think that I have authority to—

The CHAIRMAN. Well, do you or don't you? You ought to know what your authority is in your position. Do you have authority to inquire into it and try to find out what is wrong?

Mr. CROSBY. If I did, I didn't take that step.

The CHAIRMAN. I know you didn't. You say you didn't take the step. I am asking you now do you have authority to do it? You say you would be disturbed if you found it was true. Do you have the authority in your position, representing the international as organizer in that area, do you have the authority to look into that matter?

Mr. CROSBY. Only if there was evidence that some attempt was being made to defeat some legitimate purpose or to comply with some legitimate requirement.

The CHAIRMAN. Would you regard this investigation as a legitimate purpose?

Mr. CROSBY. You know I am going to say yes to that.

The CHAIRMAN. I thought you would. Then has it concerned you enough, in your position, to cause you to make further inquiry to ascertain what the facts are up to now?

Mr. CROSBY. The only trouble is that I am being walked into a discussion relating to a subject that I am not sure about, I don't know the extent of it, and I think the information is here with another witness.

The CHAIRMAN. It may be. What I am trying to determine is whether you, in your position, have any responsibility in that connection and, if so, what you have done about it.

Mr. CROSBY. If I am being asked if I have specific responsibility, I do not believe that I have.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. KENNEDY. What are your responsibilities? Can you give me that briefly?

Mr. CROSBY. My responsibilities generally are to organize the segments of our legitimate jurisdiction wherever possible, to aid in organizational programs, to do coordinating work, and by instruction from the Western Conference, to aid and assist in contract negotiations, and so on.

Mr. KENNEDY. Is one of your responsibilities to order pickets at local cafes or bars?

(Senator McClellan left the hearing room.)

Mr. KENNEDY. Is that one of your responsibilities?

Mr. CROSBY. In any specific instance that turned out to be that way, yes.

Mr. KENNEDY. You ordered the pickets to the Mt. Hood Cafe, is that right?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. Did you order those pickets on the instructions of any one else?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Could you tell the committee why it was that you took that responsibility, and why Mr. Lloyd Hildreth did not do it?

Mr. CROSBY. Well, Mr. Sweeney, prior to my becoming the international organizer, had set in motion a program to organize the industry. For some reason or other it kind of broke up and didn't materialize. When he left, the matter was brought to my attention and I again revived the thing, and attempted to organize the people working in the music machine and pinball machine business.

Mr. KENNEDY. At that time, pinball machines had been declared illegal by the city council, is that right?

Mr. CROSBY. There was controversy in the courts.

Mr. KENNEDY. I understand—

Mr. CROSBY. Wait a minute. I can't give you a legal interpretation, because I don't know.

Mr. KENNEDY. I am not asking you to give me a legal interpretation. All I am asking you is whether the city council had declared pinballs illegal at that time.

Mr. CROSBY. I think they had, but I think they had been enjoined in the State courts. I am only quoting from a layman's memory.

Mr. KENNEDY. So the city council had passed an ordinance declaring the pinball machines illegal, and you were trying to organize them, is that right, organize the employees?

Mr. CROSBY. They were still operating as a legitimate concern without being policed out of business, and on that basis we attempted to organize them.

Mr. KENNEDY. So the answer to the question is yes?

Mr. CROSBY. I gave you the answer. Yes, sir.

Mr. KENNEDY. All right. Go ahead.

Mr. CROSBY. Go ahead with what?

Mr. KENNEDY. You were giving me an explanation as to what you were doing, why you ordered the pickets at the Mt. Hood Cafe.

Mr. CROSBY. All right, sir. In the conferences held with various individuals who made up the bulk of the association, it developed and became apparent that Mr. Terry and Mr. Dunis were probably the most influential. Mr. Terry and I got into quite a hassle about the type and structure of the agreement. He wanted a 6-day contract, he didn't want to pay any expenses for cars his employees would use, he didn't want the health and welfare program, and there was a lot of things he didn't want. In discussions with other individuals in the association, they indicated a willingness to meet those requirements, but they were standing back waiting for Mr. Terry to more or less call the shots.

(Senator Goldwater left the hearing room.)

Mr. CROSBY. In an effort to break what I felt was a deadlock or stalemate, I first discussed the matter with my attorney—at that time it was Jim Landye, who has since passed way—and asked him if we had the right, legally, to place an advertising picket. This is the first time, I think, this has come out in the hearings, but this is the actual facts.

(Senators McClellan and Irvin entered the hearing room.)

Mr. CROSBY. The picket line that was placed there was simply a declaratory type banner stating that the machines inside of the establishment were services by nonunion people. There were no instructions given by me or anyone else that I know of to interfere with patrons patronizing the place, or to stop or to interfere with deliveries or pickups.

Mr. KENNEDY. Do you know that that was done?

Mr. CROSBY. Sir?

Mr. KENNEDY. Do you know if that was done?

Mr. CROSBY. If what was done?

Mr. KENNEDY. Interfering with pickups and deliveries.

Mr. CROSBY. I think what caused the trouble was——

Mr. KENNEDY. Could you answer the question?

Mr. CROSBY. I have no knowledge of anything like that being done.

Mr. KENNEDY. Wasn't it reported to you, Mr. Crosby?

Mr. CROSBY. No, sir, it wasn't.

Mr. KENNEDY. Nobody reported that to you?

Mr. CROSBY. None that I can recall.

Mr. KENNEDY. Here we go again. Is it possible that it did happen, that somebody reported this to you?

You ordered the pickets, isn't that correct?

Mr. CROSBY. Yes, I instructed them.

Mr. KENNEDY. Weren't they making a report back to you? Weren't you interested to find out what was happening?

Mr. CROSBY. I think that I was out of the city part of the time during that episode.

Mr. KENNEDY. Weren't you interested to find out and get a report as to what was happening?

Mr. CROSBY. Certainly I was interested.

Mr. KENNEDY. Didn't you know that they weren't allowing deliveries?



Mr. CROSBY. I certainly don't know that.

Mr. KENNEDY. You don't know that?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Were they allowing deliveries?

Mr. CROSBY. They were not instructed to interfere with any.

Mr. KENNEDY. Did they interfere with deliveries?

Mr. CROSBY. Not to my knowledge.

Mr. KENNEDY. You never learned that?

Mr. CROSBY. No, sir.

Mr. KENNEDY. You never were told that?

Mr. CROSBY. I have heard accusations back and forth, but I received no call from any one of substance.

Mr. KENNEDY. Have you ever looked into it to find out whether they did or did not. We asked Mr. Maloy about it when he testified, and he took the fifth amendment on it, so we didn't find out much from him.

Mr. CROSBY. What was the question again?

Mr. KENNEDY. Did you ever find out about that? Did you ever look into it to determine whether they had stopped deliveries?

Mr. CROSBY. I think it only ran about 2 or 3 days. I don't believe there was time—

Mr. KENNEDY. Did you ever try to find out whether they stopped deliveries? Did you ever make an inquiry into that?

Mr. CROSBY. I specifically told them that they were not to interfere in the legitimate delivery or pickup.

Mr. KENNEDY. Could you answer the question now?

Mr. CROSBY. You want to know whether I knew whether any interference—

Mr. KENNEDY. Whether you ever inquired. You told me three times you told them not to. Did you ever inquire whether they had?

Mr. CROSBY. No, I didn't.

Mr. KENNEDY. You never tried to find out?

Mr. CROSBY. I didn't give it any particular attention.

Mr. KENNEDY. Have you asked Mr. Maloy since all of this came out in the papers?

Mr. CROSBY. Mr. Maloy to me denies that he interfered with any deliveries or any pickups of any type or nature of the place.

Mr. KENNEDY. Why wouldn't he state that to the committee?

Mr. CROSBY. Why what?

Mr. KENNEDY. Why wouldn't he state that to the committee? Why wouldn't he come in and tell the committee that?

(The witness conferred with his counsel.)

Mr. CROSBY. I don't know how I can answer that. I did not advise Mr. Maloy to take the fifth amendment. I didn't advise him how to handle himself here.

Th CHAIRMAN. Have you talked to Mr. Maloy about this since you have been here?

Mr. CROSBY. Since I have been here?

The CHAIRMAN. Yes.

Mr. CROSBY. No, sir.

The CHAIRMAN. Had you talked to him about it beforehand, before you came?

Mr. CROSBY. No, sir, I talked to him about it at the time—

The CHAIRMAN. You heard about this for a long time, about those deliveries were stopped, hadn't you? You had that information for quite a long time, hadn't you?

Mr. CROSBY. No, sir; I haven't.

The CHAIRMAN. When did you first get it?

Mr. CROSBY. I haven't any yet that is factual, as far as I am concerned.

The CHAIRMAN. Did you hear the owner of the restaurant testify?

Mr. CROSBY. I don't recall what his testimony was.

The CHAIRMAN. Were you here when Mr. Crouch testified?

Mr. CROSBY. I don't recall that his testimony stated that no deliveries were made.

The CHAIRMAN. You don't recall the trouble he had, having to go up the street to get deliveries delivered from the delivery truck in to his own car in order to get the goods to operate his restaurant? You don't recall that?

Mr. CROSBY. I don't believe I was here during the time that—

The CHAIRMAN. You have been reading the transcripts of the proceedings, haven't you?

Mr. CROSBY. I haven't read that part.

The CHAIRMAN. You haven't read that part?

Mr. CROSBY. Some of the transcripts are in my lawyer's office. I haven't had them over the weekend. I read all those that I had.

The CHAIRMAN. Mr. Crouch testified, as I recall his testimony, that they stopped deliveries, they wouldn't let them deliver coffee, meat, bread, various other things, and that it was about to shut down his place of business, and that he had to change machines, that is, these pinball machines, and get one that your people, the union, would approve, before he could get delivery and get the picket line moved.

Mr. CROSBY. No such statement was ever given to him by me or authorized by me.

The CHAIRMAN. I didn't say given to him by you. I say he testified to that. That is in substance what he testified to. There is probably more, but I recall that much. Do you mean to say you had no information about that, that Maloy never reported that to you?

Mr. CROSBY. I don't believe so, sir.

The CHAIRMAN. Maloy was operating under your directions, was he not?

Mr. CROSBY. He was operating as a picket, yes, as an advertising picket.

The CHAIRMAN. Under your directions. You had ordered it picketed?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. And you put him in charge of it?

Mr. CROSBY. I don't know that he was in charge of it.

The CHAIRMAN. Who was in charge?

Mr. CROSBY. I didn't know who was in charge.

The CHAIRMAN. Somebody has to be in charge, somebody has to give instructions.

Mr. CROSBY. It wouldn't require much supervision to simply walk up and down in front of a place.

The CHAIRMAN. No, but it might require a little more if that is all you instructed him to do or had in mind for him to do, and somebody

undertook to go out and stop deliveries, and close a man's place of business. Weren't you interested in knowing whether that picket was lying, or was operating in accordance with your instructions?

MR. CROSBY. As far as I know, it was.

The CHAIRMAN. You don't believe they forced that man to go on the street and get his goods?

MR. CROSBY. No, sir; I don't believe we took any concrete steps—

The CHAIRMAN. You don't believe that occurred?

MR. CROSBY. No, sir. I don't. I could tell you what I think has occurred, and what has caused Mr. Crouch some bitterness, and that is that the bulk of his business came from the garage where the Yellow Cab drivers are domiciled, union members, and he is near the railroad station. They probably did not patronize his place to the same degree that they had before, while that picket line was on there.

The CHAIRMAN. I am quite certain of that. That is what he testified to. So you agree that he was correct to that extent?

MR. CROSBY. Yes, sir.

The CHAIRMAN. All right. Proceed.

MR. KENNEDY. Tell me this: Have you ever, or have the Teamsters ever signed any contract with a group of employers to keep other people out of the industry?

MR. CROSBY. Not to my knowledge.

MR. KENNEDY. Nothing like that has ever occurred?

MR. CROSBY. I think the first time any remote instance like that was pointed out to us was the instance involving the original signing of the first agreement with the coin machine people.

MR. KENNEDY. What was that called, a fair trade agreement?

MR. CROSBY. I don't know anything about a fair trade agreement. All I am talking about is the contract.

MR. KENNEDY. What was the contract?

Let me ask you this: Was it specified in the contract that you would service the machines only of these operators that were members of this association?

MR. CROSBY. I believe that that language is involved in the text, or was.

MR. KENNEDY. So therefore if somebody came in brandnew and wanted to send out his machines, you people would perhaps picket those places, is that correct?

MR. CROSBY. No.

MR. KENNEDY. It is not correct?

MR. CROSBY. The contract, it states in there that it doesn't bind us to take economic action against someone.

MR. KENNEDY. Have you taken economic action in Seattle or Portland, such as that?

MR. CROSBY. We had another incident at a place called the Dekum Tavern.

MR. KENNEDY. Could you answer the question of whether you have taken such action as I have described, economic action, against somebody who was not a member of this employers association?

MR. CROSBY. Not for the purpose that you are stating.

MR. KENNEDY. Let me ask you this: Did you ever strike a place of a person who was not a member of this association?

MR. CROSBY. We put on an advertising picket—

Mr. KENNEDY. Then you put pickets out in front of the place? If you would rather not use the word "strike," you have put pickets in front of such places?

Mr. CROSBY. One other instance involving a disagreement—

Mr. KENNEDY. Could you just answer the question "Yes" or "No"?

Mr. CROSBY. By answering "Yes," I give the wrong inference.

Mr. KENNEDY. Just say, "Yes," and then give an explanation.

Mr. CROSBY. The answer is "Yes", and the explanation is as follows: The Dekum Tavern was installing some sort of a play game in there, and it involved the moving into the city of a new company.

(Senator McNamara entered the hearing room.)

Mr. KENNEDY. Let us just—

Mr. CROSBY. You won't let me explain.

Mr. KENNEDY. Yes, I will let you explain, but I want you to get it in detail. The Dekum Tavern had a shuffleboard in there, is that correct, that had been put in there by one of the members of this association? Is that correct?

Mr. CROSBY. Well, frankly, I am not sure about that. It might have.

Mr. KENNEDY. What is it that you thought they had in there?

Mr. CROSBY. It was my understanding that a company representative of the American Shuffle Board Co.—

Mr. KENNEDY. Let's find out what was in the bar.

Mr. CROSBY. I have never been in the bar. I couldn't tell you what was in there.

Mr. KENNEDY. What was in the tavern before this, before this new company came in from another city?

Mr. CROSBY. I am very sorry, but I don't know.

Mr. KENNEDY. You don't have any idea about it?

Mr. CROSBY. I was never in it.

Mr. KENNEDY. You signed a contract with these people, did you not?

Mr. CROSBY. Is my signature on it?

Mr. KENNEDY. Yes.

Mr. CROSBY. Then I signed it. I couldn't even recall whether I did or not.

Mr. KENNEDY. You don't recall that, either, even though the Dekum Tavern case is a case of some notoriety?

Mr. CROSBY. The only thing that I understood was that we were involved in a dispute with American Shuffle Board Co. over a contract.

Mr. KENNEDY. O. K., then you explain it. Go ahead.

Mr. CROSBY. Loyd Hildreth came to me and stated that American Shuffle Board Co. was coming in, and they were going to sell their products in the city, and that they wanted a different type agreement. I asked him what kind of an agreement, and he went off into some long, detailed explanation, and I said, "Well, what is the matter with the regular association contract?"

He said, "Nothing, in my opinion." So I told him, I said, "Well, in that event, I think that we should stay by our guns and ask for the same contract."

The American Shuffle Board Co. obtained two attorneys, and took the matter into Federal court. I am not sure whether they then sued the union or whether they sued somebody else. I am frankly not too clear about it. I don't think I was in the city too much at that partic-

ular time. But nevertheless, Federal Judge East issued a temporary restraining order and stated that some provisions of the contract were in restraint of trade, or something similar. As soon as I heard about it, I told Hildreth that he had better sit down and revise his agreement and clear it up so that it would comply with the law. That was done. We later sat down with American Shuffle Board Co. and have a signed agreement with that company now.

Mr. KENNEDY. Isn't that the agreement that had been followed in Seattle up until that period of time?

Mr. CROSBY. That is my understanding; yes.

Mr. KENNEDY. And that agreement up in Seattle was signed by Mr. Fred Galeno; is that right?

Mr. CROSBY. I don't know who signed it.

Mr. KENNEDY. You have no idea?

Mr. CROSBY. No, sir; I don't.

Mr. KENNEDY. You don't know who signed it up there for the pinball operators in Seattle?

Mr. CROSBY. I am not familiar with the heads of that group up there.

Mr. KENNEDY. See if I am right. This American Shuffleboard Co. came down to the Dekum Tavern and said, "Why rent a machine when you can own your own machine?" Is that right?

Mr. CROSBY. Not to my knowledge. I don't know anything about it.

Mr. KENNEDY. You don't know anything about it?

Mr. CROSBY. Only what I have heard.

Mr. KENNEDY. Let me see if this is correct.

They came down and said, "Why don't you own your own machine rather than renting your own machine?" and then they sold a machine to the Dekum Tavern. Pickets from the teamsters came out and said, "You can't own your own machine. You have to rent the machine from one of the pinball operators." Wasn't that the position that the court took, that this was in restraint of trade, because they wouldn't even allow the tavern to own their own machine?

Mr. CROSBY. The position that the court took was in relation to a contract dispute with the company and not as a result of a picket line, as far as I know.

Mr. KENNEDY. Then you are familiar with a little bit of it?

Mr. CROSBY. Certainly, I am partially familiar with it, but I didn't—

Mr. KENNEDY. I would think if you were that familiar with it, you would also be familiar with what American Shuffleboard was trying to do, which is a very basic question.

Mr. CROSBY. We have absolutely no objection, then or now, as to what American Shuffleboard wanted to do. If they wanted to sell those things to every tavern in the town, as far as I was concerned that was fine.

Mr. KENNEDY. Then why did you have a contract, or why were pickets sent out there to prevent this happening?

Mr. CROSBY. Because we wanted a signed agreement with the company.

Mr. KENNEDY. These people wanted to just have their own machines. That is all that was involved.

Mr. CROSBY. This company was installing the machine, and apparently owning it or something—

Mr. KENNEDY. That is correct.

Mr. CROSBY. So we understood they were a distributor, and they gave inference that they were moving into the area on a wholesale basis. There was no reason in the world why we shouldn't want them as a constituent party of the association agreement.

Mr. KENNEDY. Let me go to something else. We have also had some testimony, going back a little bit regarding the mayor, that you went to see the mayor about getting rid of the chief of police. You say that that didn't happen in that way; is that right?

Mr. CROSBY. The introductory sure sounds nice. I went to the mayor the first time at the request of Russ Conger, a Portland police detective, who was complaining about the unresponsive attitude of the chief with respect to legitimate complaints on the part of constituent members of the policemen's union.

The mayor indicated that he had confidence in the chief, but that he would be glad to talk to Mr. Conger. I knew Mr. Conger rather well, because we had furnished our hall for their annual policemen's ball at no charge to them.

Later, upon meeting Mr. Conger again, I asked him if things had worked out any better, and he said that they hadn't changed in the slightest. He had also, at the first meeting, implied some sort of irregularity with reference to the purchasing of uniforms. I brought that up with the mayor, too, in just an offhand way.

I was confronted with a dilemma because we were supporting the mayor, and it began to look like some segments of organized labor were going to oppose him.

During that same period of time, many other things were happening. Elkins' activities, as far as I was concerned, were becoming offensive to me. The second time I went to the mayor I went there as a different type of individual. I was a little hot under the collar.

No. 1, he had, in my opinion, given me the runaround with reference to private conversations I had had with him in relation to the exposition-recreation site selection. Privately he would agree that the Broadway-Steel Bridge site was by and far the best, and when he was quoted by a reporter, he would take a different opinion——

Mr. KENNEDY. Could you answer me this question, whether you discussed the chief of police with the mayor?

Mr. CROSBY. I did discuss him; yes.

Mr. KENNEDY. Did you at that time tell the mayor that you wanted him to get a new chief of police?

Mr. CROSBY. I just simply stated that I thought it might better control Elkins' activities if another chief was named.

Mr. KENNEDY. Did you tell him that unless he got rid of the chief of police that the teamsters would support his opponent?

Mr. CROSBY. I don't believe—I might have left the implication, but I didn't tell him that in so many words.

Mr. KENNEDY. Now to go on, did you ever discuss with anyone who should be the succeeding chief of police?

Mr. CROSBY. Succeeding to whom?

Mr. KENNEDY. Succeeding to Purcell, if you got rid of Purcell, who was the incumbent chief of police.

Mr. CROSBY. Well, I don't recall if I did. I might have.

Mr. KENNEDY. Did you ever have any conversations with Lieutenant Bryan, about the fact that he might be the chief of police?

Mr. CROSBY. No.

Mr. KENNEDY. You never did?

Mr. CROSBY. No.

Mr. KENNEDY. Did you ever talk with Mr. Johnson about whether he would be chief of police?

Mr. CROSBY. I had lunch with Mr. Johnson one time, just to get acquainted. He asked us whether we would consider making a donation——

Mr. KENNEDY. I am not asking whether you had lunch with him. Did you ever discuss the fact that the teamsters might be interested in having him be made the new chief of police?

Mr. CROSBY. No, sir.

Mr. KENNEDY. You are sure you never discussed it with Lieutenant Bryan; is that correct?

Mr. CROSBY. That is correct.

Mr. KENNEDY. Did you ever discuss the matter with John Sweeney?

Mr. CROSBY. Well, I discussed many things with John Sweeney, amongst which might have been the——

Mr. KENNEDY. All right, the——

Mr. CROSBY. Wait a minute. What are we talking about? The selection of a new chief?

Mr. KENNEDY. A new chief of police.

Mr. CROSBY. No.

Mr. KENNEDY. Did you ever mention Lieutenant Bryan to John Sweeney, the fact that he might be a good chief of police?

Mr. CROSBY. Lieutenant Bryan was a good friend of John Sweeney's, before I knew him. But he was not, in my opinion, even qualified. I think they had to select a chief from the captains, not from the lieutenants. He is a lieutenant.

Mr. KENNEDY. Now could you answer the question? Did you ever discuss about Lieutenant Bryan being the new chief of police with John Sweeney?

Mr. CROSBY. Not to my knowledge.

Mr. KENNEDY. Did you ever meet Lieutenant Bryan and John Sweeney up in Seattle?

Mr. CROSBY. No.

Mr. KENNEDY. You never did? Did you ever go up to Seattle with Lieutenant Bryan?

Mr. CROSBY. No, I did not.

Mr. KENNEDY. You never did discuss with Lieutenant Bryan and John Sweeney the fact that he might be the new chief of police, up in Seattle?

Mr. CROSBY. Up in Seattle?

Mr. KENNEDY. Yes.

Mr. CROSBY. The new chief of police in Seattle?

Mr. KENNEDY. No. Up in Seattle, did you ever discuss the fact that Lieutenant Bryan might be the new chief of police?

Mr. CROSBY. No, because I think that everyone would think that such a thing would be impossible.

Mr. KENNEDY. The answer is "No"?

Mr. CROSBY. That is right. I have always been given to understand that the people who are potential candidates for chiefs of police must

be taken from the rank of captain. I could be wrong about that, but I have been laboring under that impression as far back as I can remember.

Senator MUNDT. Mr. Crosby, why would the teamsters union be interested in a chief of police at all?

Mr. CROSBY. Well, No. 1, the activities of the chief of police at that time were such that it was disrupting the unity of the labor movement with respect to its political activity. In other words, I was simply given to understand that the policemen were in an uproar and sore at the chief. He would give them no consideration for their legitimate complaints.

Senator MUNDT. Are the members of the police force members of the teamsters union?

Mr. CROSBY. No, sir; they were members of the policemen's union.

Senator MUNDT. Were you the head of the labor council of Portland at the time?

Mr. CROSBY. No, I was not. I was a delegate and had occasion to meet and talk to those fellows at the weekly meetings.

Senator MUNDT. Who was the head of the labor council at that time?

Mr. CROSBY. The president was Mr. Bill Way.

Senator MUNDT. Who was the secretary?

Mr. CROSBY. An elderly gentleman by the name of Gust Anderson.

Senator MUNDT. Wouldn't it come within the purview of their responsibility to convey to the mayor any protests that they had about the chief insofar as their relations to labor were concerned, instead of to the international representative of the teamsters union?

Mr. CROSBY. Well, that is a reasonable assumption to make. However, I will say this: that probably the reason he came to us is because we had been active in participating in budget meetings from a spectator's standpoint in an effort to get better wages and conditions for the policemen.

I believe that that is one of the reasons that they came to us, because we had spent some time in that activity.

Senator MUNDT. As teamsters or as representatives of the labor council?

Mr. CROSBY. As teamsters, sir. We were having quite a bit of trouble as far as that is concerned. Policemen weren't making enough money, so they would work their job and when they were off shift they would go and drive a truck. We had a problem, because we were hiring all of these men, and we didn't want policemen working two jobs. We wanted them to make enough to live decently on one job and let the other jobs be available to the regular members of the teamsters union, which I think is a legitimate objective.

The CHAIRMAN. The Chair passes to you what appears to be a photostatic copy of a document, an original document, and I wish you would examine it and identify it, please.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify the document which the Chair just presented to you?

Mr. CROSBY. To the best of my ability, I think it is a correct facsimile of the original contract; yes, sir.

The CHAIRMAN. A photostatic copy of the original contract of what?



Mr. CROSBY. Of the agreement between Teamsters Local Union 223 and the Coin Machine Men of Oregon.

The CHAIRMAN. What is the date of it?

Mr. CROSBY. The 29th day of March.

The CHAIRMAN. Was that original document signed by you?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. In your capacity?

Mr. CROSBY. I am a signatory party, and Mr. Hildreth, Mr. Goebel and Mr. Lasko.

The CHAIRMAN. Is that the contract that was involved in the injunction suit by Les Lystad and Stanley Lystad, which has been referred to?

Mr. CROSBY. Yes, sir.

The CHAIRMAN. That document may be made exhibit No. 48 for reference.

(The document referred to was marked as "Exhibit No. 48" for reference and will be found in the appendix on pp. 1074-1076.)

The CHAIRMAN. The Chair has here the order of the court in that case, but it is in no way authenticated. I will have to find out who can verify it. I don't want to put it into the record unless it is verified in some way.

That Exhibit No. 48 can go in as an exhibit for reference, and at the decree of the court will be inserted at this point.

Proceed.

(The document referred to follows:)

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF OREGON

*Les Lystad and Stanley Lystad, doing business as American Shuffleboard Sales Co., of Seattle, and Clyde DeGraw, doing business as Dekum Tavern, Plaintiffs, v. Local Union No. 223 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers, Lloyd Hildreth, Frank Malloy, W. M. Goble, the Association of Coin Machine Men of Oregon, and Danny Matin, doing business as General Amusement Company, Defendants*

Civil No. 8284

MEMORANDUM

EAST, *Judge*: The plaintiffs above named, in their complaint for injunction, demand, inter alia:

(1) That a temporary restraining order and preliminary injunction issue out of this Court, restraining the defendants and each of them, and their servants, agents, and employees from in any manner interfering with the respective business operations of the plaintiffs, and from picketing or threatening other retaliation against any person or business which enters into a contract to purchase shuffleboards and scoreboards from plaintiff, American Shuffleboard Sales Co., of Seattle, and that after a trial of this cause, such injunction be made permanent.

(2) For a decree of this Court that the existing contract between the Association of Coin Machine Men of Oregon and Local Union No. 223, tends to create a monopoly and restrain commerce between the several states and is for that reason a violation of the statutes of the United States and void.

The several defendants have filed motions to dismiss plaintiffs' complaint, the Court having ordered that the motions to dismiss should stand as making issue to plaintiff's complaint.

A hearing was had upon these demands and the Court received the evidence offered by the parties, respectively.

Plaintiffs, Les Lystad and Stanley Lystad, constitute a copartnership doing business under the name of American Shuffleboard Sales Co., of Seattle, Wash-

ington, and are the sellers of an amusement device generally known as a shuffleboard. The mode of utilizing this device is unimportant except that the players activate and become entitled to play the device by a coin receiving and operating device. A manually activated electrical device is used for keeping the player's score. The Lystads, in the ordinary course of their business, offer their product for sale to citizens of other states, including the State of Oregon. We will refer to these plaintiffs as Lystads.

The plaintiff, Clyde DeGraw, hereinafter referred to as DeGraw, is the owner and operator of a business in Portland, Oregon, known as "Dekum Tavern." The business of this plaintiff is that generally known as a beer tavern offering the usual well-known commodities for sale to its patrons.

For some time prior to September 1, 1955, DeGraw maintained in his premises for the amusement of his patrons, a coin operated shuffleboard of the general description aforesaid. This board was owned by the defendant, W. M. Goble, a member of the hereinafter mentioned "Coin Machine Men of Oregon," an Oregon corporation, hereinafter referred to as Association, and used by DeGraw under a rental arrangement, the rental being computed on a fifty-fifty basis of the "take" of the device.

On or about August 26, 1955, DeGraw, through a traveling representative of Lystads, placed a "Purchase Order" for one of Lystads' shuffleboards at a purchase price and installation charge designated as follows:

"Complete....."	\$997
Delivery and installation.....	30
	1,027"

This written purchase order also bore upon its face the following stamped language:

"It is understood and agreed that this order does not constitute a sale and that the equipment above described is left with the proposed purchaser on trial only for a period of not longer than 60 days. Either the seller or proposed purchaser may request that the said equipment be returned to the seller at any time within the said 60-day period. In the event of sale the terms of purchase shall be agreed upon by the parties, otherwise equipment shall be returned to the seller."

Pursuant to this purchase order Lystads shipped from Seattle, Washington, to DeGraw at Portland, Oregon, the shuffleboard. On September 1, 1955, an employee of Lystads commenced the installation of the shuffleboard in DeGraw's premises. This employee was a member in good standing of the Local Union of International Teamsters, etc., in Seattle, but not a member of the defendant, Local.

The defendant, Local Union No. 223, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, hereinafter referred to as Local, is an unincorporated association of individuals commonly known as a labor union made up of grocery, meat, motorized, and miscellaneous drivers employed in Portland, Oregon, and particularly engaged in the delivery and servicing of coin operated amusement devices.

The defendant, Lloyd Hildreth, is the secretary of Local, and the defendant, Frank Malloy, is an agent of Local.

The defendant, Association of Coin Machine Men of Oregon, is an erroneous designation of the aforesaid Coin Machine Men of Oregon, an Oregon corporation, hereinafter referred to as Association, with its principal office located at 1003 S. W. Front Avenue, Portland, Oregon, and the defendant, Danny Matin, is an individual doing business under the assumed name and style of General Amusement Company in Portland, Oregon.

For some time prior to all of the definite dates herein mentioned, the members of Association were "composed of individuals, partnerships, copartnerships, or corporations engaged in the owning and operating and distributing of amusement devices in the city of Portland, commonly known as Pinball or Marble Machines, Cranes and Diggers, and Automatic Phonographs and Amusement Arcades which are duly licensed by said City," and had recognized Local as the sole collective bargaining agent for their respective employees under a collective bargaining agreement in writing, effective January 1, 1955, and continuing until January 1, 1957.

This written agreement contained, among its provisions, the usual provisions for wages and hours and working conditions of the employees, union security, etc., and also the two following provisions of interest:

9. Paragraph 3—

"Service to equipment on location shall be limited to installations of equipment owned by recognized Union operators under contract to Local No. 223 except where non-coin operated equipment is involved.

"15. "Employees shall service only equipment owned by their Employer and shall not service location owned equipment."

None of the plaintiffs are members of Association.

During the period between September 1st and 3rd, 1955, the defendants, Frank Malloy and Wm. M. Goble, in conversations with DeGraw and the employee of Lystads, advised them that Lystads' shuffleboard was "nonunion" and that unless it was removed DeGraw's place of business would be picketed. The plaintiffs refused to remove the device and on or about September 1st, pickets sponsored by Local appeared carrying picket banners with the advice that DeGraw's premises maintained nonunion installations. The picketing has been continuously maintained. No deliveries of beer have been made to DeGraw's premises since the establishment of the picket line. DeGraw's gross business during the week immediately preceding the picketing was between \$90.00 and \$100.00, with a net profit of approximately \$30.00. That week's business was normal. DeGraw's business since the picketing has been reduced to a gross of \$35.00 to \$40.00 per week, with practically no profit.

Following the suggestion of the defendant, Goble, Lystads contacted the defendant, Lloyd Hildreth, as secretary of Local and were advised that Local desired Lystads to enter into a collective bargaining agreement with reference to their employee working in Portland, the terms being identical with the aforesaid contract with Association. Lystads offer to enter into the contract provided that Section 9, paragraph 3, and section 15 each be deleted from the contract. Local, through its secretary, refused.

From the foregoing factual situation it is obvious that the placement of Lystads' shuffleboard in DeGraw's premises for trial purposes with the view of a future sale, was a legitimate course of business on the part of Lystads and the entire transaction with DeGraw was had in the flow and course of interstate commerce between the State of Washington and the State of Oregon.

Likewise it is obvious that by reason of the negotiations between Lystads and the secretary of Local, that a labor dispute within the meaning of the Labor-Management Act has existed. If the labor dispute is bona fide and lawful the picketing of DeGraw's premises by reason of the Lystads equipment being located there is lawful.

Sailors' Union of the Pacific (AFL) and Moore Dry Dock Co. (92 NLRB 547, 27 LRRM 1108 (1950))

It goes without saying that if such labor dispute is bona fide and legal that this Court is without jurisdiction to issue any orders restraining the picketing by the very terms of the Labor-Management Act. The plaintiffs contend that the acts and conduct of the defendants above outlined constitute an agreement and conspiracy among the several defendants against the plaintiffs and to deprive the plaintiffs of the law protecting trade and commerce against restraints and monopolies as provided for in Title 15, U. S. C. Sections 1, 15, and 26.

Sec. 1, supra, provides:

"Every contract, combination in the form of trust or otherwise, \* \* \* in restraint of trade or commerce among the several States, \* \* \* is declared to be illegal: \* \* \*"

Sec. 15, supra, provides:

"Any person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy;" and

Sec. 26, supra, provides:

"Any person, firm, corporation, or association shall be entitled to sue for and have injunctive relief, in any court of the United States having jurisdiction over the parties, against threatened loss or damage by a violation of the anti-trust laws, including sections 13, 14, 18 and 19 of this title, when and under the same conditions and principles as injunctive relief against threatened conduct that will cause loss or damage is granted by courts of equity, under the rules governing such proceedings, and upon the execution of proper bond against damages for an injunction improvidently granted and a showing that the danger of irreparable loss or damage is immediate, a preliminary injunction may issue;"

The authorities are legion to the effect that a labor dispute between a union and an employer is not or ceases to be a bona fide lawful labor dispute when an unlawful demand on the part of a union is made upon an employer. Therefore, our query is narrowed to the question as to whether or not the demands of Local

as set forth in Section 9, paragraph 3, and 15, of the aforesaid collective bargaining contract are lawful in view of Sec. 1 of Title 15, aforesaid.

A reading of the provisions of said demands readily shows that the restraint against Association's employees' service to coin-operated equipment owned by any person other than "recognized union operators under contract to" Local, arbitrarily discriminates against location owners, or, put another way, against ownership of a coin-operated shuffleboard by a tavern owner. In other words, it is an arbitrary premise of unionizing or nonunionizing one class of business as against another class of business. This arbitrary classification necessarily forecloses any collective bargaining between an employer and the bargaining agent of an employee without reference to the respective labor demands of the employer or the bargaining agent. In plain language, these two paragraphs are a direct contractual covenant on the part of Local running in favor of Association not to permit its members to service coin-operated equipment of the nature involved in this matter owned by any class of business other than the operator members of Association. The ultimate effect of which is simply to deprive DeGraw of his right to own and operate property in the course of his lawful and legitimate business, as a matter of arbitrary action and not on the basis of whether or not there is a lawful labor dispute between Local and the proposed seller of such goods, or himself.

Applying the effect of these two demands upon Lystads the ultimate conclusion is that there is no way that a sale of their shuffleboard to DeGraw through interstate commerce can be accomplished. If they agree to the demands and enter into the contract offered, Local would be obligated, under its contract with Association, to continue its refusal to permit its employee members to service the equipment owned by DeGraw.

It is true that plaintiff's complaint alleges and all of the parties assumed that an actual contract of sale relationship existed between Lystads and DeGraw. The ultimate proof showed otherwise. Nevertheless, to interfere with extended good will or offer of sale of a prospective seller (placement on trial) of goods through interstate commerce is the same as interfering with a then contractual relationship incurred through interstate commerce.

No realistic person will deny that the adverse economical effect upon DeGraw by the picketing will cause him to return the goods held on trial and defeat any hoped-for sale by Lystads. As stated, these demands contained in Section 9, paragraph 3, and Section 15, aforesaid, arise and are maintained by reason of a written contract between the defendants, Local and Association, and their respective agents, the defendants, Lloyd Hildreth, Frank Malloy, and W. M. Goble, and in the opinion of this Court constitute a contract between them being in restraint of trade or commerce among the several states within the meaning of and in violation of title 15, Section 1, supra.

See *Allen Bradley Co., et al. v. Local Union No. 3, International Brotherhood of Electrical Workers, et al.* (325 U. S. 797, pp. 8-9), wherein it is stated:

"But when the unions participated with a combination of businessmen who had complete power to eliminate all competition among themselves and to prevent all competition from others, a situation was created not included within the exemptions of the Clayton and Norris-LaGuardia Acts"; and also:

"The primary objective of all the antitrust legislation has been to preserve business competition and to proscribe business monopoly."

The Court is further of the opinion that the effect of the picketing if continued constitutes irreparable injury to both the plaintiffs, Lystads and DeGraw.

The Court concludes that the plaintiffs are entitled to an order providing, pendente lite, or further order herein, that the defendant, Local, and the defendants, Lloyd Hildreth and Frank Malloy, as agents thereof, be temporarily restrained from in any manner maintaining picketing the plaintiff, DeGraw's premises aforesaid, or threatening other retaliation against any person or persons engaged in business with the plaintiff, DeGraw, by reason of any matters or things arising or growing out of its demands against Lystads or DeGraw on account of the prospective or actual purchase of the shuffleboard involved.

Plaintiffs may have said order upon giving of an approved bond against damage to the defendants for said injunctive relief if improvidently granted, in the amount of One Thousand Dollars (\$1,000.00). It is so Ordered.

Dated, October 7, 1955.

Endorsed.

Filed: Oct. 7, 1955.

R. DEMOTT, Clerk.  
By H. S. KENYON, Deputy.

UNITED STATES OF AMERICA,

*District of Oregon, ss:*

I, R. DeMott, Clerk of the United States District Court for the \_\_\_\_\_ District of Oregon, do hereby certify that the annexed and foregoing is a true and full photostatic copy of the original memorandum, Civil No. S284, *Les Lystad and Stanley Lystad, et al. v. Local Union No. 223 of the International Brotherhood of Teamsters, et al.*, now remaining among the records of the said court in my office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of the aforesaid court at Portland, Oreg., this 18th day of March, A. D. 1957.

[SEAL]

R. DEMOTT, *Clerk.*

By MILDRED SPARGO, *Deputy Clerk.*

Mr. KENNEDY. As I understand from your statement, Mr. Crosby, you were very anxious to keep Mr. Elkins' employees out of the union; is that right?

Mr. CROSBY. I wanted to keep Mr. Elkins out of the union. That was my prime objective.

Mr. KENNEDY. There wasn't any reason for Mr. Elkins to get in the union?

Mr. CROSBY. There wasn't? He certainly made every effort he could to get in there personally.

Mr. KENNEDY. Have you some documentation on his request to get into the union?

Mr. CROSBY. No. Only as was told to me, the steps that he took.

Mr. KENNEDY. Let's get it down. Were his employees in the union at the time?

Mr. CROSBY. They were not in the union as far as I knew.

Mr. KENNEDY. Have you found since then, or have you found recently, that they were in the union?

Mr. CROSBY. I have found out that some of Elkins' employee joined a different Teamsters Union at a time before I was even in the picture.

Mr. KENNEDY. That was in December of 1953?

Mr. CROSBY. Yes, sir.

Mr. KENNEDY. So that they were in the Teamsters Union already; is that right?

Mr. CROSBY. Obviously.

Mr. KENNEDY. You say that the reason that you kept, according to your statement, the reason that you kept Mr. Stan Terry out of the union is because you thought that he was fronting for Mr. Elkins?

Mr. CROSBY. As far as I knew, Elkins wasn't in the union.

Mr. KENNEDY. But Mr. Elkins' employees were in the union. Mr. Elkins' employees were in the union; is that correct?

Mr. CROSBY. It now develops that they were in a different union, but I knew nothing about it.

Mr. KENNEDY. Then you are mistaken in your statement here; is that right?

Mr. CROSBY. Am I?

Mr. KENNEDY. Well, are you, in the fact that they were trying to keep Mr. Elkins out of the union? He is an employer. There wouldn't be any reason for him to be in the union.

Mr. CROSBY. Many of the employers joined to take advantage of this health and welfare program.

Mr. KENNEDY. Do you think Mr. Elkins, the head of the underworld in Portland, wanted to take advantage of the health and welfare program of the Teamsters?

Mr. CROSBY. Well, regardless of how you put it—

Mr. KENNEDY. You put it that way. I didn't want to put it that way.

Mr. CROSBY. Mr. Elkins wanted to be a member of the Teamsters Union personally.

Mr. KENNEDY. All of his employees were in the union already.

Mr. CROSBY. I didn't know that.

Mr. KENNEDY. According to your statement here, you say that you were trying to keep Stan Terry out in order to keep the Elkins' interest out of the union, and they were already in the union.

Mr. CROSBY. I state, or at least my real purpose was to withhold Mr. Terry from coming in until I had some authentic information with respect to the sale that took place between Elkins and Terry. Testimony here at the court indicates, at this hearing indicates, that Mr. Terry did lie to me.

Mr. KENNEDY. What?

Mr. CROSBY. That Mr. Terry didn't give me the accurate information. He told me he purchased it. It has been testified here before this group that he leased the route with an option to buy, which is a different thing, although technically he could have purchased it.

Mr. KENNEDY. Why did Mr. Elkins tell you that he wanted to get in the union? Why was he anxious to get into the union?

Mr. CROSBY. Well, I don't know—

Mr. KENNEDY. That is, besides getting the health and welfare fund benefits?

Mr. CROSBY. He didn't mention health and welfare. I did, as a contributing reason why some employers might want to come in. Mr. Elkins just simply wanted to be in the teamsters union.

I don't know why, unless it would be that he might feel that he was in a better position to try to take over some control of its activities.

Mr. KENNEDY. Did you ever write Mr. Elkins a letter about his pin-ball operations?

Mr. CROSBY. I am going through the same routine now that I did in the grand jury. I don't know whether I wrote a letter to Elkins or whether I wrote a letter to Terry. But I do know that I did write a letter to one or the other of them, of which I could never find a copy.

Normally, my office keeps copies. I was incensed about the installation of Elkins' machines at the old labor temple in the city of Portland.

Mr. KENNEDY. At the time you wrote that letter, they had been in there for a year and a-half, is that right?

Mr. CROSBY. I don't know how long they had been in there.

Mr. KENNEDY. Well, they had been in there since October 1953. I think you could have checked that. They had been in the labor temple since October 1953, and you wrote the letter in 1955, did you not?

Mr. CROSBY. What I could have done and what I did is not necessarily the same. I don't know as I did anything. I just didn't want Elkins in the union, and I was hot about the thing, and I think I wrote a letter.

Mr. KENNEDY. What did you say in the letter?

Mr. CROSBY. I don't recall now, but it had something to do with I thought the machines ought to be heaved out in the street.

Mr. KENNEDY. Did you not think that he should turn his machines over to the Acme Amusement Co.?

Mr. CROSBY. I don't know who the Acme Amusement Co. is.

Mr. KENNEDY. You never heard of the Acme Amusement Co.?

Mr. CROSBY. Not until just recently.

Mr. KENNEDY. You had not heard of it prior to that time?

Mr. CROSBY. No, sir.

Mr. KENNEDY. Did you have any conversations with Budge Wright about the Acme Amusement Co.?

Mr. CROSBY. I had some conversations with Mr. Budge Wright about the general problems of the industry, not about Acme Amusement Co., unless he was already chartered under that name. As I understood it, his company was the Willamette Distributing Co., or something similar to that.

Mr. KENNEDY. You wrote this letter to Elkins about getting his machines out of the labor temple?

Mr. CROSBY. Frankly, I don't know what I said in the letter for sure. I would be real happy to see a copy of it. Then I could testify.

Mr. KENNEDY. You do not know why you would want his machines out of the labor temple at the time?

Mr. CROSBY. I didn't want him in the union.

Mr. KENNEDY. I was noticing in here also that you were talking about the Bourbon and Ham Club of Mr. Stanley Earl, and you said the bills were paid by Mr. James Elkins. Do you have some real evidence of that?

Mr. CROSBY. Only heresay evidence. I made several attempts to confirm it. All you can get from people is the inference that that is right, but they won't go out on the limb and sign any statements.

Mr. KENNEDY. You made a statement to that effect in here.

Mr. CROSBY. That is what I believe to be true.

Mr. KENNEDY. Do you have any evidence on it?

Mr. CROSBY. I have nothing that would be acceptable here, no sir.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. There was also some testimony about the fact that you received some slot machines at your house. Is that testimony correct?

Mr. CROSBY. Mr. Maloney is the one, again.

Mr. KENNEDY. Did you get some slot machines at your house?

Mr. CROSBY. I got two of them, and I got rid of them.

Mr. KENNEDY. Who sent those to you?

Mr. CROSBY. Mr. Maloney. That is what he told me.

Mr. KENNEDY. Mr. Slim Jenkins brought them over?

Mr. CROSBY. I don't know who brought them over. I don't think I was home when he arrived.

Mr. KENNEDY. They were installed in your basement?

Mr. CROSBY. They were stuffed down in the basement.

Mr. KENNEDY. Was there a partition where they were put?

Mr. CROSBY. Yes. That has a TV in it. But at that time, they were put up there.

The CHAIRMAN. Did you order them?

Mr. CROSBY. No, sir, I did not order them.

The CHAIRMAN. Why do you think Maloney was imposing on you to send them over to you?

Mr. CROSBY. I think Maloney was trying to keep me under some sort of sense of obligation to him.

The CHAIRMAN. Did he succeed?

Mr. CROSBY. Only up to a point. When I got wise to him, he didn't.

The CHAIRMAN. Are there any further questions?

Senator MUNDT. Do you know Mr. Slim Jenkins?

Mr. CROSBY. I know Mr. Jenkins as someone that I seen in the basement, working down there, and since—

Senator MUNDT. Is the only place you have ever seen Mr. Jenkins in the basement of your own home?

Mr. CROSBY. I don't know whether I could honestly answer that question. I might accidentally have seen him in the building. I don't know.

Senator MUNDT. What building?

Mr. CROSBY. In the Teamsters Building.

Senator MUNDT. Did you ever take Mr. Jenkins for a ride in your automobile?

Mr. CROSBY. No, sir.

Senator MUNDT. Did you hear his testimony here the other day?

Mr. CROSBY. I heard his testimony, sir.

Senator MUNDT. You heard him testify that he went to your office in the Teamsters Building and that you took him in your car up past this location which you were supporting for the recreation and exposition grounds; you heard that, did you?

Mr. CROSBY. May I explain the motive behind Mr. Jenkins' testimony?

Senator MUNDT. I want to know whether you heard that testimony.

Mr. CROSBY. No. He never mentioned no such thing to me. Nor did I take him around—

Senator MUNDT. Did you hear him testify to that effect in the committee room?

Mr. CROSBY. Yes, I did hear him.

Senator MUNDT. You heard him testify, then, that you drove him in your car, past the exposition grounds, and then over to your home, where you discussed together, according to his testimony, some of the details of your recreation room construction job. That is what he said, was it not?

Mr. CROSBY. That is what he said.

Senator MUNDT. You deny that?

Mr. CROSBY. Flatly.

(At this point, Senator Goldwater entered the hearing room.)

Senator MUNDT. You deny ever meeting him in the Teamsters Union, you deny taking him in your automobile, you deny seeing him any place except in the basement of your own home?

Mr. CROSBY. I did not say that, sir. I stated that I might have seen him in the Teamster Building. So many members are running in and out of there that it is a possibility that I could have seen him.

Senator MUNDT. That is where he said he met you, when you went in your automobile to your home.

Mr. CROSBY. Such a statement is untrue. I would like to qualify what I believe to be the reason for the character of Mr. Jenkins' statements. It is simply this, that Mr. Jenkins is a collector and a handyman in the rackets for Jim Elkins.

Senator MUNDT. He testified to that effect.

Mr. CROSBY. It is rather simple to have someone make any kind of a statement Mr. Elkins wants under those circumstances.

(The witness conferred with his counsel.)



Mr. CROSBY. He collects in houses of prostitution and everything else, and I have the information there to prove it, if I can read it, or at least to establish it.

Senator MUNDT. Do you have information to prove that Mr. Elkins was operating or participating in the operation of houses of prostitution?

Mr. CROSBY. Yes, sir, I do, and they are sworn, notarized statements, at least one of them taken by a court reporter.

(The witness conferred with his counsel.)

Senator MUNDT. Are they from individuals who desire to appear before this committee and testify under oath and submit themselves for cross-examination?

Mr. CROSBY. I did not hear you?

Senator MUNDT. Are they from individuals who want to appear before this committee and testify under oath and be subject to cross-examination?

Mr. CROSBY. I feel that they would certainly testify if required by this committee. Many attempts were made on the part of some of my people to get this type of corroborative evidence. Many of the people that we talked to simply stated "We don't want our neck broke." But we did get some. We got enough, we think, to put this man in his proper perspective, if given an opportunity.

(The witness conferred with his counsel.)

Mr. CROSBY. It deals directly—

The CHAIRMAN. Just a moment. Do you have some statements or affidavits you wish to submit to the committee for its consideration?

Mr. CROSBY. Yes, sir, I do. But in recognition of your earlier statement today, I would like to have an opportunity, first, to make copies.

The CHAIRMAN. You may do so.

Mr. CROSBY. They will be made available to this committee.

The CHAIRMAN. All right.

May the Chair ask, for information at this time, this question: Is one of those affidavits from the same woman that Mayor Schrunk read a statement from the other day, the one that you had on television out there yesterday? I do not know that she was on television. Somebody told me she was on television yesterday. You might know.

(The witness conferred with his counsel.)

Mr. CROSBY. Just a moment, sir. May I consult with my attorney?

The CHAIRMAN. Yes, sir.

(The witness conferred with his counsel.)

The CHAIRMAN. I just asked the question if one of them was the same woman.

Mr. CROSBY. I want to look at the signatures, sir.

Yes, One of them is by Lucille Kathleen Weeks.

The CHAIRMAN. When you make copies of them, you may submit either the copies or the originals. I think you should submit the originals for the committee's inspection. Then you may substitute later copies for the originals, if you desire to keep those.

Mr. KENNEDY. I would like to say, Mr. Chairman, that we have been trying to locate these two prostitutes since Friday afternoon and have not been able to locate them. I believe the authorities out there were aware of the fact, the mayor's office was aware of the fact, that we were trying to locate and interview these people. We have not been able to get close to them for 4 days.

The CHAIRMAN. Some members of the committee have to attend another meeting at 4:30. I believe it is that time right now.

At the request of Mayor Schrunk, we let an affidavit go into the record that he had procured from the officer named Richard Sutter. The Chair has before him an affidavit from another officer who was there at the same time.

Mr. KENNEDY. Mr. Chairman, this is another officer with whom Mr. Sutter had conversations.

The CHAIRMAN. He is a city of Portland police officer. I am going to order this affidavit printed in the record immediately following Mayor Schrunk's testimony this morning, so that it may go into the record in its proper order.

(The affidavit referred to appears on p. 781.)

Mr. CROSBY. Mr. Chairman, are we through here?

The CHAIRMAN. Just a moment.

Mr. KENNEDY. Mr. Chairman, I have Mr. Sheridan on the telephone now, and he states that Mr. James Elkins did bring him to the office of Mr. Crosby.

The CHAIRMAN. Where is Mr. Sheridan?

Mr. KENNEDY. He is out in Portland, Oreg. Would you like to talk to him?

The CHAIRMAN. The Chair will talk to him a moment, but that is not evidence. He will have to either have an affidavit or be brought here.

Senator MUNDT. Mr. Crosby, perhaps this question was asked while I was out of the committee room. Why was Stanley Terry kicked out of the Teamsters Union?

Mr. CROSBY. Senator, Stan Terry was given a withdrawal card for an academic reason. He maintained personal membership but a large number of employees that he had were not members. We felt that that was an improper situation, for an employer to belong to our union and employees not to. I sent him a withdrawal card, contingent upon the latter organization of the industry, and at that time that that was accomplished, he was, again, a member of the Teamsters.

Senator MUNDT. But he was still an employer the time he became a member the second time?

Mr. CROSBY. Yes, he was, but he indicated a desire to participate in the health and welfare program. We have many individual owners in our organization as members, so it is not really unusual.

The CHAIRMAN. The Chair has just talked to Mr. Sheridan, and he has informed the Chair that if he was subpoenaed, he would testify under oath to the fact that Mr. Elkins did introduce him to Mr. Crosby, that he met him in the office about 7 o'clock in the afternoon and talked to him about his troubles with the liquor commission.

Mr. CROSBY. In the presence of Mr. Elkins?

The CHAIRMAN. That is what he said.

We can have him subpoenaed, if the committee wants him. I just talked to him. We can go to that expense if you desire. In the meantime, we can give that consideration. Each member of the committee has that information.

If there is nothing else this afternoon, we will stand in recess until 10 o'clock in the morning.

(Members present at the taking of the recess: The Chairman, Senators Ervin, McNamara, Mundt, and Goldwater.)

(Whereupon, at 4:35 p. m., the committee recessed, to reconvene at 10 a. m., Wednesday, March 13, 1957.)

# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, MARCH 13, 1957

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The Select Committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the Caucus Room of the Senate Office Building. Senator John L. McClellan (Chairman of the Select Committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator John F. Kennedy, Democrat, Massachusetts; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, Chief Counsel to the Select committee; Jerome Adlerman, Assistant Counsel; John Cye Cheasty, Assistant Counsel; Alphonse F. Calabrese, Investigator; Ruth Young Watt, Chief Clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives and Mundt.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Mikesell.

The CHAIRMAN. Will you be sworn. Do you solemnly swear that the evidence you are about to give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MIKESELL. I do.

## TESTIMONY OF REGINALD R. MIKESELL, ACCOMPANIED BY HIS COUNSEL, WARREN A. MAGEE

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. MIKESELL. My name is Reg Mikesell. I live at 400 West 31st Street, Vancouver, Wash.

The CHAIRMAN. What is your business or occupation?

Mr. MIKESELL. I am secretary-treasurer of Teamsters Local 501 in Vancouver, Wash., and also secretary-treasurer of Joint Council of Teamsters No. 37, 1020 Northeast Third, Portland, Oreg.

The CHAIRMAN. State your name again. I probably misunderstood you.

Mr. MIKESELL. My full name is Reginald R. Mikesell, and I am called "Reg".

The CHAIRMAN. I called you as a witness and I called you by another name. Is it Mikesell?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. M-i-k-e-s-e-l-l?

Mr. MIKESELL. Either way is correct.

The CHAIRMAN. The Chair thought probably he had called the wrong witness. You have counsel representing you, I believe, present?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. Counsel, you may identify yourself again for the record. You have appeared for other witnesses.

Mr. MAGEE. My name is Warren A. Magee. I am a practicing lawyer here in Washington with offices in Suite 745, in the Shoreham Building.

The CHAIRMAN. Thank you very much.

Mr. KENNEDY. Mr. Mikesell, there was a subpoena served on you a while ago for certain records of Joint Council 37. Is that right?

Mr. MIKESELL. No, sir, that is not correct.

Mr. KENNEDY. Well, the subpoena was served with your name on it, and given to Mr. Mike Steele, is that correct?

Mr. MIKESELL. That is right.

Mr. KENNEDY. But the subpoena was for you, is that right?

Mr. MIKESELL. Yes, I was out of town at the time.

Mr. KENNEDY. And you are secretary-treasurer of Joint Council 37?

Mr. MIKESELL. That is correct.

The CHAIRMAN. Let me ask a question. You raise no question about the subpoena, do you?

Mr. MIKESELL. No.

The CHAIRMAN. You have responded to the subpoena, have you?

Mr. MIKESELL. Yes.

The CHAIRMAN. You are here in response to that subpoena?

Mr. MIKESELL. That is right. The subpoena that I came here on was not the subpoena, the same subpoena for the books, however.

The CHAIRMAN. You have also an individual subpoena to appear.

Mr. MIKESELL. That is right.

The CHAIRMAN. And you are appearing in response to that subpoena?

Mr. MIKESELL. That is correct.

Mr. KENNEDY. Now, you were ordered to produce the books of Joint Council 37 from the period January 1, 1954, to date, is that correct?

Mr. MIKESELL. That is right.

Mr. KENNEDY. Do you have all of those books available?

Mr. MIKESELL. The committee has the books.

Mr. KENNEDY. All of the books?

Mr. MIKESELL. Yes.

Mr. KENNEDY. Are all of those books intact?

Mr. MIKESELL. To my knowledge the books are intact.

Mr. KENNEDY. Now, for the period from January 1, 1954, to see if I understand you correctly, you have all of the books and records of Joint Council 37, and they are all intact and they are all available?

Mr. MIKESELL. Now, would you define what you mean by "books and records"?

Mr. KENNEDY. Canceled checks. Do you have all of the canceled checks?

Mr. MIKESELL. No, we do not.

Mr. KENNEDY. Do you have all of the correspondence files from January 1 on?

Mr. MIKESELL. No, sir.

Mr. KENNEDY. Do you have expense accounts from January 1, 1954?

Mr. MIKESELL. We don't have the old invoices and statements.

Mr. KENNEDY. Excuse me?

Mr. MIKESELL. Old invoices and statements and such papers as that are not available.

Mr. KENNEDY. Could you tell the committee where they are?

Mr. MIKESELL. They have been gradually discarded as we had our audits by a certified public accountant. Those records being of no further use to us, have been gradually discarded.

Mr. KENNEDY. Now, do you have the canceled checks? Let me ask you this. Do you have the canceled checks from 1937 to 1954?

Mr. MIKESELL. I think that they are probably in the storage room.

Mr. KENNEDY. So you have the canceled checks from 1937 to 1954, but you discarded the canceled checks from 1954 to the middle of 1956, is that right?

Mr. MIKESELL. I think that is correct. I became secretary-treasurer in 1954.

Mr. KENNEDY. Now, could you explain why you would destroy the canceled checks from the middle of 1954 to the middle of 1956, and yet keep them from 1937 to 1954?

Mr. MIKESELL. May I take a little time to explain that, Mr. Chairman? We have changed our form of check about four times since I became secretary-treasurer. We have changed our bank. Our bank was formerly on the west side, which is very inconvenient with parking facilities, and they are not readily available. We changed to a bank on the east side, and at that time we also changed the form of check.

The CHAIRMAN. Let the Chair ask you a question. This subpoena says

to produce for the period January 1, 1954, to date (1) its bank statements, check-books, canceled checks, journal, and the general ledger, cash receipts and disbursements, expense vouchers, financial records and books of account which will reflect and show each and every record pertaining to the union's expenditures made to, for, and in behalf of M. E. Steele, Jack Esterbrook, R. R. Mikesell, William G. O'Connell, Mark Holmes, Thomas E. Maloney, Joseph Patrick McLaughlin, Clyde C. Crosby, William Langley, Terry Schrunk, Frank Brewster, and John Sweeney, including, but not limited to, general entertainment, public relations, legal fees, political contributions, hotels, telephones, transportation and other travel expenses.

Do you have those records?

Mr. MIKESELL. I am quite sure that they all appear in the books that were given Mr. Kennedy there.

Mr. KENNEDY. That is not an answer to the question.

The CHAIRMAN. Do you have all the records here listed, and have you turned those over to the committee?

Mr. MIKESELL. Those that were available have been turned over.

The CHAIRMAN. I understand, but you do not have all of them now?

Mr. MIKESELL. Those that have been destroyed, it is impossible to turn them over.

The CHAIRMAN. That would be impossible, that is true. Now, out of these, tell me which ones have been destroyed. Let us take them one at a time.

Mr. MIKESELL. Invoices——

The CHAIRMAN. Let us take them one at a time and you tell me whether they are destroyed or whether they are available, and whether they have been made available to the committee.

Bank statements. Have these been destroyed?

Mr. MIKESELL. Bank statements since 1954 I think have been destroyed.

The CHAIRMAN. Check books?

Mr. MIKESELL. We don't have what you would call a checkbook, as I explained.

The CHAIRMAN. You don't keep a record or stub of the checks you issue?

Mr. MIKESELL. Yes, we did have a duplicate which was more or less an invoice and the check was written on the invoice showing the carbon copy which was retained for records and for the accountants' use when he made up the annual statement.

The CHAIRMAN. Are those records available and have they been delivered to the committee?

Mr. MIKESELL. No, sir, they have not.

The CHAIRMAN. They have been destroyed?

Mr. MIKESELL. They have been destroyed.

The CHAIRMAN. All right. Cancelled checks.

Mr. MIKESELL. Cancelled checks have also been destroyed.

The CHAIRMAN. They have been destroyed.

Mr. MIKESELL. However, those are available at the bank, and I think you would be able to get those. That is a microfilm record.

The CHAIRMAN. That is a secondary source that we have to go to if you have destroyed them, as you understand. Journals and general ledgers.

Mr. MIKESELL. You have those.

The CHAIRMAN. We have those?

Mr. MIKESELL. Yes, sir.

Mr. KENNEDY. Can I ask you about that?

The CHAIRMAN. Do we have all of those?

Mr. MIKESELL. That is all of our books of records.

Mr. KENNEDY. The cash expenditures, do you have those?

Mr. MIKESELL. Yes, sir; they are in the book.

Mr. KENNEDY. They are in here.

Mr. MIKESELL. We don't have any cash, only checks.

Mr. KENNEDY. When our staff investigator first interviewed you, you told him that all records had been destroyed. During the last week you have been able to come up with this.

Mr. MIKESELL. No; it was before that, I think the first week that I was here.

Mr. KENNEDY. Why would you tell our investigator that all of your financial records had been destroyed initially?

Mr. MIKESELL. Well, I meant all of the old invoices, and the checks and things of that kind.

Mr. KENNEDY. He served a subpoena on you and it was quite clear, asked you for any of those books and records, and you told him that

they had all been destroyed from the middle of 1954 to the middle of 1956. Following Mr. Calabrese's testimony before this committee, then you came up with this book. Was there any explanation for that?

Mr. MIKESELL. I think that there was. I might say that I was rather confused in regard to the subpoena. I actually never had the subpoena in my possession. I did read it hurriedly, and I talked to Mr. Williams, and in this particular book we had changed our method of recording the transactions on the first of the year. I had temporarily taken this particular book out of the office to my Vancouver office to study it and make an independent survey of costs in the different departements of the joint council. Now I had that book at that time in my Vancouver office, and since I came back here I sent back and I had it sent out so that it could be delivered to the committee.

The CHAIRMAN. Let the Chair ask you one question. Do you recognize what the Chair holds in his hand here?

Mr. MIKESELL. Yes, sir; from the outside. I could not swear to the inside.

The CHAIRMAN. We will pass it to the witness and let him look at it, and identify it, and tell us what it is.

(A book of account was handed to the witness.)

The CHAIRMAN. You do identify it?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. What is that book?

Mr. MIKESELL. That?

The CHAIRMAN. What is that book or record? You identify it for us.

Mr. MIKESELL. That is the only book of entry that we have in our joint council.

The CHAIRMAN. That is a book of entry of the joint council?

Mr. MIKESELL. That is right.

The CHAIRMAN. It may be made exhibit No. 49 for reference only.

(The book was marked "Exhibit No. 49" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Now, the Chair wishes to ask you this question: Of all of the records that the subpoena calls for, is that the only record or instrument or document that you have delivered to the committee in response to the subpoena?

Mr. MIKESELL. No; I don't believe so. I have not seen the records which Mr. Williams obtained, which were stored. I think he has a full record prior to December of 1954.

The CHAIRMAN. I am talking about since 1954.

Mr. MIKESELL. Yes. Now, I would revise that statement, also, to the effect that we had a certified public audit in September, I believe, of 1956, and then another certified public audit preparatory to changing our method of entry of accounts. I believe those records were still in the file from September 1956 to January 1, 1957.

The CHAIRMAN. Mr. Mikesell, what the Chair is undertaking to determine is this: Is this book that has just been made an exhibit, this record, and whatever it is, is that the only record or instrument or document that you yourself have delivered to the committee in response to this subpoena?

Mr. MIKESELL. That is correct, except that Mr. Williams interviewed me when I returned on Thursday following the service of

the subpoena on Mr. Steele, and asked me for entry to the storage room or vault, as we call it, where the old records are kept. I sent a girl down with him to open the vault and give him full access to all records that were there.

The CHAIRMAN. I don't know about that. We will develop whatever may have been obtained at that time. Counsel tells me nothing was found, and nothing was obtained, and I don't know. We will check on that. But I am trying to determine if in response to this subpoena this was the only record that you could produce and deliver.

Mr. MIKESELL. That is right.

The CHAIRMAN. That is the only one?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. Now, when did you say these other records were destroyed?

Mr. MIKESELL. Mr. Chairman, may I state that copies of all of the audits were delivered personally to Mr. Williams?

The CHAIRMAN. Copies of the audits?

Mr. MIKESELL. By a certified public accountant.

The CHAIRMAN. I am talking about the original records now here that you say were destroyed. I am asking you when were they destroyed?

Mr. MIKESELL. There was no particular time that they were destroyed, only after the certified public accountant had completed their audit, and the records were disposed of.

The CHAIRMAN. When did you have that accountant, last September?

Mr. MIKESELL. We had 1 in 1954, and 1 in 1955, and 1 in 1956, and we had 2 in 1956.

The CHAIRMAN. You said something about changing your method of bookkeeping operations. When you would change, what was there about the change that indicated or caused you to feel that the previous records should be destroyed?

Mr. MIKESELL. Our last change is a system which is modeled more after the IBM system. The checks are padded together and staggered so that the entry was written on the check also and constitutes an entry in your book of record.

The CHAIRMAN. Now I can appreciate that, that you might make a change in your system of bookkeeping or operation, but I cannot, and I am unable, and I would like for you to explain why making such a change necessitated the destruction of your old records that were under another system.

Mr. MIKESELL. Well, principally, Mr. Chairman, the fact that we were terribly crowded for space both in storage space in the so-called vault and also storage space in our own office. We maintain a statistical and research department which requires a great deal of filing space.

The CHAIRMAN. And this is another thing that it seems to me would need some explanation. Why would you not, in order to recoup space, destroy the older records of 1947 and 1946 and 1950, instead of destroying the most recent records?

Mr. MIKESELL. Those older records, honestly, I have never gone through them.

The CHAIRMAN. I did not say you had gone through them. But you say you are crowded for space. You have these old records but when



you started destroying, you started to destroy them from the new records. It is a little strange to me when you want space that you would not discard the old records for which there would be the least future use possibly than those more recently.

(At this point, Senator Goldwater entered the room.)

Mr. MIKESELL. Possibly I was wrong in my judgment, but when I became secretary-treasurer I found that my own desk piled up with a lot of irrelevant material to my mind, and the files were full of material. After the audit was taken, we had a certified public accountant come in and go over the books and go through the files, and he made his statement to us, and I just told the staff that there is no longer any need to retain that material in the files and it was thrown away, rather than take it down to the vault.

The CHAIRMAN. Would you recognize and recommend that procedure as good business practice?

Mr. MIKESELL. Not in the local unions.

The CHAIRMAN. Then what is the difference? If they are important to a local union, why would they not be important to the position you occupy?

Mr. MIKESELL. There is a great deal of difference Mr. Chairman. I have my own local union that I have been—I say my own local union. I mean the local union where I am elected at the various election periods for about 14 years, and the files are intact in that local union.

The CHAIRMAN. Wouldn't you recommend that practice elsewhere throughout the union?

Mr. MIKESELL. Those files in the local union are vital to individual members and your joint council—

The CHAIRMAN. Would not your records be equally vital to locals that compose your group?

Mr. MIKESELL. To the local union secretary, yes, and they have access to the books at any time.

The CHAIRMAN. They can't have access to that which is destroyed, though, can they?

Mr. MIKESELL. The records are all in the book of entry.

The CHAIRMAN. All of the record you have is this book of entry?

Mr. MIKESELL. Yes.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Now you say that you instructed your staff to take them down and destroy them rather than put them in the vault. Specifically who did you instruct?

Mr. MIKESELL. Well, our secretary who takes care of the joint council books.

Mr. KENNEDY. Who is that?

Mr. MIKESELL. At that time her name is Dorothy O'Brien.

Mr. KENNEDY. Dorothy O'Brien therefore took these books out and destroyed them?

Mr. MIKESELL. There were no books destroyed, sir.

Mr. KENNEDY. Well, let us go back to the canceled checks. Did she take the canceled checks out and destroy them?

Mr. MIKESELL. She had not taken them out. They were just thrown in the wastepaper basket.

Mr. KENNEDY. Did she throw them in the wastepaper basket?

Mr. MIKESELL. After the audits were taken.

Mr. KENNEDY. She specifically—you told her to do that?

Mr. MIKESELL. I told her to rid the office of this surplus material which in my opinion was no longer needed.

Mr. KENNEDY. Did she also destroy or throw away the correspondence files?

Mr. MIKESELL. Well, no, I would not say all of the correspondence file, but there are a lot of irrelevant correspondence files.

Mr. KENNEDY. Between September of 1954 and September of 1956, did Miss O'Brien take the correspondence files and destroy that or throw it out?

Mr. MIKESELL. I would say this in regard to correspondence, that the correspondence accumulates from one council meeting to another. At the joint council meeting the correspondence is taken before the executive board in an afternoon meeting, and prior to the executive meeting of the joint council in the evening, which is usually attended by a larger delegation than the average local union meeting. Then the recommendations of the executive board, those parts of the correspondence which are pertinent are acted on and recommendations are made by the executive board in the afternoon, and taken to the evening meeting. Then only those parts of the correspondence which are pertinent to action which should be taken are retained temporarily in the files.

Mr. KENNEDY. You don't keep the rest of your correspondence?

Mr. MIKESELL. Not any of the correspondence which is not relevant.

Mr. KENNEDY. Excuse me. You keep the correspondence, yourself, don't you, of the correspondence file?

Mr. MIKESELL. We do keep correspondence in the file, yes.

Mr. KENNEDY. Who destroyed the correspondence file? We will come back to that.

Mr. MIKESELL. Just much the same as the other records.

Mr. KENNEDY. Who did you give it to, or who did you tell to destroy the correspondence file?

Mr. MIKESELL. The girl.

Mr. KENNEDY. Miss O'Brien did that, too?

Mr. MIKESELL. Right.

Mr. KENNEDY. She did the canceled checks and the correspondence files?

Mr. MIKESELL. Yes, sir.

Mr. KENNEDY. Is that right?

Mr. MIKESELL. Right.

Mr. KENNEDY. So Miss O'Brien was the employee who did all of this?

Mr. MIKESELL. Yes, sir.

Mr. KENNEDY. Is that right?

Mr. MIKESELL. While she was working for the council.

Mr. KENNEDY. Does she still work for you?

Mr. MIKESELL. No, she does not.

Mr. KENNEDY. Where is she now?

Mr. MIKESELL. She is some place in Asia, and I don't know where she is.

Mr. KENNEDY. Some place in Asia?

Mr. MIKESELL. Yes. That is true, Mr. Chairman.

The CHAIRMAN. Let us have order. Let us proceed.

Mr. KENNEDY. The fact that you were changing over your audit system, why was that a factor in destroying these files?

Mr. MIKESELL. I think that the first statement that I made in regard to revision was in regard to checks, our changing of our form of checks.

Mr. KENNEDY. Why would that lead you to destroy the correspondence files, for instance?

Mr. MIKESELL. This particular bookkeeping system has been used ever since I have had any connection with the joint council, which has been for about 14 years I have been on the board.

Mr. KENNEDY. Why would you decide in the middle of 1954 to destroy these books and records from the middle of 1954 to the middle of 1956?

Mr. MIKESELL. There were no books destroyed.

Mr. KENNEDY. Well, then, your records, your correspondence files, and your cancelled checks, if you want me to pinpoint it each time.

Mr. MIKESELL. If we call old invoices and old checks and old check vouchers and such things as that, if we call those "records", then they are destroyed, yes.

The CHAIRMAN. Let us go back to that. Your correspondence files, and your cancelled checks from 1937 to 1954 are intact? How do you explain that?

Mr. MIKESELL. Because to me, Mr. Kennedy, they created a problem, and they created a problem of storage.

The CHAIRMAN. I understand they created a problem. So therefore I would destroy, if I was going to destroy something, and if I did not have any ulterior motive, I would destroy my records back from 1937 and 1938 and 1939 and 1940 and 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949 and 1950. I would get rid of all of those records and I would not in the middle of 1956 destroy my books and records or my correspondence files and checks and some of these other records from 1954 to 1956.

Mr. MIKESELL. As I explained before, this material, I don't think in all of my experience I have had occasion to refer back.

The CHAIRMAN. Why didn't you get rid of that instead of these other records that you might need?

Mr. MIKESELL. I am trying to explain to you.

The CHAIRMAN. Go ahead.

Mr. MIKESELL. I have never had occasion to refer back to any of that material in all of my experience in the Joint Council. Consequently, in my opinion there was no need of retaining that irrelevant material which had already been proved insofar as the certified public audit was concerned. I could see no reason for retaining it. Now, maybe I gave the wrong order, as I say, but that was the order that I gave and that is what has been done, and the material is not available.

Mr. KENNEDY. Did you refer back to your records of 1937?

Mr. MIKESELL. Did I?

Mr. KENNEDY. You were referring to that, your records of 1937?

Mr. MIKESELL. No.

Mr. KENNEDY. Why didn't you get rid of those records?

Mr. MIKESELL. I am referring to the records you referred to.

Mr. KENNEDY. Have you been referring back to your records of 1937?

Mr. MIKESELL. I never have.

Mr. KENNEDY. Why didn't you get rid of those records?

Mr. MIKESELL. Because they were down covered with dust in the storage room.

Mr. KENNEDY. You just told us that you were terribly crowded for space, and that is what you said in answer to Senator McClellan's question. You said you were terribly crowded for space, and so instead of destroying 15 years of records that went back to 1937, you selected these 2 years of records, the most recent records you had. You destroyed those, the most recent records that you had?

Mr. MIKESELL. I was probably taking the path of least resistance, which would require the least effort, and it may be a fault, but that is what was done.

The CHAIRMAN. Tell us the date these records were destroyed. I am talking about your canceled checks and your correspondence file between September 1954 and September of 1956, those records. Tell us the date they were destroyed.

Mr. MIKESELL. I could not give you any specific dates.

The CHAIRMAN. It was subsequent to September of 1956, was it not?

Mr. MIKESELL. It never had—

The CHAIRMAN. Wait a minute. You can't give the exact date, but was it subsequent to September of 1956?

Mr. MIKESELL. That is correct, after the audit.

The CHAIRMAN. It has been since then.

Mr. MIKESELL. Yes. I might add that I would want it distinctly understood that it was not all of the records at that time, only those which had accumulated during the past year.

Senator GOLDWATER. How many employees do you have working in the office of the Council?

Mr. MIKESELL. We have seven employees altogether.

Senator GOLDWATER. Seven employees?

Mr. MIKESELL. Yes, sir.

Senator GOLDWATER. How do you handle their social security records?

Mr. MIKESELL. In the regular way.

Senator GOLDWATER. How do you handle their withholding tax, the amounts you withhold for tax purposes?

Mr. MIKESELL. In the regular manner.

Senator GOLDWATER. What is one of your employees going to do if the income tax bureau comes to him and questions his income tax, and he has no records of yours to go back to? If the records, say, of 1956 have been destroyed, and 1954 have been destroyed, and the income tax bureau questions one of your employees relative to his income tax, he can't go back to the books and find out how much was withheld for him?

Mr. MIKESELL. I don't think those have been destroyed.

Senator GOLDWATER. They have not been destroyed?

Mr. MIKESELL. I don't think so.

Senator GOLDWATER. You use them in the normal course of book-keeping, don't you?

Mr. MIKESELL. Those of course are handled through the banking records, and that money is deposited in the bank.

Senator GOLDWATER. You have to keep a record of it and your entries have to show it.

Mr. MIKESELL. We fill out the regular forms.

Senator GOLDWATER. Now, are those records destroyed along with the others?

Mr. MIKESELL. I don't think so.

Senator GOLDWATER. Don't you know? You keep those books, don't you?

Mr. MIKESELL. No, I do not.

Senator GOLDWATER. You are the treasurer.

Mr. MIKESELL. I am secretary-treasurer. However, my secretary keeps the books.

Senator GOLDWATER. Do you know if those books are kept?

Mr. MIKESELL. I could not say positively before the committee without going and looking in the files.

Senator GOLDWATER. Don't you think it is rather important for your employees to know whether or not they have any record of social security payments or any record at all of money withheld from their salaries for tax purposes?

Mr. MIKESELL. Oh, definitely.

Senator GOLDWATER. And you don't know, as supervisor of that bookkeeping, whether or not that is being done?

Mr. MIKESELL. I know that the records are available, and they would be available at the bank.

Senator GOLDWATER. There must be some entry in your normal bookkeeping of these amounts, and it has to show some place. If you have destroyed them, you have done your employees a pretty bad turn.

Mr. MIKESELL. No, the checks, with the amount that is paid out, withholding tax and deductions for social security are all recorded in the book which the committee has.

Senator GOLDWATER. You did not destroy those particular checks or records?

Mr. MIKESELL. Oh, no.

Senator GOLDWATER. You just destroyed the records that might have some effect on this hearing.

Mr. MIKESELL. No, the checks are destroyed. Those records are destroyed. However, in the book you will find the notations of all checks which are issued by the Joint Council and all income which is enjoyed by the Joint Council, which of course is in the form of per capita tax from the various local unions.

Senator GOLDWATER. This money that you take in is not taxable, and you pay no income taxes to the State or Federal Governments on any union moneys?

Mr. MIKESELL. No.

Senator GOLDWATER. So you have no reason to keep it for income-tax purposes for your own organization, but you certainly have an obligation to keep these records for your employees, and I can't understand your not knowing whether or not they are available.

Mr. MIKESELL. When I say that I don't know, I was speaking of the forms which are necessary to submit to the Internal Revenue and to the various agencies which are responsible for receiving the money we submit to them.

Senator GOLDWATER. All of this money which has been paid out to Mr. Maloney was actually tax-free money, wasn't it?

Mr. MIKESELL. Well, I suppose it was.

Senator GOLDWATER. It came from union dues, and I think the amount was probably in the neighborhood of \$20,000 we were talking about yesterday, and it is tax-free money. There is no record of it, and you not only have failed in an obligation to your union, but I think that you have failed in an obligation to your country when you fail to keep records like that, particularly when you operate under the benefits of no taxes.

Mr. MIKESELL. Senator Goldwater, I am sure that you are in error on \$20,000.

Senator GOLDWATER. That sum came to my mind, and I may be in error. But certainly it is an amount of money, whether it was \$20 or \$20,000, it is tax free.

Mr. MIKESELL. It is all recorded in the book.

Senator GOLDWATER. And there should be some accounting for it.

Mr. MIKESELL. It is recorded in the book.

Senator GOLDWATER. All of the money is recorded in the book?

Mr. MIKESELL. Yes, sir.

Senator GOLDWATER. All of the moneys that you ever give to political campaigns or political organizers, are available in record form?

Mr. MIKESELL. You will find in examining the books that the checks with the number of the check—

Senator GOLDWATER. How about the money that was spent in 1953 and 1954? Can we find a record of that?

Mr. MIKESELL. I am sure that that is in the vault. I am sure that your man, Mr. Williams, has it.

Senator GOLDWATER. I asked if there was a record of the amounts spent in 1954 and 1955, and I am told that we can see those amounts. I thought we were talking about records that had been destroyed. Are those records available?

Mr. MIKESELL. Oh, yes; those checks are all recorded.

Mr. KENNEDY. Do you have the cancelled checks and the documentation for this book?

Mr. MIKESELL. No.

Mr. KENNEDY. Those have been destroyed, isn't that correct?

Mr. MIKESELL. That is correct.

Mr. KENNEDY. Any documentation that shows that this book is accurate has been destroyed.

Mr. MIKESELL. Well, you have copies of the certified public accountant's reports each year, and those records were retained until that certification was made.

Mr. KENNEDY. Does the certified public accountant's report show how much money was paid to Tom Maloney, for instance?

Mr. MIKESELL. I think that they would.

Mr. KENNEDY. It shows how much was paid to Tom Maloney?

Mr. MIKESELL. I think that they would. I don't remember whether it was itemized and put in there as a certain amount for this, and a certain amount for that.

Mr. KENNEDY. Don't you know?

Mr. MIKESELL. I know that that is very accurate.

Mr. KENNEDY. Isn't it broken down just into categories and it is not broken down into what individual gets the money?

(The witness conferred with his counsel.)

The CHAIRMAN. Just a moment, Mr. Counsel.

Mr. MAGEE. Yes, Mr. Chairman.

The CHAIRMAN. You know the rules of the committee. You are to advise the witness as to his legal rights.

Mr. MAGEE. May it please the Chair, I was asking the witness whether he had finished his answer, because I am sure that Mr. Kennedy is cutting off the complete answer of the witness, and he has done that on each instance.

The CHAIRMAN. If you will address the Chair, the Chair will see that the witness gets a chance to answer.

Mr. MAGEE. He says he has not been permitted to finish his answer.

The CHAIRMAN. It is difficult to know here what you are saying and I wanted to again remind counsel that your duties are to advise him as to his legal rights, and it is the duty of the witness to do the testifying. With that understanding, and that being observed, we can proceed.

Mr. KENNEDY. Do you have this book for 1954? This is from January or December of 1954 to 1955. Where is the one from January 1, 1954, to date?

Mr. MIKESELL. I have no way of knowing, because Mr. Williams was given full access to all of our records.

Mr. KENNEDY. Mr. Mikesell, you were ordered under the subpoena to produce those documents. Where is the book from January 1, 1954, to date?

Mr. MIKESELL. I understood that Mr. Williams had them, because he did not ask for anything.

Mr. KENNEDY. Wait a minute. He asked you for all of these books and records from January 1, 1954, to date. You told him that from September of 1954 to, I guess, August of 1956, that all of your books and records have been destroyed, including this.

Then since this hearing started, you have come up with this. Isn't that true? And you also told him that you had no explanation as to why they were destroyed? You have come before this committee and given an explanation of some kind of an audit that had been taken. But at that time he asked you what explanation you had, and you said that you had no explanation and you just destroyed them. Didn't you say that to him?

Mr. MIKESELL. That is right. What explanation could I have except that in my judgment there was no use to keep them longer and they were destroyed?

Mr. KENNEDY. Let me ask you this: You did not turn over those books at that time, and where is the book from January 1, 1954, to January 1, 1955?

Mr. MIKESELL. Well, there would be a longer period of time. There would be a ledger just the same as this one.

Mr. KENNEDY. Where is it? You were ordered to produce it to this committee.

Mr. MIKESELL. That I don't know.

Mr. KENNEDY. Is that intact?

Mr. MIKESELL. I thought it was in the storage room.

The CHAIRMAN. May I ask you if these records are in your custody as secretary-treasurer of that joint council?

Mr. MIKESELL. Yes, that is right.

The CHAIRMAN. They are in your custody?

Mr. MIKESELL. Yes.

The CHAIRMAN. And now you cannot account for the other book just preceding this one?

Mr. MIKESELL. I gave Mr. Williams carte blanche to go down and take any information that he wanted.

The CHAIRMAN. I am not talking about information. I am talking about the physical document itself. Do you mean you don't know where the other book preceding this is?

Mr. MIKESELL. As I say, Mr. Chairman, in my opinion that book was filed down in the storage room. I thought until just this minute when he came to the committee that Mr. Williams had that book.

Senator MUNDT. Maybe we can clear this up by this question: Did you personally destroy the book in question?

Mr. MIKESELL. No, sir; I did not.

Senator MUNDT. Did you ever give an order to have it destroyed?

Mr. MIKESELL. No, sir.

Senator MUNDT. To your knowledge, has it been destroyed?

Mr. MIKESELL. I beg your pardon, sir?

Senator MUNDT. To your knowledge has it been destroyed?

Mr. MIKESELL. To my knowledge it has not been destroyed.

Senator MUNDT. Are you positive it has not been destroyed?

Mr. MIKESELL. I have no reason to think that it has been destroyed.

Senator MUNDT. Is there anybody that has authority to destroy those books without an order from you?

Mr. MIKESELL. No, sir.

Senator MUNDT. Can you not therefore tell the committee categorically that it has not been destroyed?

Mr. MIKESELL. I can tell the committee that if it has been destroyed, it certainly has not been destroyed by any permission given by myself or to my knowledge anyone else.

Senator MUNDT. Who else would have authority to order the destruction of the books?

Mr. MIKESELL. No one.

Senator MUNDT. It would have to be a pure act of vandalism?

Mr. MIKESELL. In my opinion, the books of first entry should never be destroyed.

Senator MUNDT. Certainly. It is essential in line with the questioning by Senator Goldwater that those books be kept permanently, is that right?

Mr. MIKESELL. That is right.

Senator MUNDT. I think then that we should pursue our search until we find that book, and since we have the testimony of the witness that it has not been destroyed, it must be available somewhere, unless he is misrepresenting things, which I doubt.

The CHAIRMAN. The Chair will order and direct the witness when he returns to his office to make a search for that book and if it is found, that the witness promptly deliver it to the committee, and if it is not found, that he so report with any explanation that he may give for it being missing.

Do you accept that order?

Mr. MIKESELL. I will accept the order and I will do my best to clear it up.

The CHAIRMAN. Make a search for it and find it, and if you can find it, deliver it to the committee. If you do not find it, make a report to this committee upon your efforts to find it, and anything



else that would be pertinent that would aid the committee in trying to locate it.

(The following was subsequently submitted:)

JOINT COUNCIL OF TEAMSTERS, No. 37,  
Portland, Oreg., March 22, 1957.

Hon. JOHN L. McCLELLAN,

*Chairman, Senate Select Committee,  
Room 101, Senate Office Building, Washington, D. C.*

DEAR SENATOR McCLELLAN: In accordance with your instructions, I have instituted a diligent search for the ledgers extending through the years 1953-54, and I am very sorry to report that I have been unable to locate them. However, canceled checks, check stubs, and other materials which would be entered in this book are available, and have been made available during the entire period to your Mr. Williams.

I have discussed this matter with Mr. Williams and have told him that I was writing you this letter in conformity with your instruction to me prior to my departure from Washington.

If it is your desire that this material be sent to you in your office in Washington, we will, upon your instruction, do so immediately, or the material will continue to be made available at this office to your Mr. Williams.

Very truly yours,

R. R. MIKESELL,  
*Secretary-Treasurer.*

The CHAIRMAN. All right, proceed.

Senator GOLDWATER. I would like to ask just a question about this bookkeeping. Now, up until March of 1955 in your cash expenditures for each month, you have a column of "Political expenses". Now, after March of 1955, I am unable to find any listing for cash expenditures for the month under a heading of "Political expenditures". How did you list that, under which column, after March?

Mr. MIKESELL. That I could not say. The girls change those columns from time to time if they have need for another column, and I don't know whether any change has been made or not. I did not know that that was a fact.

Senator GOLDWATER. Could it be under some other heading? I can't find anything about political expenditures. The reason I ask it is I referred just a moment to \$20,000 of tax-free money. That is quite a sizable item, and it should be in here some place. There was \$14,000 went to the State Democratic Committee, and \$2,000 to Governor Holmes' campaign, and \$1,000 to the Secretary of State's campaign, and \$2,400 to the Langley campaign, and \$700 worth of telephone bills for Mr. Maloney. Did you install this system?

Mr. MIKESELL No, sir.

Senator GOLDWATER. Would I be out of order, Mr. Chairman, to ask the gentleman when he is looking for the other book to ask whoever keeps these books how they list political expenditures?

The CHAIRMAN. Well, I think this witness should know. It is his responsibility. Do you know?

Mr. MIKEWELL. Yes, sir.

The CHAIRMAN. How do you list them?

Mr. MIKESELL. How do I know what?

The CHAIRMAN. It is your responsibility to know how political expenses are listed, and how they are kept on the records. You are secretary-treasurer and the records are kept under your authority and supervision, are they not?

Mr. MIKESELL. I think, Mr. Chairman, you will find—

The CHAIRMAN. Answer my question first. These records are kept under your authority and supervision, are they not, as secretary-treasurer?

Mr. MIKESELL. That is correct.

The CHAIRMAN. Then you should know how you list an account for political expenses. How do you?

Mr. MIKESELL. I think that you will find each individual check when it is entered in the book——

The CHAIRMAN. We don't have the checks, and they have been destroyed.

Mr. MIKESELL. I mean the notation in the ledger there will state what the check was for.

The CHAIRMAN. I will ask Senator Goldwater, he is pursuing this matter, to check and see if he can find anything after that date, anything listed as political expenses.

Senator GOLDWATER. We had four checks yesterday.

The CHAIRMAN. I think you should clear this up for us, and I think the witness should know. For a time you kept a political column here, listing political expenses in this record. This is the record, the entry book. Thereafter you ceased keeping that column apparently. Then if there were political expenses after that, in what column or in what category did you list them? You are in charge of these records, and I think that you have the major responsibility, and you should know.

Mr. MIKESELL. Well, I can assure you that any check that is written and listed in that book, that there will be——

The CHAIRMAN. We can't get the check.

Mr. MIKESELL. There will be a notation made as to what the check was for. There was a special column. Whether it is not in the special column, when the audit is made, it will be allocated to the proper classification.

The CHAIRMAN. What is the proper classification for political expenses?

Mr. MIKESELL. I suppose——

The CHAIRMAN. What is the proper classification for it in your record?

Mr. MIKESELL. Political expenses, I suppose it would be.

The CHAIRMAN. When you discontinued using that category, then what category did you place them in?

Mr. MIKESELL. Well, special columns are peculiar things to figure out sometimes.

The CHAIRMAN. Do you know?

Mr. MIKESELL. I don't know.

The CHAIRMAN. You don't know?

Mr. MIKESELL. I don't know why the column was discontinued.

The CHAIRMAN. You do not know why it was discontinued?

Mr. MIKESELL. No.

The CHAIRMAN. Didn't you have greater political expenses after March of 1955 than you did in that period prior, or immediately prior to it, when you were keeping this political column?

Mr. MIKESELL. We probably did.

The CHAIRMAN. You probably did?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. Aren't you sure of that, and don't you know you did?

Mr. MIKESELL. In 1955?

The CHAIRMAN. You had a political campaign in 1956, didn't you?

Mr. MIKESELL. Yes, in 1956.

The CHAIRMAN. Now, can you tell us where those political contributions are listed in your record for 1956?

Mr. MIKESELL. Without looking at the book, I can't say.

The CHAIRMAN. We will be glad to show you the book.

Senator GOLDWATER. I have found one check to the Democratic Party of Oregon for \$5,000, but it is listed under "Other expenditures."

The CHAIRMAN. I want you to tell us where you listed them. Examine the book if you can and tell us where you list your political expenses.

(Book was handed to the witness.)

The CHAIRMAN. I am sure that you are familiar with that record. That is the only one that you kept.

Mr. MIKESELL. I want to see when the change was made here, Mr. Chairman, in 1955. The only thing I can say is that probably this was a slack period and we did not have any particular political expenses, and it was just dropped from the column.

The CHAIRMAN. I thought you just said you had more political expenses in 1956, since it is a campaign year, than you would have in 1955.

Mr. MIKESELL. This is going into another period.

The CHAIRMAN. Sir?

Mr. MIKESELL. This is carrying on into another period. This period here was kept by one girl, Mrs. O'Brien I was talking about, and then in the 1956 period we had another girl.

The CHAIRMAN. It isn't a question of one girl or another girl. You established the system and you ought to know where they are directed to place those entries.

Mr. MIKESELL. Not insofar as——

The CHAIRMAN. You don't leave it to any girl that walks in there and takes a job to just enter things in the books any way she wants to, surely?

Mr. MIKESELL. Not insofar as the special columns are concerned. You will notice that this is the book that is ordinarily used by local unions, and it constitutes various columns for dues and reinstatements, applications, and so forth, which are used in the local union, but do not apply in any way whatever to a joint council. Those columns are more or less devised by the particular girl who is keeping the books for her own convenience. She makes out a monthly statement which is read every month to the membership and I cannot say why——

The CHAIRMAN. Would you recommend this system of bookkeeping in any business institution that has to pay income taxes and make a record?

Mr. MIKESELL. No, sir. That is the reason we changed our system as of the first of January 1957.

The CHAIRMAN. What is the date of that book, the first entry in it, and the last?

Mr. MIKESELL. December 1954, I believe, is the first month. It is to and including December of 1956.

The CHAIRMAN. Well, it covered 1955, when you did have a political column in it, early 1955 and throughout 1956, the campaign year, you have no political column.

Mr. MIKESELL. That is right.

The CHAIRMAN. And therefore such expenditures as were made, if they were accounted for, are in some other category, and you cannot identify which category they are in.

Mr. MIKESELL. However, in the new system which we have installed—

The CHAIRMAN. Under the new system can you identify them?

Mr. MIKESELL. Everything can be identified where there was a check.

The CHAIRMAN. They could be identified if you had kept the checks, but since the checks are destroyed, can you identify them now? Can you point out the column there, and point out one single item of political expense after you have stopped the political column?

Mr. MIKESELL. There is no doubt that I could. Our auditor has, and I think it is available, and the committee has the copy of those audits. I am sure that they are segregated into proper classifications by the auditor.

The CHAIRMAN. The audits carry a political column? You should know. My goodness. It seems to me you would give some attention to this business.

Mr. MIKESELL. Yes, sir; they do, I am sure.

The CHAIRMAN. Are you sure?

Mr. MIKESELL. You have the copies.

Mr. KENNEDY. We will get those.

The CHAIRMAN. I do not know, and I have not looked at them, but I would think that you would know.

Mr. KENNEDY. The committee has them.

Senator MUNDT. There seems to be some question as to whether or not you first told the committee that you had destroyed the red book that we now have. I would like to clear that up. Did you ever tell any committee investigator, any member of our staff, any member of our committee, that you had destroyed the big book that Mr. Magee now has in his hand?

Mr. MIKESELL. No, sir; I did not.

Senator MUNDT. You did not?

Mr. MIKESELL. No, sir.

Senator MUNDT. Did you tell them at any time that you could not find it?

Mr. MIKESELL. No, sir; not these books.

Senator MUNDT. I asked the question, Mr. Counsel, whether he ever told any member of our staff that he had destroyed or could not find this big red book that Mr. Magee now has.

Mr. KENNEDY. He did. He said he had destroyed all the records from, I guess, August of 1954 to August of 1956.

You are not denying that?

Mr. MIKESELL. It certainly was not my intention to convey the impression that any books or entry had been destroyed.

Mr. KENNEDY. Senator Mundt, Mr. Williams of the committee staff went to Mr. Mikesell and subpoenaed certain books and records starting January 1, 1954, to date.

Mr. Mikesell explained to him at that time that he could give most of the records from the beginning of 1954 to about July or August of 1954, but that all the records from August of 1954 to approximately August of 1956 had been destroyed. We never knew that this

book existed until about a week after the hearings began, and none of the other records have been made available.

Senator MUNDT. That is what I am trying to clear up, Mr. Mike-sell. Did you say that or did you not?

Mr. MIKESELL. It wasn't my intention to convey the impression that these books had been destroyed.

Senator MUNDT. Did you at that time deliver this book? The subpoena was served upon you for the books. Did you deliver it in response to the subpoena or did you hide it?

Mr. MIKESELL. I delivered it to Mr. Calabrese, not to Mr. Williams in Portland.

Senator MUNDT. Did you deliver it at the time the subpoena was served on you by Mr. Williams?

Mr. MIKESELL. As I say, I was never served with a subpoena.

Mr. KENNEDY. It was served on Mr. Steele. You knew about the subpoena. You were the one that had the conversation with Mr. Williams, is that not correct?

Mr. MIKESELL. That is right.

Mr. KENNEDY. Did you not tell Mr. Williams that you had none of the records from the middle of 1954 to the middle of 1956?

Mr. MIKESELL. He was looking—

Mr. KENNEDY. Just answer the question. Did you not tell him that?

Mr. MAGEE. Mr. Chairman, may the witness be permitted to answer these questions without being cut off? The questions are put to him and then he is not permitted to answer.

The CHAIRMAN. You may be given an opportunity to answer. Answer the question.

Mr. KENNEDY. Answer the question: Did you tell Mr. Williams that the books and records for 1954, the middle of 1954, to the middle of 1956, had been destroyed?

Mr. MIKESELL. I don't think that I said the books had been destroyed at any time. I said the records had been destroyed, which meant—

Mr. KENNEDY. Let me ask. Did you tell him that the records of the joint council had been destroyed from the middle of 1954 to the middle of 1956?

Mr. MAGEE. Mr. Chairman, I again protest and point out the witness is not being permitted to complete his answer. He was cut off in the middle.

The CHAIRMAN. As I understood this question, it was: Did you tell Mr. Williams that those books had been destroyed, yes or no?

Mr. MIKESELL. I told Mr. Williams that—

Senator MUNDT. May I suggest that if the counsel is going to be meticulous about letting the witness finish the question, the Chair should be equally meticulous about getting a "Yes" or "No" answer to the question. We should be strictly in conformity with protocol on both sides of the table.

The CHAIRMAN. All right. Proceed.

Did you tell him or did you not?

Mr. MIKESELL. Mr. Chairman, I told him that the records had been destroyed which he was looking for in the file.

The CHAIRMAN. In other words, the records he was looking for, at the time you told him they had been destroyed?

Mr. MIKESELL. Right.

The CHAIRMAN. That is correct.

Mr. KENNEDY. Thank you.

Senator MUNDT. Did you at that time give him the book which we now have before us?

Mr. MIKESELL. No, sir, I did not.

Senator MUNDT. At what time did you deliver this book?

Mr. MIKESELL. I delivered the book to Mr. Calabrese here in Washington.

Senator MUNDT. Today or recently?

Mr. MIKESELL. Pardon?

Senator MUNDT. Recently, or when you came to Washington?

Mr. MIKESELL. No, I think it was last—the first of last week, if I remember right.

Senator MUNDT. I would like to call your attention to an entry in February 1955, Mr. Mikesell, check No. 384, issued to the Hotel Multnomah. The entry says date to which paid January 1 to February 2, that is a month, paying a hotel bill for Mr. Maloney. And then the entry it is listed under says "Officers' and delegates' expense allowances." Was Mr. Maloney an officer or was he a delegate?

That is on page 22, Mr. Magee.

Mr. MIKESELL. Well, Senator Mundt, he was certainly not an officer.

Senator MUNDT. Then he must have been a delegate, or else the books were fictitiously kept and that is pretty serious.

Mr. MIKESELL. I wouldn't consider him a delegate, but I would say that it was put in that particular column, again, as a matter of convenience for the girl who was keeping the books or for no particular reason.

Senator MUNDT. Mr. Mikesell, it seems to me that whether your organization is subject to income taxes or not, books are supposed to be kept with a certain sense of fidelity, so that auditors, Government investigators, your own members, know what the money is spent for.

When you list this under the heading of officers, and delegates, expenses, certainly anybody looking at it would assume that he is either an officer or a delegate.

Mr. MIKESELL. That is correct.

Senator MUNDT. If your books are not honest, if we cannot take them at face value, it does not mean much whether we have them or not.

Mr. MIKESELL. However, I am sure that in the new books, which have been installed as of January 1, 1957, that matter will be corrected. It will be much more easy to designate the purposes for which expenditures are made.

Senator MUNDT. Your testimony is that even if we had these books they would not mean much because they do not mean what they say on the face, is that right, up until January 1?

Mr. MIKESELL. To a certain extent, because they were never designed for the use of an organization such as we have in the joint council.

Mr. KENNEDY. I would like to ask this: When did Mrs. O'Brien leave the organization?

Mr. MIKESELL. She left in September of 1955.

Mr. KENNEDY. September of 1955?

Mr. MIKESELL. Right.

Mr. KENNEDY. I understood in your answer to Senator McClellan's statement as to who had destroyed these correspondence files and the canceled checks, that they had been destroyed in 1956.

Mr. MIKESELL. Those which accumulated up until the fall audit of 1956.

Mr. KENNEDY. Yes. You said they had been destroyed in 1956, as I understand it.

Mr. MIKESELL. No, sir. I am sorry, I didn't say that. I said that when I became secretary-treasurer in August or September of 1954, that I gave instructions—

Mr. KENNEDY. Senator McClellan said, and I though I understood you, that these records had been destroyed subsequent to September 1956. Did you not say that in answer to Senator McClellan's question?

Mr. MIKESELL. Well, I certainly don't want that to appear in the record—

The CHAIRMAN. Well, it certainly does as of now.

Mr. MIKESELL. Because of the fact that my order went back to September 1954, to start cleaning out the files. We had an audit as of September 1954.

The CHAIRMAN. Just a minute, now. You could not clean out 1956 files in 1954.

Mr. MIKESELL. Correct, sir.

The CHAIRMAN. You could not destroy 1956 records in 1954.

Mr. MIKESELL. Correct.

The CHAIRMAN. The records for 1956 have been destroyed. When were they destroyed? I asked you that. You said subsequent to September 1956.

Mr. MIKESELL. You are correct. For 1956.

Mr. KENNEDY. You told me in answer to my question as to who had taken the canceled checks and correspondence files and destroyed them, that you had given them to Mrs. O'Brien and Mrs. O'Brien was in Asia. Who did you give the ones for 1956 to, to destroy them?

Mr. MIKESELL. Well, Mr. Kennedy, in 1954 I couldn't give any files for 1956 to Mrs. O'Brien.

Mr. KENNEDY. Right. We agree. So who did you give—

Mr. MIKESELL. But there is an accumulation of material which extends down through the years.

Mr. KENNEDY. Who did you give the records from the end of 1955 and the beginning of 1956, who did you give those to, to destroy?

Mr. MIKESELL. The present secretary.

Mr. KENNEDY. To whom?

Mr. MIKESELL. The present secretary.

Mr. KENNEDY. What is her name?

Mr. MIKESELL. Mrs. Noack.

Mr. KENNEDY. Mrs. Noack?

Mr. MIKESELL. Noack.

Mr. KENNEDY. And she is the one who was told to destroy them; is that right?

Mr. MIKESELL. She was told to discard them, to get rid of them, there was no use to keep them longer.

Mr. KENNEDY. Excuse me? Go ahead. What was she told?

Mr. MIKESELL. Those records were in her charge in the files, and she was told to clean out the files and discard the records.

Mr. KENNEDY. When did you tell her to do that?

Mr. MIKESELL. After the audit was taken in the fall of 1956.

Mr. KENNEDY. Which records did you tell her to take out and destroy?

Mr. MIKESELL. Whatever were irrelevant to her continued keeping properly of the books.

Mr. KENNEDY. So you left it up to her as to what records would be destroyed, is that right?

Mr. MIKESELL. Yes.

Mr. KENNEDY. You did. So that was her responsibility, to go through the records and decide which ones should be destroyed?

Mr. MIKESELL. It wasn't her responsibility. It was my responsibility. She was acting on my orders.

Mr. KENNEDY. Did you take it up with any of the members of your board, that you were destroying these records?

Mr. MIKESELL. No, sir.

Mr. KENNEDY. Did you ever discuss it with any of them?

(At this point, Senator Ives withdrew from the hearing room.)

Mr. MIKESELL. Not to any great extent.

Mr. KENNEDY. For instance, Mr. Steele, when was he informed that you had destroyed these records?

Mr. MIKESELL. I imagine after the committee started their investigation.

Mr. KENNEDY. Did you inform anyone prior to this last two weeks that you had destroyed those records?

Mr. MIKESELL. I would see no reason for making a point of it. To me it was simply a matter of routine housecleaning in the office.

Mr. KENNEDY. So you never discussed it with anyone?

Mr. MIKESELL. No.

(At this point, Senator McNamara entered the hearing room.)

Mr. KENNEDY. You never told Mr. Clyde Crosby?

Mr. MIKESELL. Clyde Crosby—during the time I probably sat down with Clyde Crosby for 15 minutes in about 3 months' time.

Mr. KENNEDY. You never told him?

Mr. MIKESELL. No, sir.

Mr. KENNEDY. So you never told anyone that you were destroying these current records?

Mr. MIKESELL. I didn't figure that it was any point whether they were destroyed or not. I figured they were no longer any use to the council.

Mr. KENNEDY. You haven't had any discussions with the Internal Revenue Department about the advisability of keeping your records for three to five years back? Have you ever heard that the Internal Revenue Department wants you to keep your records that long?

Mr. MIKESELL. I haven't personally, no.

Mr. KENNEDY. So you feel that you can just destroy any records as you see fit. What is your feeling about tax-exempt funds being used for political campaigns and for the paying of the bills of gamblers and racketeers? Do you think that is proper?

Mr. MIKESELL. I think those two questions combined are very dissimilar.



Mr. KENNEDY. I will take them one at a time. Do you think it is proper that tax-exempt funds that come from union members' dues should be used to pay the bills of racketeers and gamblers?

Mr. MIKESELL. No, sir, I do not. Certainly.

Mr. KENNEDY. Would you tell us why the funds of Joint Council 37 were used for that purpose?

Mr. MIKESELL. I don't think that in our knowledge, anyone's knowledge, in the Joint Council, that we ever paid any bills for any gamblers.

Mr. KENNEDY. What about the bills of Mr. Tom Maloney? Why were you paying the bills for Mr. Tom Maloney?

Mr. MIKESELL. These things have come up. They occurred at a time that we didn't have knowledge of the conditions that apparently must have existed, from the testimony that has come before this committee. We thought that we were honestly reflecting the welfare of our various affiliated local unions, and accomplishing something that was for the betterment of the organization.

Mr. KENNEDY. To pay the bills during 1955 of Mr. Tom Maloney, is that right?

Mr. MIKESELL. We paid some phone bills.

Mr. KENNEDY. Yes, and also some hotel bills.

Mr. MIKESELL. And also some hotel bills.

Mr. KENNEDY. What was Tom Maloney doing during that period of time? What was he doing during that period of time that made it advisable for the union to be paying his bills?

Mr. MIKESELL. That I do not know.

Mr. KENNEDY. What was he doing for the union that you were paying him for?

Mr. MIKESELL. I do not know.

Mr. KENNEDY. Why were you paying the bills?

Mr. MIKESELL. Why? It was largely a carry-over from the political campaign, when he did work on behalf of Mr. Langely for district attorney.

Mr. KENNEDY. I am talking about the bills in July, August, and September of 1955.

Senator MUNDT. Mr. Chairman, let us go back to page 22, in line with counsel's question.

There was no campaign on in Portland, Oreg., in Multnomah County in February 1955, was there?

Mr. MIKESELL. No, that is right.

Senator MUNDT. In February 1955, the entry about which I talked to you previously, for \$241.50, paid to the Hotel Multnomah, and the date, was paid for Mr. Maloney's bill there. His bill ran from January 1 through the second day of February.

As I called to your attention, it was classified as officer and delegates' expenses. I asked you if Mr. Maloney was an officer and your answer was "No". Is that right?

Mr. MIKESELL. That is right.

Senator MUNDT. Then I asked you if he was a delegate, and I think your answer was also "No".

Mr. MIKESELL. That is right.

Senator MUNDT. so it is a matter of great curiosity to me still, from looking at that column. Mr. Mikesell, right next to the column where you entered it under the heading of officers' and delegates' expenses

of \$241.50, right next to it is a column marked "Political." You did not enter it in "Political."

Obviously, you were paying for something at that time other than political activities, or the books were being falsified. Which is the case?

Mr. MIKESELL. The books haven't been falsified.

Senator MUNDT. All right. You were paying him for something other than political activities at that time, is that right? It has to be right. It has to be right, because here is your column right next to it for political expenditures. You say you were not paying him for political expenditures, that you have not falsified the books. Therefore, what were you paying Mr. Maloney for if it was not for his racketeering activities in Multnomah County. It has to be for something. You are not an eleemosynary institution, giving money away, specially to Mr. Maloney.

Mr. Magee, I am asking this, please, of the man who knows.

Mr. MAGEE. I have said nothing.

Senator MUNDT. I must insist, even though I have a high respect for you as an attorney, and the gentleman is a friend of yours, that the rules of the committee are that the witness can turn to your for counsel.

I am going to insist pretty soon, Mr. Chairman, that we separate a little further the witnesses from the attorneys, if we are going to have a dialog in front of us all the time when I ask a question.

Mr. Mikesell, you have heard the questions. I want an answer.

Mr. MIKESELL. Well, Senator, I don't pretend to be able to tell you why the girl entered that in that particular column. I don't instruct her what columns to use for those different items. She uses her own judgment. She might have entered it "political," she might have entered it delegate, she might have entered it in miscellaneous or anyplace else.

Senator MUNDT. Do you know whose handwriting these records are in?

Mr. MIKESELL. In 1955 they would be in the handwriting of Dorothy O'Brien.

Senator MUNDT. Dorothy O'Brien?

Mr. MIKESELL. Yes.

Senator MUNDT. And she is now in Asia?

Mr. MIKESELL. Yes.

Senator MUNDT. That makes it a little hard for us to hunt her down, as you can well appreciate.

Was she in charge of these books, or are you in charge of these books?

Mr. MIKESELL. Actually, I am in charge of the books. Manually, I do nothing whatever on the books.

Senator MUNDT. We know one of two things is true. We know either that you were paying Mr. Tom Maloney at that time for his activities other than political in Portland and Multnomah County, or we know the books have been falsified. I am not saying that you falsified them, as you did not make the entries, but somebody falsified them. The books themselves clearly indicate that an expense was being charged under the heading of delegates and officers, which you have testified under oath is not the truth. That leaves only the other

two alternatives. The books were deliberately falsified, because you could not mistake it, since the next column is "Political," right next to it, or else the teamsters were paying Mr. Maloney for his activities in Portland, which I believe to be racketeering activities. You have testified that, since these hearings have developed the information, you, too, recognize that they are not the kind of activities in which teamsters should be engaged.

Mr. MIKESELL. I would like to state to you, Senator Mundt, that to my knowledge, in all honesty and sincerity, there has never been any deliberate effort to cover any expenditures in those books, or to falsify any record.

Senator MUNDT. Whether it is deliberate or not, I am not saying it is on your part. It might have been on the part of this young lady conveniently traveling in Asia. Maybe somebody had given her instructions. I am willing to accept your word that you did not tell her to do that, that you did not know it took place. But you cannot argue with the multiplication table. You cannot argue with a set of books. There they are. Auditors, tax collectors, members of unions, everybody is completely up in the air if the books do not faithfully disclose what happens in the course of the treasury's activities in the teamsters union.

Mr. MIKESELL. Mr. Chairman, there has been a great deal of discussion about this Asia——

Senator MUNDT. About what?

Mr. MIKESELL. This point of this young lady being in Asia. I would like, if I may, to explain it.

Senator MUNDT. I would like to have it.

Mr. MIKESELL. When she left our employ, she went directly to Asia, employed in—I don't know what she is doing, but I think she is working for some branch of the Government. She has been there ever since. Her children are in school. She has, I believe, three children.

Again, in this particular entry, it states in the ledger itself that the expenditure was for Maloney.

Senator MUNDT. Yes.

Mr. MIKESELL. So that is evidence——

Senator MUNDT. But it also states that it was paid to Maloney because he was a delegate or an officer.

Now if you will tell me he is a delegate or an officer, this is fine. But Crosby said he was not. You say he was not.

Mr. MIKESELL. He is not.

Senator MUNDT. Therefore, the books are false.

Mr. MIKESELL. He is not and never had been.

Senator MUNDT. Therefore, the books are false.

Mr. MIKESELL. Inadvertently.

Senator MUNDT. Maybe it was inadvertently when they put Maloney in there in the first place. I do not know.

Senator GOLDWATER. Mr. Chairman?

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. I would like to ask a question or two here relative to a check. First of all, what is the address of your office, the joint council of teamsters No. 37?

Mr. MIKESELL. 1020 NE. Third.

Senator GOLDWATER. I have before me a photostatic copy of a check written to Robert Holmes, which is exhibit 47, check No. 517, in the

amount of \$2,000. I cannot find it in the cash expenditures for the month of August. The check was written August 10, 1956, and there is no such check listed in August in your cash expenditures. Could it be that there was another account?

(Exhibit 47 will be found in the appendix on p. 1073.)

Mr. MIKESELL. I couldn't say, Senator Goldwater, unless I saw the check.

Senator GOLDWATER. Here is the check.

The CHAIRMAN. Take the check and your book, your entry book for that month, and see if you can find it. I want to see if it is in this book. This is the record that is supposed to reflect the transactions.

(Documents handed to witness.)

The CHAIRMAN. Will you point out if that item is listed in that book during that month?

Mr. MIKESELL. Well, this, Mr. Chairman, is not signed by myself or Mike Steele as officers of the council.

The CHAIRMAN. It is signed on that account, is it not?

Mr. MIKESELL. No; it is not written on the general account. This is written on the special account and does not appear in here.

The CHAIRMAN. Where is the special account? Where is the record of the special account?

Mr. MIKESELL. I do not have that. Mr. Vavrous keeps that.

The CHAIRMAN. Who?

Mr. MIKESELL. Mr. Vavrous, our statistician.

The CHAIRMAN. Is he under your jurisdiction?

Mr. Secretary-Treasurer, do you have jurisdiction over this special account?

Mr. MIKESELL. Indirectly, yes. However, I do not record in the general fund expenditures amounts written from this account.

The CHAIRMAN. All right. Pass the book back and the exhibit. It is not in there. You say it is in a special account. Pursue that.

Senator GOLDWATER. Is that special account kept up by transfers from this general fund?

Mr. MIKESELL. Yes; that is correct.

Senator GOLDWATER. Are the transfers noted in here, noted in this book? Can we find them in this book?

Mr. MIKESELL. I think you will find some.

Senator GOLDWATER. Do you not know? It totals about—well, just 1 page here, covering about 9 months totals \$24,000.

Again, that is not pin money, and it seems to me that the secretary-treasurer should know if \$24,000 was transferred out of the general fund into a special account.

Mr. MIKESELL. We also have the building account, a building fund, which is a separate account from our general fund of the joint council.

Senator GOLDWATER. You would not take transfers from a building fund into a special account that is to be used mostly for politics, would you?

Mr. MIKESELL. No, sir.

Senator GOLDWATER. So we can close that door?

Mr. MIKESELL. Yes.

Senator GOLDWATER. Now the other door is open. Can we find in this book, which covers 2 years, transfers from this general fund into this special account?

Mr. MIKESELL. Well, actually, I don't know too much about the special account, except it was set up, I think, with a——

Senator GOLDWATER. Who set it up? Do you remember that?

(At this point, the chairman withdrew from the hearing room.)

Mr. MIKESELL. The joint council.

Senator GOLDWATER. Did they set it up by formal action? Did they take a vote on it?

(Members present at this point: Senators McNamara, Mundt, and Goldwater.)

Mr. MIKESELL. I don't remember now whether it was set up by formal action. I believe it was. But I couldn't say for sure.

Senator GOLDWATER. You do not know anything about the records of this special account? You do not keep them?

Mr. MIKESELL. I couldn't say positively how much has been transferred from the general fund to the special account. I do know that at times if we ever did accumulate a few dollars, we might be able to transfer some in there. But, unfortunately, we have never had too much money to put in there. We had to borrow money to set it up.

Senator GOLDWATER. Out of the total amount of money that was put into this special fund, some \$24,000, \$20,000 of it went for politics. Why did you feel it was necessary to set up a special account in order to handle political transactions? Why could that not have been handled out of the general fund, out of the general books?

Mr. MIKESELL. Well, it probably could. However, we considered that it would probably be better to segregate it. Actually, we borrowed the money to set it up. We didn't see any reason for depositing the money in the general account and, as a matter of expediency and accounting practice and not getting our receipts involved between the per capita received from the local unions, we thought it better to handle it this other way.

Senator GOLDWATER. You borrowed \$20,000 from the Citizens Branch of the United States National Bank to get this special fund started. Have you paid that back?

Mr. MIKESELL. We are paying it back at the rate of \$1,000 a month plus interest.

Senator GOLDWATER. Actually, the money you spent for politics you did not even have?

Mr. MIKESELL. That is right.

Senator GOLDWATER. You were spending the bank's money. They pay taxes on that.

Mr. MIKESELL. Well, it isn't the bank's money after they loan it.

Senator GOLDWATER. It is the bank's money until you pay it back.

Are the records of this special fund available?

Mr. MIKESELL. Certainly; I think they are, sir. I don't have them.

Senator MUNDT. Mr. Mikesell, why did you not bring them in response to the subpoena? The subpoena covered them.

Mr. MIKESELL. Mr. Vavrous has the records of the special account. He is the statistician. I have never had them in my charge, Senator.

Senator MUNDT. But the subpoena was served on you as secretary-treasurer of joint council No. 37. It specifically stipulates that they are part of the records that the subpoena covers. Why did you not bring them?

Mr. MIKESELL. It never occurred to me.

Senator MUNDT. Did you read what the subpoena provided? When you were packing your bag and getting ready, did you read what you were supposed to bring?

Mr. MIKESELL. Very hurriedly; yes. As I say, I never had the subpoena in my possession.

Senator MUNDT. It is rather important. It is not just like getting a Christmas greeting card. They are important. It says here the bank statements, bankbooks, canceled checks, et cetera, and then it goes down and says financial records, books of account, which will show each and every record pertaining to the union expenditures made to or in behalf of a lot of people, and then it adds at the bottom, "but not limited to general entertainment, public relations, legal fees, political contributions." It is right in there in black and white.

The subpoena called for it. Has that book been destroyed?

Mr. MIKESELL. Oh, I certainly do not believe that any records have been destroyed.

Senator MUNDT. You are positive that the book——

Mr. MIKESELL. With regards to the special account unit.

Senator MUNDT. That the book Senator Goldwater is talking about is in existence?

Mr. MIKESELL. I am not positive, because I have never had anything to do with it.

Senator MUNDT. You just got through saying that you certainly did not believe any records had been destroyed.

Mr. MIKESELL. I don't know any reason why they should be, Senator.

Senator MUNDT. What is the name of the man in charge of it?

Mr. MIKESELL. Anthony Vavrous. His signature appears on the check.

Senator MUNDT. Anthony Vavrous.

Senator GOLDWATER. This is a very interesting thing, and I would like to have your answer to this. At the time this special fund was set up, disbursements were to be made from it on checks signed by Clyde Crosby and Anthony Vavrous. Neither Mr. Crosby nor Vavrous were officers of the joint council at that time, were they?

(At this point, the chairman entered the hearing room.)

Mr. MIKESELL. Mr. Crosby is recording secretary.

Senator GOLDWATER. He is, but he was not at that time.

Mr. MIKESELL. Oh, yes. Mr. Crosby has been recording secretary and a member of the board of the joint council.

Senator GOLDWATER. Mr. Crosby was a member of joint council 37 when the fund was set up?

Mr. MIKESELL. I beg your pardon, Senator. Would you repeat that?

Senator GOLDWATER. Was Mr. Crosby an officer of joint council 37 at the time this special fund was established?

Mr. MIKESELL. May I elaborate just a little bit?

Senator GOLDWATER. Well, yes or no and then you can go on.

Mr. MIKESELL. He was an officer.

Senator GOLDWATER. He was an officer?

Mr. MIKESELL. A recording secretary and member of the board.

Senator GOLDWATER. At that time?

Mr. MIKESELL. Yes.

Senator GOLDWATER. Do you sign the checks for the building fund?

Mr. MIKESELL. Yes, sir.

Senator GOLDWATER. Did you ever think it unusual that you were given the authority to sign the checks out of this special fund?

Mr. MIKESELL. No, sir.

Senator GOLDWATER. Does that occur rather often in union activities, where the secretary-treasurer had no control, no full control, over the money?

Mr. MIKESELL. Well, I saw no reason why there should be any question with regard to this particular item. The building fund is actually a part—

Senator GOLDWATER. Well, the building fund we have eliminated. But is this a customary practice? It seems rather strange to me that a treasurer does not have absolute control over 100 percent of the funds that his particular unit is charged with. I have never heard of it before, in business or out of business.

Mr. MIKESELL. I never raised any point.

Senator GOLDWATER. I do not question that. It might not have done any good to raise the point. But the fact is still there, of a special account that is being used for political purposes, mostly, and yet you as a treasurer cannot draw on it, you have no authority over it, and Mr. Crosby has carte blanche entry to the account. He can do what he wants with it. That is very strange.

Mr. MIKESELL. I will say this, if I may, Senator. In my particular position as secretary-treasurer of the Joint Council, I am entirely unfamiliar with the political situation in the State of Oregon.

Senator GOLDWATER. We are not talking about that. We are talking about money.

Mr. MIKESELL. I am a Washingtonian.

Senator GOLDWATER. We are talking about money. It seems strange to me, and I would think it would seem strange to you, that you all of a sudden find yourself in a position where you cannot say how much money you have, where you have no say over some \$24,000 that is going to come out of your general fund sooner or later. Yet you are making payments, I believe, at the rate of \$1,000 a month plus interest out of your general fund each month, are you not?

Mr. MIKESELL. Right. May I say this, that Mr. Vavrous, who is our statistician and researcher, is also quite active politically. That was the reason that we put him on this particular fund. If it was to go for political purposes, any part of it, he would be familiar with it. We thought it was more expedient to handle it that way than any other way.

Senator GOLDWATER. Let me ask you one further question. Were you elected to the office that you hold?

Mr. MIKESELL. I was, sir.

Senator GOLDWATER. By the Council?

Mr. MIKESELL. Yes, sir.

Senator GOLDWATER. What would the elective body consist of? How many people?

Mr. MIKESELL. The Joint Council would consist of all of the 23 affiliated local unions, their elected representatives and executive boards as delegates, which would constitute—

Senator GOLDWATER. Let us get down to the rank and file members. Just the heads of the locals constitute the councils?

Mr. MIKESELL. The members of your boards are rank and file members.

Senator GOLDWATER. When were you elected to that job?

Mr. MIKESELL. I was elected the last time in 1954, I believe.

Senator GOLDWATER. How often do you stand for election?

Mr. MIKESELL. Three years, every three years.

Senator GOLDWATER. I have nothing further.

The CHAIRMAN. Mr. Kennedy?

Senator McNAMARA. Mr. Chairman?

The CHAIRMAN. Senator McNamara?

Senator McNAMARA. Pursuing this line of questioning about your election and for how long a term, and such, you indicate that you are elected by the officers. You mean the officers of the various local unions, do you, or what?

Mr. MIKESELL. Correct. Our Joint Council is composed of affiliated local unions throughout the State of Oregon and the five and one-half southwest counties of Washinton.

Senator McNAMARA. Does the local union decide who represents them in the Joint Council?

Mr. MIKESELL. I beg your pardon?

Senator McNAMARA. Does the local union decide who represents them in the district council?

Mr. MIKESELL. Their officers, of course, are elected within the local union by the members of the local union. And the bylaws of the Joint Council say that any elected member of the executive board, which constitutes seven members, is a delegate to the Joint Council.

Senator McNAMARA. I see.

Now tell me: What happens in the case of a trusteeship local? Do they have delegates to the western conference, or joint council, whatever it is?

Mr. MIKESELL. Yes, indeed.

Senator McNAMARA. How are they selected? Not by the rank and file?

Mr. MIKESELL. That I would not be too definite on, but in my own opinion in most cases, even in your locals who are in receivership, your executive board is still selected by the membership. Either the prior executive board is retained or additional elections are made. So they operate very, very similarly insofar as we are concerned to an autonomous local, when they are under receivership or trusteeship.

Senator McNAMARA. Do you know about how many locals of this council are in trusteeship?

Mr. MIKESELL. I think there are at the present time 3 or 4.

Senator McNAMARA. Out of how many?

Mr. MIKESELL. Out of 23.

Senator McNAMARA. Three or four out of 23?

Mr. MIKESELL. Yes. There were 7 or 8, and just last year 3 or 4 of them were taken out.

Senator McNAMARA. It is your opinion, then, that the delegates to the council are not appointed by the man who is placed in charge of the local union by the national office?

(At this point, Senator Kennedy entered the hearing room.)

Mr. MIKESELL. Definitely not. Mr. Crosby has been very anxious to get all of the local unions within the joint council out from under



receivership. He has been working constantly toward that. We give them help as much as possible from our salaried personnel in the joint council.

Senator McNAMARA. You said there were 7 under trusteeship and now there are 3?

Mr. MIKESELL. I think there are three.

Senator McNAMARA. When were these four eliminated from trusteeship; recently or over a long period?

Mr. MIKESELL. No, that was just last year.

Senator McNAMARA. Thank you.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. As far as the expenses for the international organizer, did the joint council pay some of those expenses?

Mr. MIKESELL. There may be, on occasion, some expenses paid by the joint council.

Mr. KENNEDY. I notice in here pretty regularly about once every week you were paying Clyde Crosby. Doesn't he get his expenses from the international?

Mr. MIKESELL. Limited expenses; yes.

Mr. KENNEDY. Do you pay him expenses also?

Mr. MIKESELL. No, we do not, as a regular matter. He does serve on the board, as I stated, as recording secretary and I believe there is a check for \$20 a week written to him on that.

Mr. KENNEDY. You pay him \$20 a week for what?

Mr. MIKESELL. Serving as recording secretary.

Mr. KENNEDY. And you put that under expenses. What is "Expenses, political committee, 75"? That is PolCom, for Clyde Crosby. What would that have to do with, in August of 1956?

Mr. MIKESELL. That would be hard for me to answer.

Mr. KENNEDY. It is under delegates expense allowances.

Mr. MIKESELL. I beg your pardon?

Mr. KENNEDY. It is under delegates expense allowances. Why would he get \$75?

Mr. MIKESELL. It may be some particular meeting that he attended and was allowed that.

Mr. KENNEDY. Does he not get his expenses from the international? Is that not the way the constitution is set up?

Mr. MIKESELL. He receives limited expenses from the international.

Mr. KENNEDY. What do you mean by limited expenses?

Mr. MIKESELL. I don't know just what his expenses are, but I know he does not receive very much.

Mr. KENNEDY. Does he receive \$12 or \$13 a day?

Mr. MIKESELL. Something like that, yes.

Mr. KENNEDY. And then you supplement that?

Mr. MIKESELL. At times, yes.

Mr. KENNEDY. You give him \$20 a week?

Mr. MIKESELL. That is for services to the joint council.

Mr. KENNEDY. It says expenses, officers and delegates expenses, August 31, 1956, \$20; August 25, 1956, \$20. You do not have it in here. It says officers and delegates expense allowances.

Mr. MIKESELL. That is regular. That will appear regularly each week.

Mr. KENNEDY. Why were you paying him \$20 a week?

Mr. MIKESELL. Because he serves as recording secretary of the joint council, and renders service to the joint council. That was voted by the membership, and is a part of the bylaws of the joint council.

Mr. KENNEDY. Who was your attorney during this period of time, 1956?

Mr. MIKESELL. Cliff O'Brien.

Mr. KENNEDY. Cliff O'Brien? When did he become your attorney?

Mr. MIKESELL. When our former attorney died, Jim Landye.

Mr. KENNEDY. Have you had any other attorney, other than Cliff O'Brien?

Mr. MIKESELL. We may have had. At different times we had a tremendous attorney expense during the past 2 years on various things which have come up, the National Labor Relations Board and others.

Mr. KENNEDY. Do you know who paid the expenses when Mr. O'Brien went down to Arizona for Mr. Crosby? Who paid those expenses of Mr. O'Brien?

Mr. MIKESELL. I don't know, sir.

Mr. KENNEDY. Did the joint council pay them?

Mr. MIKESELL. I don't know if they have ever been paid.

Mr. KENNEDY. Do you think it is possible they might have paid them?

Mr. MIKESELL. I don't think so. I think I would have known if they had been paid.

Mr. KENNEDY. What about Mr. Tanner? What services was he performing? Do you know Mr. Tanner?

Mr. MIKESELL. I don't know.

Mr. KENNEDY. You do not know Mr. Tanner?

Mr. MIKESELL. I know him, yes. I have met him since I came to Washington.

Mr. KENNEDY. Do you know of any services he was performing?

Mr. MIKESELL. No, sir, I do not.

Mr. KENNEDY. Do you know him as the attorney for Mr. Langley?

Mr. MIKESELL. I know Mr. Tanner. As I say, I have met him as I came to Washington, and I understand he is.

Mr. KENNEDY. You understand he is the attorney for Mr. Langley?

Mr. MIKESELL. I understand that is true.

Mr. KENNEDY. And you do not know of any services he performed for your joint council?

Mr. MIKESELL. No.

Mr. KENNEDY. You have an entry in this book, dated the 21st of August 1956, Check No. 2782, K. C. Tanner, retainer fee, \$5,000. That is Mr. Langley's attorney. What were you paying Mr. Langley's attorney \$5,000 for?

Mr. MIKESELL. I am sorry, I couldn't inform you, Mr. Kennedy, as to the —

Mr. KENNEDY. This is \$5,000 of union money, union dues being used to pay Mr. Langley's attorney, in August of 1956. It is Check No. 2782. Do you want to see it?

Mr. MIKESELL. Yes, sir, I would like to.

(Documents handed to witness.)

(The witness conferred with his counsel.)

Mr. MIKESELL. I have never met Mr. Tanner until I met him here in Washington, D. C.

Mr. KENNEDY. Did you get a voucher for that bill? Did you receive a voucher?

Mr. MIKESELL. How do you mean a voucher?

Mr. KENNEDY. Did you ever receive a bill from Mr. Tanner?

Mr. MIKESELL. Well, there must have been.

Mr. KENNEDY. Those books and records, those bills have been subpoenaed. Where are they? Would not your records show it?

Mr. MIKESELL. I think probably the auditors' report there would show it.

Mr. KENNEDY. Do you have any records yourself to show what Mr. Tanner was doing?

Mr. MIKESELL. I doubt it now.

Mr. KENNEDY. You do not have any records at all showing what Mr. Tanner was doing for the Joint Council 37?

Mr. MIKESELL. We have had a number of—you will also find on a ledger report there. I am sure, expenditures and payments which have been made to Dick Morse, who is also an attorney.

Mr. KENNEDY. Just tell me this: Did you pay out \$5,000 from Joint Council 37 and not know how it was used?

Mr. MIKESELL. It does seem a little silly, doesn't it?

Mr. KENNEDY. Yes, it does.

The CHAIRMAN. Do you not know it was paid to this attorney to represent Mr. Langley?

Mr. MIKESELL. I beg your pardon, sir?

The CHAIRMAN. Do you not know you paid union funds, union dues out of union funds, to Mr. Tanner to represent Mr. Langley?

Mr. MIKESELL. No, sir, I do not.

The CHAIRMAN. What did you pay him for? You ought to know. You are the treasurer, and you pay the bill. You should have seen it, you should have located it, you should have known something about it.

Mr. MIKESELL. What phase, what particular phase, of our troubles that Mr. Tanner is representing us in, I do not know.

The CHAIRMAN. You have no idea?

Mr. MIKESELL. No.

The CHAIRMAN. If you had the correspondence about it, and your vouchers and your bills, you could refer to them and find out, could you not?

Mr. MIKESELL. I don't think there was ever any correspondence about it.

The CHAIRMAN. Who told you to write the check? Where did you get that authority or instruction? Can you answer that?

Mr. MIKESELL. No, sir, I cannot truthfully answer you for what reason that check was written.

The CHAIRMAN. Would you say this is kind of a strange thing, having your organization out there, your labor organization paying the attorney of Mr. Langley? Is that not a little strange to you?

Mr. MIKESELL. I think it is probably a coincidence, Senator.

The CHAIRMAN. Can you explain the coincidence?

Mr. MIKESELL. No, I cannot.

The CHAIRMAN. The other action, item, or circumstance that caused it to be coincident? Can you explain it?

Mr. MIKESELL. There is no reason for me to tell you something that I do not know to be the truth, and I am not going to, because I do not know.

The CHAIRMAN. All right. We will leave it that way.

Mr. KENNEDY, When you retained an attorney, who would know about it better than you?

Mr. MIKESELL. Probably nobody should.

Mr. KENNEDY. Then if you retained an attorney for \$5,000, you would know about it, would you not?

Mr. MIKESELL. I should know about it.

Mr. KENNEDY. Do you know if he was retained?

Mr. MIKESELL. No, I do not know that he was retained.

Mr. KENNEDY. Tell me this: Do you know of any services that he performed for the teamsters during this period of time?

Mr. MIKESELL. No, sir.

Mr. KENNEDY. You do not. And if anybody would know, it would be you, is that correct?

Mr. MIKESELL. No, I wouldn't say that. I should know about it. I should remember it. I don't remember any circumstance at the present time.

Senator MUNDT. Who else in your organization would order the payment of a \$5,000 check besides the secretary-treasurer? Is there somebody else who could do that?

Mr. MIKESELL. There are only two of us that sign the checks, and that is Mr. Steele, the president, and myself.

Senator MUNDT. Do both of you sign them or does either one sign them alone?

Mr. MIKESELL. We both sign them.

Senator MUNDT. So you both must have signed this check.

Mr. MIKESELL. When I leave town, I sign checks to carry on the business while I am gone, and when he leaves town, he leaves signed checks to carry on the business while he is gone. However, they have to be countersigned by one or the other before they are valid.

Senator MUNDT. Who is the other fellow who signs the checks?

Mr. MIKESELL. Mr. Steele, who was served with a subpoena.

Senator McNAMARA. Mr. Chairman, I would like to ask a question or two at this point.

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. Mr. Langley is an attorney, I take it. Does he have a law firm, or is he just an individual attorney? Does he have a law firm? Are there other attorneys associated with him, as far as you know?

Mr. MIKESELL. Mr. Langley is district attorney of Multnomah County.

Senator McNAMARA. And he does not have a law practice outside of that as far as you know?

Mr. MIKESELL. That I couldn't say, Senator. I know his father has been in the law business in Portland for many years.

Senator McNAMARA. You do not live in Oregon?

Mr. MIKESELL. No, I do not. I live in Washington.

Senator McNAMARA. This question would probably be more properly directed to someone who lives in Oregon, who knows about the operation. Is that your idea?

Mr. MIKESELL. There are many things in the Oregon political situation, and otherwise, that I am not familiar with.

Senator McNAMARA. Does this check appear to be paid to Mr. Langley while he was district attorney? Is that it? Was it during that period?

Mr. MIKESELL. That was August 1956, of this year, that the check was made to Mr. Tanner.

Senator McNAMARA. Was he at that time the district attorney?

Mr. MIKESELL. Yes, he was.

Senator McNAMARA. Thank you.

Senator MUNDT. Can you think of any way that we can throw some more light on this check? The check is very important. To my mind, it is sort of a link, and the most important link, between all of the allegations which we have had before us, with Langley, in collusion with Mr. Maloney, and certain people in the teamsters union to spread rackets through Portland.

Now it is rather shocking to see a \$5,000 check paid by the teamsters union to the attorney for Mr. Langley. That seems like a mighty important link. It sort of buttons this thing up. I think it is in your interest, sir, to try to find us some better reason than that you cannot remember. I would gather from your testimony that what you want us to believe is that you left a blank check with your signature on it, and this other gentleman countersigned it and put it in the name of Mr. Tanner. It seems to me if he did that, he must have said something to you about it when you got back. That is a pretty good size check.

You gave Mr. Maloney a lot of checks, but you gave the money to him in dribbles. But a \$5,000 check is pretty good size money.

Mr. MIKESELL. Senator, I don't want to leave the impression that in my opinion, this check was written on behalf of Mr. Langley. I don't believe it was.

As I say, we have had a great deal of litigation in the joint council, for individuals within the joint council, during the past 3 or 4 years, and—

Senator MUNDT. It seems to me if my name was Jones or Bloke or Smith, and I had written a check for the attorney to Mr. Langley for illegitimate reasons, I would have destroyed the records or had them destroyed. If I had written them for good and proper reasons, I would have some voucher for it, or some correspondence, or some documentary proof as to what the check was written for.

Are you telling us that there is nothing in your files, nothing in your records, that everything has been wiped off clean so we have to rely on your memory only for a check of that size? Or do you believe you can find this documentary evidence as to why Mr. Tanner submitted a bill for \$5,000?

Mr. MIKESELL. That I wouldn't answer. In my opinion, the documentary evidence will probably be in the files.

Senator MUNDT. In the files?

Mr. MIKESELL. I believe so.

Senator MUNDT. Before you came to Washington in response to the subpoena, you must have gone through the files, in accordance with the subpoena. You did not willfully and deliberately, I am sure, try to fool this committee by not bringing the records we requested in to the committee, did you?

Mr. MIKESELL. No, sir, I gave Mr. Williams full access.

Senator MUNDT. You looked through the files painstakingly and accurately, trying to find the correspondence and papers. Did you find that correspondence?

Mr. MIKESELL. I didn't go through the files at all, sir. I gave full access to the files to Mr. Williams, who represents the committee.

Senator MUNDT. He had full access to the file?

Mr. MIKESELL. Yes, sir.

Senator MUNDT. In what file would you suggest we have Mr. Williams look to find the information on this matter?

Mr. MIKESELL. That should probably—he is able to contact Miss Noack, there, Angela Noack. She is the secretary that would have the information. She would be the one that he would have to see.

Senator MUNDT. Mr. Chairman, I suggest, then, that we have counsel, during the noon hour, contact Mr. Williams by telephone and have him go today to the appropriate office where Miss Noack is, and see whether or not there is anything in the file. If this is a legitimate transaction, it certainly is in the file. If it is not, I am sure the papers have been destroyed.

Mr. KENNEDY. Again we come back to the fact that Mr. Mikesell has informed us that the records for that period of time, August 1956, have been destroyed. He has already stated, that, Senator Mundt. Those records have been destroyed.

Senator MUNDT. But he has just told me that there would be a record in the file, and that Miss Noack would know about it, if this, indeed, is a legitimate transaction. I do not know whether it is or not. He has told us that. I think we should give credence to what he has told us. Call up Mr. Williams, have him see Miss Noack, and find out whether we are being deceived or not. It is a pretty easy thing to do for about a \$3.75 phone call.

The CHAIRMAN. The Chair will direct that that expenditure be made.

While we are talking about attorney fees, let us talk about another one for a minute. Who is your general attorney or regularly retained attorney for joint council 37?

Mr. MIKESELL. Cliff O'Brien.

The CHAIRMAN. When did he become general counsel?

Mr. MIKESELL. Upon the death of James Landye.

The CHAIRMAN. Give me some date. How long ago?

Mr. MIKESELL. Early in 1956, I believe.

The CHAIRMAN. Early 1956. What salary do you pay him as a retainer fee?

Mr. MIKESELL. Well, the retainer fee has been such a small item compared to overall cost of our attorney bills.

The CHAIRMAN. All right, then, what fund do you pay it from?

Mr. MIKESELL. The general fund.

The CHAIRMAN. All of his fees are paid out of the general fund?

Mr. MIKESELL. Yes, sir.

The CHAIRMAN. They are not paid out of the special fund?

Mr. MIKESELL. Well, as I say, I would be unable to say in regard to the special fund. I couldn't make that statement because I do not know.

The CHAIRMAN. You would not know about that?

Mr. MIKESELL. No, sir.

The CHAIRMAN. Who would know about it?

Mr. MIKESELL. Mr. Vavrou and Mr. Crosby signed the checks.

The CHAIRMAN. I note here that he was paid by check from the special fund on August 21, by check No. 518 out of the special fund, that he was given a check for \$3,000. Was that on the occasion when he interceded to make arrangements for Mr. Crosby to have the records of his conviction expunged out in Nevada or Arizona? Do you recall that?

Mr. MIKESELL. Mr. Crosby would be in a better position to answer that than I would.

The CHAIRMAN. He would be in a better position to answer than you would?

Mr. MIKESELL. Because I don't know.

The CHAIRMAN. You do not know anything about that?

Mr. MIKESELL. I don't know when this happened in Arizona.

The CHAIRMAN. It is about the same time. Maybe he can explain it.

Senator McNAMARA. Mr. Chairman, when I was asking the witness questions previously, I assumed that the check for \$5,000 was made out to Mr. Langley. I find out now it was made out to Mr. Tanner.

Is Mr. Tanner an attorney in Oregon or in Washington?

Mr. MIKESELL. No, sir, he is in Oregon. He is a Portland, Oreg., attorney.

Senator McNAMARA. And apparently the record indicates he was an attorney for Mr. Langley, is that correct?

Mr. MIKESELL. That is what I have found since I came to Washington.

Senator McNAMARA. Did you have any knowledge that he was employed by the teamsters union in any manner, to do work for them?

Mr. MIKESELL. I didn't know that Mr. Tanner was on any retainer fee from the teamsters or had been paid any money by the teamsters.

Senator McNAMARA. You did not know it until it was just now brought to your attention?

Mr. MIKESELL. No, sir. As I say, I didn't meet Mr. Tanner until I came back here.

Senator McNAMARA. Do you know anything about Mr. Tanner's law firm? Does he have associates, or is it an individual attorney?

Mr. MIKESELL. No; I think he has associates. He is a very well known and reputable attorney in Portland.

Senator McNAMARA. Thank you.

Senator MUNDT. Mr. Chairman, I would like to ask Mr. Mikesell a few rather irrelevant questions as far as his particular duties are concerned, but they are for my own information.

Do you know Mr. Tom Maloney?

Mr. MIKESELL. I met Tom Maloney in the fall of 1954 when he came into the political campaign, and I probably talked to him a half-dozen times.

Senator MUNDT. Where did you meet him, Mr. Mikesell?

Mr. MIKESELL. In the Teamsters' Building, in Portland.

Senator MUNDT. In Seattle?

Mr. MIKESELL. No; in Portland.

Senator MUNDT. In Portland?

Mr. MIKESELL. Yes, sir.

Senator MUNDT. You live in Seattle?

Mr. MIKESELL. I live in Vancouver, Wash., just across the river from Portland.

Senator MUNDT. On your trips to Portland, you met him maybe a half-dozen times in the Teamsters' Building in Portland?

Mr. MIKESELL. Yes, sir.

Senator MUNDT. Did your discussions with him all involve political matters, would you say?

Mr. MIKESELL. I never had very much discussion with him, sir, because, as I say, my interests were very little involved, except insofar as it was related to the business of the joint council, on the political situation.

Senator MUNDT. I am sure you are not very close to him, if you do not know him very well. But as you met him and talked to him in the Teamsters' Building in Portland, did you look upon him as a Teamsters' official or a union member or a newspaper reporter? What did you think he was?

Mr. MIKESELL. I would hate to tell you.

Senator MUNDT. I would like to know.

Mr. MIKESELL. No; I never had a great deal of respect for Tom Maloney. He was, to my knowledge—he worked hard at whatever he had to do, I guess, but he was more or less of a drifter and a chiseler.

Senator MUNDT. What did you think his connection was with the teamsters that you should meet him so frequently in the Teamsters Building in Portland?

Mr. MIKESELL. Well, I thought he was just in there to help what he could in trying to prosecute the campaign to elect our candidates.

Senator MUNDT. Where did you meet him? Did you meet him in the corridor? Did you meet him in the office of Mr. Crosby? Did you meet him in Mr. Hildreth's office? Where did you meet him?

Mr. MIKESELL. I might meet him any place around the building.

Senator MUNDT. He seemed quite familiar with the building, as though he had been there quite a bit?

Mr. MIKESELL. He was just walking around.

Senator MUNDT. Did you ever meet Mr. McLaughlin?

Mr. MIKESELL. No, sir. I never saw Mr. McLaughlin until I arrived in Washington.

Senator MUNDT. You never saw him before?

Mr. MIKESELL. No, sir.

Senator MUNDT. Did you ever meet Mr. Hy Goldbaum?

Mr. MIKESELL. No, sir; I never did.

Senator MUNDT. You never saw him.

Did you ever meet Mr. Elkins?

Mr. MIKESELL. No, sir. I had never met Mr. Elkins.

Senator MUNDT. Is your office in Washington in the same building as Mr. Brewster's office?

Mr. MIKESELL. No, sir. I am in Vancouver, Wash. He is in Seattle.

Senator MUNDT. I thought that was your home. But your business address is also Vancouver?

Mr. MIKESELL. Yes, sir; that is correct.

Senator MUNDT. So somebody visiting back and forth in Brewster's office would, of course, not come to your attention?

Mr. MIKESELL. No, sir.



Senator MUNDT. I was under the impression you lived in Vancouver but worked in Seattle.

Mr. MIKESELL. No, sir.

The CHAIRMAN. The Chair wishes to ask you 1 or 2 questions, which I think might be very important.

I am reading from a report of the staff, one of the investigators, and I just wanted to determine about the accuracy of it. In our efforts of trying to get the facts here, we run into so many difficulties in getting answers and getting the facts because they do not remember or something else, so I want to get this straight one way or the other from your testimony.

I will read part of this report. It is King's report for the period ending July 31, 1956, and December 31, 1956. I will ask you if you know who King is and what his reports are. Is he connected with the labor council out there, the joint council? King is your auditor, I believe.

Mr. MIKESELL. Yes. He is with a firm of accountants.

The CHAIRMAN. That is what I asked you.

King's reports for the periods of July 31, 1956, and December 31, 1956, mentioned a loan from the Citizens Branch of the United States National Bank to joint council 37 in the amount of \$20,000. This money was not deposited in the regular bank account, but was set up on an account designated as "special fund," and was not run through the regular records of cash receipts.

Did that \$20,000, to your knowledge, go into the special fund about which you have been testifying, and not through the general fund?

Mr. MIKESELL. That is correct, sir.

The CHAIRMAN (reading):

Disbursements from this bank account were not entered in the regular records of cash disbursements.

That is this record here, is it [indicating]? The special fund was not carried in this record.

Mr. MIKESELL. That is right.

The CHAIRMAN. That much is correct.

Now:

The executive board of joint council 37 did approve this loan and authorized the proceeds to be set up in a "special fund," disbursements from which were to be made on checks signed by Clyde C. Crosby and Anthony Vavrous.

Is that correct?

Mr. MIKESELL. That is correct.

The CHAIRMAN. This is what I want to know, and if you have the records to prove it I want to get those records.

This says, according to the investigators, what they learned:

Neither Crosby nor Vavrous was an officer of joint council 37 at that time although Vavrous does hold the position of statistician..

Now, were these officers of joint council 37 from July 31, 1956, to December 31, 1956?

Mr. MIKESELL. Clyde Crosby is recording secretary of joint council 37, and a member of the executive board.

The CHAIRMAN. How long has he been such? I am not saying it is true or not, but I just want to get the record straight.

Mr. MIKESELL. He was elected as recording secretary when he was secretary-treasurer of local 162, the largest local in the joint council.

The CHAIRMAN. Give me a time. How long ago? I am trying to get this covered.

Mr. MIKESELL. I think he was elected in 1953.

The CHAIRMAN. You think he was elected in 1953. Then if he was elected in 1953, and he continued to hold office, this would be an error, that Crosby was not an officer. He would be an officer at that time and, therefore, authority was delegated on this loan of the special fund, for Crosby, as an officer of joint council 37, to sign the checks on the special fund?

Mr. MIKESELL. As a member of the executive board.

The CHAIRMAN. So he does have the authority to sign these special fund checks?

Mr. MIKESELL. He does, because he has been delegated that authority.

The CHAIRMAN. He has been delegated that authority by joint council 37?

Mr. MIKESELL. Right.

The CHAIRMAN. What position does Mr. Vavrous hold? What official position?

Mr. MIKESELL. Mr. Vavrous is statistician and research director.

The CHAIRMAN. Is that an office?

Mr. MIKESELL. Not an elective office. He is an employee.

The CHAIRMAN. It is not an elective office, but he is an employee?

Mr. MIKESELL. Yes.

The CHAIRMAN. So you had Mr. Crosby and an employee signing the checks on the special fund.

Senator MUNDT. Who would be the appointing officer of Mr. Vavrous?

Mr. MIKESELL. I beg your pardon?

Senator MUNDT. Who appointed your statistician, Mr. Vavrous?

Mr. MIKESELL. The statistician was appointed by the executive board and concurred in by the joint council in a regular meeting.

Senator MUNDT. Who would nominate him to the board?

Mr. MIKESELL. Mr. Vavrous is not a member of the board.

Senator MUNDT. No, but you said he was appointed by the board, so somebody had to bring his name before the board. I say who nominated him for the position?

Mr. MIKESELL. I believe Mr. Ward Graham, who was at that time secretary-treasurer of the Joint Council. That was prior to 1954. I think he brought his name in. He used to be employed by the war—no, by the Wage Stabilization Board.

Senator MUNDT. With the Government?

Mr. MIKESELL. Yes.

Senator MUNDT. So he was appointed or nominated for appointment by your predecessor as secretary-treasurer?

Mr. MIKESELL. By our then secretary-treasurer.

Senator MUNDT. And who was your immediate predecessor?

Mr. MIKESELL. I was president at that time, but I was later, upon his resignation, I became secretary-treasurer.

Senator McNAMARA. Mr. Chairman?

The CHAIRMAN. Senator McNamara.

Senator McNAMARA. I would like to ask a question in connection with this \$20,000 loan. Do you know who negotiated it? Who went to the bank?

Mr. MIKESELL. Yes, sir. Mr. Mike Steele and myself.

Senator McNAMARA. What security did you have for it? What was put up in security for the \$20,00 at the bank?

Mr. MIKESELL. Just the good name of the Joint Council.

Senator McNAMARA. Nothing for security except the name of the Joint Council?

Mr. MIKESELL. No, sir.

Senator McNAMARA. In other words, the fund of the Joint Council was the security for the \$20,000 loan?

Mr. MIKESELL. There was no guarantee except the signing of a note.

Senator McNAMARA. Was this a personal transaction rather than a union transaction?

Mr. MIKESELL. No, sir.

Senator McNAMARA. When you say it was just a guarantee, that the signing of the note was a guarantee, does that mean that the people who signed the note guaranteed the \$20,000 and not the union?

Mr. MIKESELL. We did. Of course we rendered a financial statement. We also furnished—I don't know what you would call it. It was a contract of payment, I guess, besides the note, and more or less of a statement of assets and liabilities. But it was negotiated between the bank and the Joint Council.

Senator McNAMARA. And the funds of the Joint Council were pledged in payment, in your estimation?

Mr. MIKESELL. Right.

The CHAIRMAN. Mr. Kennedy?

Mr. KENNEDY. Mr. Chairman, I just talked to Mr. Mike Steele on the telephone, and he stated that he had never heard of Mr. Tanner doing any work for the Teamsters or the Joint Council, that he had no knowledge that he was retained, and that he was very surprised to hear that there was a check to him.

I talked to Miss Noack, also, the secretary, and she said that when she looked through the correspondence file, she said there was no correspondence file dealing with this subject, that she had received instructions from someone, and she doesn't remember whom, to make a check out for \$5,000 to Mr. Tanner. But she does not know anything more about it than that.

Mr. Steele, to go back to him—

The CHAIRMAN. Who is Mr. Steele?

Mr. KENNEDY. President of the Joint Council.

Senator MUNDT. And the man who countersigns the checks with Mr. Mikesell.

Mr. MIKESELL. Correct.

Mr. KENNEDY. He says he has no knowledge of any work that Mr. Tanner did for the joint council or for the teamsters. He never saw him around the building doing any work for the teamsters. He has no information as to why he was retained. Miss Noack just merely says she remembers the name and remembers somebody instructing her to write out a check for \$5,000; that it could have been Mr. Mikesell, it could have been Mr. Mike Steele, or it could have been Mr. Clyde Crosby, or possibly other members of the board, but she doesn't have any further information on that.

The CHAIRMAN. Does the committee think it is necessary that they be subpoenaed and bring them in here and have them testify to it? I think in view of that—

Senator MUNDT. I would say, Mr. Chairman, I do not know how to answer that question as a member of the United States Senate. But if I were a teamster paying dues to the union, I would certainly favor a subpoena to know what was happening to my money.

The CHAIRMAN. The point is the Chair is trying to operate as economically as we can. If there is any question about it, if the witness questions the report we have in anyway, I would like him to question it now, to make any statement to question it if he desires to do so.

Senator MUNDT. I think that is a good idea.

Have you any reason to believe that Mr. Mike Steele is not telling our counsel the truth on the telephone?

Mr. MIKESELL. Do you mean Mike Steele?

Senator MUNDT. Yes.

Mr. MIKESELL. No, sir, I do not.

Senator MUNDT. You are willing to accept what he told us?

Mr. MIKESELL. I haven't anything definite that I can say at all on it, except insofar as our legal technicalities have been involved in the past. I think we paid out in the year of 1956 about \$21,000 or more in attorney fees. Attorney fees have been quite a considerable—

Senator MUNDT. Name one of these other attorneys. Mr. Morse, you said.

Mr. MIKESELL. Dick Morse.

Senator MUNDT. Who employed him?

Mr. MIKESELL. He was employed by the joint council in a certain phase of one of our—

Senator MUNDT. At a meeting of the joint council, you discussed it and selected him, right?

Mr. MIKESELL. No, he was drawn into it by a Government agency.

Senator MUNDT. By whom?

Mr. MIKESELL. By a Government agency. He represented certain people who were involved in litigation in which we were one of the participants. Dick Morse—

Senator MUNDT. If he was representing a Government agency, you would not be paying the money, surely.

Mr. MIKESELL. The NLRB, the National Labor Relations Board.

Senator MUNDT. Let me get that straight. He was representing them, working for them?

Mr. MIKESELL. No, sir.

Senator MUNDT. And you were paying him? That does not make sense. Start again. You left the wrong impression in my mind, certainly.

Mr. MIKESELL. He was representing the security office, which is in the same building with the Joint Council. The security office handles all health and welfare funds for all of the members coming under Joint Council No. 37. Consequently, this suit was brought jointly against the security office and the Joint Council.

We had our attorney, and Mr. Dick Morse, and one of the trustees of the security office, representing a large segment of employers who contributed to the health and welfare and went through the office, was chosen by the trustees to represent the security office.

Senator MUNDT. Very well. Name another attorney to whom they paid money at this time.

Mr. MIKESELL. We also paid money to Jim Landye who at that time was alive.

Senator MUNDT. How was he employed?

Mr. MIKESELL. And to Cliff O'Brien.

Senator MUNDT. Tell us how Mr. Jim Landye was employed. Who selected him?

Mr. MIKESELL. Jim Landye was the regular attorney.

Senator MUNDT. You paid additional money to Jim Landye. Jim Landye was at that time the regular attorney for the Teamsters, and you may have paid him a little extra because he was doing some extra work?

Mr. MIKESELL. Right.

Senator MUNDT. You mentioned a Landye. What was his work?

Mr. MIKESELL. Landye was associated with a law firm. I believe the name of the firm was Anderson, Franklyn and Landye. On his death, Mr. O'Brien became associated with the firm, and he was the attorney then who represented us.

Senator MUNDT. Can you name any other attorney to whom you paid money during this period of litigation, of troubles, that you had?

Mr. MIKESELL. No. I think the most of it went through—

Senator MUNDT. Those three fellows?

Mr. MIKESELL. The office, yes.

Senator MUNDT. You see, this is a peculiar situation. You know exactly how you happened to employ Mr. Landye, and so do we. You know exactly how you happened to employ Mr. O'Brien, and so do we. You know exactly how you happened to employ Mr. Morse, and so do we. It is all very possible, all very logical, all very proper. But just nobody knows how you happened to employ Mr. Tanner and give him \$5,000, except evidence shows that he is the attorney to Mr. Langley, who has been many times indicted. The evidence throughout this testimony links together Mr. Langley, the Teamster officials, Tom Maloney, Mr. McLaughlin. We have a very important link now in the form of a \$5,000 check which shows up in your books, that you paid to this man, very conclusive evidence that you were paying him, in my opinion, for something improper.

I am trying to get you to refresh your memory by asking you these other questions as to why in the world you paid \$5,000 to Mr. Tanner. Your associate who countersigned the check says he never heard of him, knew nothing about it, and he never did any work that he knows about.

You tell us exactly the same thing. You led me to believe, as a matter of fact, that probably you had signed the check in blank, and Mr. Mike Steel had written in the name and countersigned it, in accordance with the way you have handled certain checks.

But we have nothing in the records indicating any legitimate reason at all why Mr. Langley's attorney should be subsidized to the extent of \$5,000, paid out by the Teamsters Union.

Mr. MIKESELL. Well, Senator, as I said before, litigation which I went into specifically doesn't, by any means, cover the litigation in which members and employees of our joint council are involved in in the city of Portland. It is unfortunate, but that is true. The grand jury hearings, indictments, and other things which have been rendered against our people—

Senator MUNDT. Because of involvements with Mr. Langley, right?

Mr. MIKESELL. Because of so-called actions of which they are not guilty.

Senator MUNDT. I did not say they were guilty. I said there were involvements with Mr. Langley.

Mr. MIKESELL. I know, I say that advisedly, I say that with all my heart.

In my opinion, this Mr. Tanner is probably in some connection in the defense of those suits.

Senator MUNDT. I think that is right, including Mr. Langley.

Mr. MIKESELL. Money means nothing where men's good names are at stake. There are a lot of good names being dragged through the mud on this thing.

Senator MUNDT. Why would the Teamsters be interested in protecting the good name of Mr. Langley? That is what I cannot understand.

Mr. MIKESELL. I don't think Mr. Tanner is employed by the joint council to defend Mr. Langley. I think he is, if he is employed, I think he is employed by the joint council to defend our own people.

Senator MUNDT. Which ones?

Mr. MIKESELL. That I don't know.

Senator MUNDT. Do you know any place you could get any more specific information about this check?

Mr. MIKESELL. I don't know any—

Senator MUNDT. You suggested Miss Noack, and we got her on the phone quickly. You suggested we contact Mr. Mike Steel, and we got him on the phone immediately. All we got was a couple of goose eggs, as far as information was concerned. It was of no help.

We are simply trying to find the facts. We have listened to this evidence for weeks. Here comes a very important link in the chain, and you give us no help at all.

(At this point, Senator McNamara withdrew from the hearing room.)

The CHAIRMAN. I want to ask you just one question. I think maybe you have been asked this.

Did you give instructions to this girl to write this check to Mr. Tanner?

Mr. MIKESELL. I certainly signed it.

The CHAIRMAN. Did you give her instructions to write the check? She said someone told her to make out a check to Mr. Tanner. Did you give her those instructions?

Mr. MIKESELL. I don't remember, Senator. I don't remember the transaction. That sounds silly, too, but I don't remember the check being made out.

The CHAIRMAN. You could have done so?

Mr. MIKESELL. I could have done so.

The CHAIRMAN. In your position of responsibility, a check of that size, would you not have some information about—when was it issued?

Mr. KENNEDY. August 1956.

The CHAIRMAN. In August 1956, about 7 or 8 months ago. Would not you be able to remember writing a check or some circumstance that caused you to direct that a check be written for your signature,

to pay out \$5,000 of the union money to an attorney that had not been previously employed?

Mr. MIKESELL. It looks that I would, yes.

The CHAIRMAN. It certainly does.

Senator MUNDT. It not only looks like you would, but do you not really think in your heart that you would? Do you not think that if you had given those instructions, you would remember?

Mr. MIKESELL. Not necessarily.

Senator MUNDT. How many checks a month for \$5,000 do you sign?

Mr. MIKESELL. Not very many.

Senator MUNDT. How many would you say you signed in 6 months? The books do not disclose very many. According to the books there are not very many.

Mr. MIKESELL. That is right.

Senator MUNDT. So if you signed a check for \$5,000 for a man that you did not know, whose services you could not understand, if you had told the girl "Make out a check to Mr. Tanner for \$5,000", you certainly would remember that you told her to write that check, would you not?

Mr. MIKESELL. It looks like it.

Senator MUNDT. I think so.

Senator GOLDWATER. Mr. Chairman.

Senator MUNDT. I am not accusing you of having instructed her, but I am simply pointing out that to me it is unthinkable that you could have been the man giving the instructions and then telling us that you could not remember, when probably it is the only \$5,000 check you signed since that date.

Senator GOLDWATER. Mr. Chairman, I think Senator Mundt is making a very good point, but before we recess for lunch, I think we are overlooking another point in that same direction.

Senator Mundt, the \$3,000 check that was written from the special fund on the 21st of August to the regular attorney Clifford O'Brien, this is just about the time that Mr. Crosby's case was expunged from the records of Arizona. I think it might prove very interesting to find out why the regular attorney for this council was paid an extra sum of money out of a special account over which Mr. Crosby has control at about the time his name was cleared in the State of Arizona.

I think it is important to know because if it is true that Mr. O'Brien was paid for services rendered to Mr. Crosby, then it is highly improper that the union or any union concern itself with a record of a man that is some 20 years old, and suddenly try to help that man get that record expunged.

I think it is something that we should go into more thoroughly.

It seems highly irregular to me that a regularly hired attorney should be paid an extra amount of \$3,000 out of a fund over which you have no control but over which Mr. Crosby evidently has full control, at about the same time that services were rendered in the State of Arizona.

Mr. KENNEDY. Senator, I might also add that that is on the same day as this \$5,000 check was dated.

Senator GOLDWATER. I did not realize that. That makes it \$8,000.

The CHAIRMAN. Are there any further questions?

Senator MUNDT. I suggest we recess for lunch. I have some more questions.

The CHAIRMAN. We will stand in recess until 2 o'clock.

(Whereupon, at 12:35 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

(Members present at the taking of the recess: The chairman, Senators Kennedy, Mundt, and Goldwater.)

#### AFTERNOON SESSION

(The hearing resumed at 2 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, Mundt, and Goldwater.)

The CHAIRMAN. Mr. Chief Counsel, will you call your first witness?

Mr. KENNEDY. Mr. Calabrese, please.

#### TESTIMONY OF ALPHONSE F. CALABRESE—Resumed

Mr. KENNEDY. I thought it might be well to sort of summarize the bills that we have found in this pertinent period to have been paid for by the teamsters. We put some of them in the record and we did not have time to put some further ones in the record when we met the last time.

The CHAIRMAN. Come around, Mr. Calabrese. You have been sworn?

Mr. CALABRESE. Yes, I have.

The CHAIRMAN. You have previously been sworn to testify before this committee in this current investigation?

Mr. CALABRESE. I have.

The CHAIRMAN. All right, you will remain under the same oath.

Mr. KENNEDY. Mr. Calabrese, you have already put in the record the fact that when Mr. Maloney registered at certain hotels, both in Seattle and in Portland, he registered as an organizer for the teamsters, is that right?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. And that he had his bills sent to the teamsters headquarters?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Now, for instance, we put in the record already about the Olympic Hotel in San Francisco, where Mr. Maloney stayed from November 5 to 9, 1954. That bill was paid by the teamsters.

Mr. CALABRESE. That is correct, Western Conference of Teamsters.

Mr. KENNEDY. That was \$21.20, is that right?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. That check was signed by Frank Brewster and John Sweeney?

Mr. CALABRESE. Right.

Mr. KENNEDY. Then, the Olympic Hotel in Seattle, November 26 to 30, 1954, that was a bill for \$35.86 and that was paid for by the Western Conference of Teamsters?

Mr. CALABRESE. That's correct.

Mr. KENNEDY. And then the Hotel Multnomah, from December 6 to 11, 1954, that was paid for by the teamsters, is that right?



Mr. CALABRESE. That was paid originally by the joint council No. 37.

Mr. KENNEDY. And then the Olympic Hotel, Seattle, December 11 to 13, 1954, \$27.40 was paid by the teamsters?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. The Western Conference of Teamsters?

Mr. CALABRESE. Yes, sir.

Mr. KENNEDY. And the Olympic Hotel, Seattle, December 17 to 19, 1954, \$28.86, that was paid for by the teamsters?

Mr. CALABRESE. Yes, sir, and I might say, Mr. Kennedy, that that record has not been inserted yet. We have it here.

The CHAIRMAN. The Chair will be absent for a little while, and the vice chairman, Senator Ives, will take the chair.

Mr. CALABRESE. We have a registration, photostatic copy of a registration card for Tom Maloney, 3711 East Second Street, Spokane, Wash., at the Olympic Hotel in Seattle, Wash. The registration date is December 17, 1954.

Mr. KENNEDY. Could we have that made an exhibit?

Senator IVES. It is made exhibit No. 50 (The document referred to was marked "Exhibit No. 50" for reference and will be found in the appendix on pp. 1077-1080.)

Mr. CALABRESE. He stayed 2 days and we have a billing to the Western Conference of Teamsters for the amount of \$28.86.

Mr. KENNEDY. And the Olympic Hotel, January 3 to 6, 1955, for \$44.17, is that right?

Mr. CALABRESE. That is right.

Mr. KENNEDY. That was also paid by the Western Conference of Teamsters?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Signed by John Sweeney and Frank Brewster?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. And the joint council 37 paid the Hotel Multnomah in Portland, Oreg., from January 6 to February 2, 1955, \$241. 50, is that right?

Mr. CALABRESE. That is correct. Incidentally, three items previously, December 6 to 11, 1954, stayed at the Hotel Multnomah, they stated it was paid by the joint council No. 37, and I stand corrected. It was the Western Conference of Teamsters, as you had already outlined.

Mr. KENNEDY. It was the Western Conference of Teamsters?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. That \$241 was paid for by the joint council 37?

Mr. CALABRESE. That is right.

Mr. KENNEDY. That was for the bills of Tom Maloney and Joe McLaughlin?

Mr. CALABRESE. Tom Maloney.

Mr. KENNEDY. And then the Western Conference of Teamsters paid the Olympic Hotel in Seattle, February 22 to 24, 1955, \$17.32, is that right?

Mr. CALABRESE. That is correct.

Senator IVES. Mr. Cheasty is going to ask the witness a question.

Mr. CHEASTY. Did the Western Conference of Teamsters pay a bill from April 13 to 16, 1955 for Tom Maloney, for quarters at the Olympic Hotel in Seattle amounting to \$29.13?

Mr. CALABRESE. That is correct.

Mr. CHEASTY. Did the same conference of teamsters pay a bill for the same man at the Hotel Benjamin Franklin, from December 16 to 20, 1955, amounting to \$33.73?

Mr. CALABRESE. The records that were turned over by Mr. Mikesell, which we spoke of this morning, reflect that this hotel bill was paid by the Joint Council of Teamsters No. 37, at Portland, in the sum of \$33.73, that is correct. I would like to introduce a photostatic copy of that ledger indicating that expenditure.

Senator IVES. It will be exhibit No. 51.

(The document referred to was marked "Exhibit No. 51" for reference and will be found in the appendix, foldin facing p. 1080.)

Mr. CHEASTY. Did the Western Conference of Teamsters pay a bill to Northwest Airlines for transportation for Tom Maloney on December 18, 1955, in the sum of \$18.87?

Mr. CALABRESE. That is correct.

Mr. CHEASTY. And a similar bill to the United Airlines on November 3, 1955, amounting to \$31.35?

Mr. CALABRESE. That is correct.

Mr. CHEASTY. Also, to the United Airlines on December 9, 1955, amounting to \$31.35 for the same Thomas Maloney?

Mr. CALABRESE. That is correct. That expenditure has not been introduced as yet and I have here before me a photostatic copy of an air travel card request which was signed by Marjorie Pearson, Western Conference of Teamsters Card No. U-Q13110W57104.

Senator IVES. Do you want to enter that as an exhibit? It will be Exhibit No. 52.

(The document referred to was marked "Exhibit No. 52" for reference and will be found in the appendix on pp. 1081 and 1082.)

Senator IVES. Proceed.

Mr. CHEASTY. Do you have any exhibits covering telephone bills at the Park Plaza, Portland Towers, and King Towers, Inc., at which Mr. Maloney received and McLaughlin sometimes received?

Mr. CALABRESE. I do.

Mr. CHEASTY. Do you have the bills as follows: March, 1955, for \$67.80?

Mr. CALABRESE. I believe those figures come from the records that Mr. Mikesell turned over to us this morning. I have here the accounting stubs from the telephone company of Portland, Oreg., showing the billings to Tom Maloney, care of the Teamsters Building Association, 1020 Northeast Third Avenue.

Now, these billings date from February of 1955 through October 17, 1955. In most instances they correspond with the expenditures as were shown in the cash expenditure book of the Joint Council No. 37 which they turned over to us.

Senator IVES. Do you want those entered as Exhibit 53? It is so ordered.

(The documents referred to were marked Exhibit No. 53 for reference and will be found in the appendix on pp. 1083-1085.)

Mr. CHEASTY. Would you read them, please. Would you show the amounts?

Mr. CALABRESE. The billing dates are as follows: February 26, 1955, to telephone AT-0592, \$67.80. March 26, 1955, to the same number, \$93.01.

April 26, 1955 to AT-4551, \$93.01. May 26, 1955, AT-4551, \$152.25. June 26, 1955, to same telephone number, \$244.64.

Mr. CHEASTY. Would you read the amounts on the rest, please?

Mr. CALABRESE. July 26, \$69.04; August 17, 1955, \$120.35; September 17, 1955, \$77.55. The final one is October 17, 1955, to telephone CApitol 8-1707, \$53.52.

Mr. CHEASTY. Did you see any Joint Council of Teamsters cash book covering similar bills?

Mr. CALABRESE. Yes, I did.

Mr. CHEASTY. Did you find entries paying these bills in the Joint Council of Teamsters cash book?

Mr. CALABRESE. The cash expenditure book indicated certain expenditures for these telephone bills.

Mr. CHEASTY. Do you have a record of those expenditures there before you?

Mr. CALABRESE. Yes, sir.

Mr. CHEASTY. Would you read them to the committee, please?

Mr. CALABRESE. March, 1955 shows an expenditure of \$67.80. April of 1955, \$95.58. May of 1955, \$36.03. June of 1955, \$152.02. July 1955, \$92.10. August of 1955, \$69.04.

September of 1955, \$51.31. October of 1955, \$53.52. And the final entry on December of 1955, \$11.05, on a total of \$707.

Mr. CHEASTY. These were sums paid by the Joint Teamsters Council?

Mr. CALABRESE. These are sums that were paid by the Joint Council of Teamsters, No. 37.

Mr. CHEASTY. Did you find any books or records showing payments for McLaughlin for airplane travel under the date of May 16, 1955?

(At this point in the proceedings, Senator Ervin entered the hearing room.)

Mr. CALABRESE. We introduced records that Mr. O'Connell, business agent for Joint Council No. 37 used his air travel card, that is the card issued to him by Joint Council of Teamsters No. 37 for airplane travel, for Joseph McLaughlin, from Portland to San Francisco and back on May 16 and May 17, 1955.

Mr. CHEASTY. For how much money?

Mr. CALABRESE. A total of \$73.48.

Mr. CHEASTY. And in respect to William Langley, did you find any?

Mr. CALABRESE. No.

Senator MUNDT. That total for Maloney is how much?

Mr. CALABRESE. Senator, that total was with regard to the telephone bills in the apartments used by both Maloney and McLaughlin.

Senator MUNDT. You gave a total there a minute ago.

Mr. CALABRESE. Yes.

Senator MUNDT. That was a total of telephone bills?

Mr. CALABRESE. Yes, sir.

Senator MUNDT. For Maloney and McLaughlin both?

Mr. CALABRESE. That is correct. There is no way of telling which is which.

Senator MUNDT. Have you the total of the hotel bill separately?

Mr. CALABRESE. I do not have a résumé of that, Senator.

Senator MUNDT. You do not know how much that was?

Mr. CALABRESE. I would estimate about \$500 or \$600; that is a rough estimate.

Senator MUNDT. That was all Maloney?

Mr. CALABRESE. That is all Maloney, yes.

Senator IVES. Are there any further questions?

Mr. CHEASTY. Do you have any further information?

Mr. CALABRESE. With regard to the telephone information we do. We subpoenaed the toll call slips made from Maloney's apartment and McLaughlin's apartment at the Kings Towers, Capital 8-1707, and those that were available indicate, and there are some 12 calls made, two were made on October 18, 1955 to the Western Conference of Teamsters, 551 John Street, in Seattle.

One was made on October 24, to Seattle number Main 0027 and it is believed this number is the number assigned to Battersby and Smith, that is McLaughlin's restaurant, 906 First Avenue.

There were four calls made on October 24, October 25, October 30 and October 31 to Seattle number Minor 3037, which is J. P. McLaughlin's telephone number at 1903 Crescent Drive. And there are four calls, one on October 18, one on October 21, one on October 23, and one on October 28 to a Spokane, Wash., number, Keystone 7116, which is the telephone for Thomas Maloney at East 3711 Spokane.

Mr. CHEASTY. Do you have any further information you want to present at this time?

Mr. CALABRESE. That is all, sir.

Senator IVES. You are excused.

These last records will be made exhibit 54. It is so ordered.

(The documents referred to were marked Exhibit No. 54 for reference, and will be found in the appendix on pp. 1086-1088.)

Senator IVES. Mr. Mikesell, will you take the stand again, please?

#### TESTIMONY OF REGINALD R. MIKESSELL, ACCOMPANIED BY HIS COUNSEL, WARREN E. MAGEE—Resumed

Senator IVES. You have already been sworn, I believe?

Mr. MIKESSELL. Yes, sir.

Senator IVES. All right, please sit down. Senator Mundt has some questions to ask you.

Senator MUNDT. Mr. Mikesell, when we recessed at noon, you had just responded to a question asked by Senator Goldwater concerning a check of \$3,000 drawn in favor of Mr. O'Brien whom you identified as the regular attorney for the teamsters union following the death or resignation or something of a James Landye, who had preceded him in that capacity, is that right?

Mr. MIKESSELL. Correct.

Senator MUNDT. Do you remember signing that check for \$3,000 to Mr. O'Brien?

Mr. MIKESSELL. May I address some remarks to the Chairman? I have some pertinent information which I have obtained during the recess.

Senator IVES. Wait a minute, Mr. Mikesell. Is this in connection with a reply or response to the question raised by Senator Mundt?

Mr. MIKESSELL. Yes, this particular check and also the \$5,000 check.

Senator IVES. If Senator Mundt has no objection, the Chair has no objection.

Senator MUNDT. I want to get an answer to the question, first. I have no objection to getting the information. But do you remember signing the check?

Mr. MIKESELL. No, sir; I did not sign the check; the \$3,000 check, I believe, was written from the special fund.

Senator MUNDT. Not the funds over which you have custody?

Mr. MIKESELL. That's right.

Senator MUNDT. Tell us first of all then, from whom you got the information over the noon hour.

Mr. MIKESELL. From Mr. Crosby.

Senator MUNDT. From Mr. Crosby?

Mr. MIKESELL. Yes, sir.

Senator MUNDT. I think the committee would be interested in hearing what Mr. Crosby said to you and if you want to tell the committee.

Mr. MIKESELL. These two checks, Mr. Crosby has the full information in regard to them and will be very glad to transmit that information to the committee.

Now, the check was used for purposes of transmittal of funds for union purposes. I am sure that he can satisfy the committee as to the fully legitimate use of the funds transmitted by those checks.

Senator MUNDT. I think on those questions, we should ask Mr. Crosby rather than get it from you secondhand. We will ask him about those checks.

Let me ask you a little more about the O'Brien check. Was Mr. O'Brien the lawyer who represented Mr. Crosby in his proceedings before the judge in Arizona?

Mr. MIKESELL. That I am not in a position to make a statement on, Senator. I don't know anything of the particulars and I was not there, and I was not involved. Who the attorney was, I don't know.

Senator MUNDT. What arrangements did you have with Mr. O'Brien as the official attorney for the teamsters? Was he on a monthly retainer or was he on a salary, or did you pay him for services rendered when he submitted a bill, or what was his status as your regular union attorney?

Mr. MIKESELL. He was on a very, very nominal retainer, but the firm did submit bills for services rendered.

Senator MUNDT. In other words, he was not a full-time salaried lawyer.

Mr. MIKESELL. He has been full time practically the last 2 years or in the last—since he has been working on this.

Senator MUNDT. I will rephrase the question. He was not employed on a full-time salary?

Mr. MIKESELL. No; that is correct.

Senator MUNDT. To work exclusively for the teamsters union.

Mr. MIKESELL. There was never any arrangement of that kind made.

Senator MUNDT. So that he was paid in accordance with bills which he submitted to you?

Mr. MIKESELL. That is correct.

Senator IVES. Is that all? Are there any further questions?

Senator GOLDWATER. He was paid on a monthly basis, as you say, paid for services rendered? What service did he give for that \$3,000?

Mr. MIKESELL. Well, that I couldn't say, sir. The bill that the firm carried evidently after Mr. Landye's death, we were several months in paying it off. That, of course, the estate of Jim Landye,

who was one of the three partners, was involved in that particular part of the accounts which were being paid into the firm.

Now, what the arrangements were, I don't know. Whether Mr. O'Brien's bill to us was figured separately, I don't know, but I do know that Mr. Landye's estate figured considerably in the back debt which we owed to the firm when he died.

Senator GOLDWATER. You think it is rather an unusual coincidence that on the same day in August there was \$8,000 paid out for attorneys' fees?

Mr. MIKESELL. I think that Mr. Crosby can give you the information, Senator, in regard to that.

Senator GOLDWATER. But you signed one of those checks, and you signed the \$5,000 check.

Mr. MIKESELL. Yes, sir; I did.

Senator GOLDWATER. Do you remember what it was for? I have been looking through this book and the largest checks I can find so far are around \$2,000 or \$2,100. Certainly, you can remember a \$5,000 check?

(The witness consulted with his counsel.)

Mr. MIKESELL. I don't like to start the explanation which I received, Senator. I don't feel that I am qualified to give you the full information on it. However, I can explain the reason that signing the check made so little impression on me.

Senator GOLDWATER. We will not question you necessarily about the \$3,000 check because you have admitted that you have no control over that fund and Mr. Crosby is the man that runs that fund and he can tell us what the \$3,000 was for.

But you run the general fund, and you wrote a check for \$5,000 for legal services to Mr. O'Brien. All we want to know is, what did he do for that \$5,000? We do not want a long explanation about it; what did you pay him for and what did he do to earn that \$5,000.

Mr. MIKESELL. That is what I was referring to when I said that.

Senator GOLDWATER. Can you tell us?

Mr. MIKESELL. The explanation can be made so much easier and so much more completely by Mr. Crosby.

Senator GOLDWATER. What does Mr. Crosby know about the general fund? He is not the treasurer of the council.

Mr. MIKESELL. Actually, Senator, as I have found out and my memory has been refreshed, and not fully, so I am not in a position to give you full information in regard to it, but there was a check came in for \$5,000 from the western conference of Teamsters and it does appear on the book, and I have checked it myself, and it came in on the 20th and this check was written on the 21st, and it is simply an in-and-out deal. We ran it through the general fund and drew a \$5,000 check.

Senator GOLDWATER. That was just last August, and that is a very few months ago. If this had happened 2 or 3 years ago there might be some reason to believe that a \$5,000 check did not ring a bell in your memory.

But back last August, certainly you can remember what services this attorney did for the council that caused you to pay him \$5,000. That is not a little amount of money.

Mr. MIKESELL. It isn't a small amount of money, but the money came into the joint council from the western conference of teamsters

apparently specifically for the purpose of being transmitted to Tanner.

It was transmitted to Tanner by a check from the joint council on the following day, and I signed it.

Senator GOLDWATER. Now, we are getting some place. Did you not ask the western conference what this was for?

Mr. MIKESELL. That, Senator, is one of the reasons I am not prepared to follow through on this particular phase. I would much rather that you would take it up with Mr. Crosby when he is on the stand and he can give you the full information in regard to it.

Senator GOLDWATER. How often do you write checks, just being the go-between, between the western conference and others?

Mr. MIKESELL. It doesn't happen very often.

Senator GOLDWATER. Does it not give you something to worry about, do you not want to know what you are doing when you sign these checks? That is buying an awful pig in a poke for \$5,000 when you do not know what it is for.

Mr. MIKESELL. Actually, when the money comes into the general fund, and it is paid directly out of the general fund, it balances.

Senator GOLDWATER. I am not arguing about that, I am not worried about getting these books in balance. That is not any difficult job, if you have a pen and an eraser it can be done. But what I am getting at is this:

You have signed a check for \$5,000 for attorney fees and the biggest attorney fee I have come across so far, starting at the beginning of this book, and I am about halfway through, is \$2,000. That seems to be a fairly constant amount that you pay some of these attorneys.

But all of a sudden a check comes to you for \$5,000 and you did not bother questioning what it was for. Did you even ask who the man was, and did you know the name?

Mr. MIKESELL. Because as I said, Senator, the check came into the joint council from the western conference specifically for the purpose of being transmitted through the joint council. We wrote the check and transmitted it to the proper individual or firm.

Senator GOLDWATER. Why did you not just endorse it over? That would have been a lot easier and saved you some bookkeeping.

Mr. MIKESELL. It could have been done.

Senator GOLDWATER. Were you told specifically to do it that way by the western conference?

Mr. MIKESELL. However, I have never known of any case where a check comes into the joint council, that it isn't deposited in the bank and a check written and in that way we have a complete account.

Senator GOLDWATER. You say on this witness stand under oath that you have no idea what the services were in connection with that \$5,000 fee?

Mr. MIKESELL. I have no idea, but my idea is not as complete or not as authentic—

Senator GOLDWATER. Can we have your idea, as incomplete as it is, because it will give us something to work on when we get somebody who knows a little more about it.

Senator MUNDT. Is this your idea or is this the idea that you got from Mr. Crosby during the noon hour?

Mr. MIKESELL. No, this is my idea.

Senator MUNDT. You did not have any idea up until 12 o'clock and I tried very hard to get your idea at that time.

Mr. MIKESELL. I told the committee this morning, Senator, that in my opinion this money was paid out to this attorney in connection with the indictments which were outstanding against various Joint Council people in the city of Portland.

Senator MUNDT. You said that this morning and is that the same idea that you have now?

Mr. MIKESELL. The same idea I have now.

Senator GOLDWATER. Were those people all members of the Teamsters Union?

Mr. MIKESELL. Oh, yes.

Senator GOLDWATER. Mr. Langley?

Mr. MIKESELL. This check, in my opinion, has no connection or no basis of fact in being connected in any way with Mr. Langley.

Senator MUNDT. How about Mr. Maloney? He also was indicted.

Mr. MIKESELL. No, it has no connection with Mr. Maloney.

Senator GOLDWATER. How about Mr. Crosby?

Mr. MIKESELL. Well, gentlemen, I am making some answers here that I don't know. Now, in my opinion, certainly Mr. Crosby.

Senator MUNDT. You are not sure about your answer about Maloney and Langley either, are you?

Mr. MIKESELL. In my opinion, Mr. Crosby would be included in any defense that was offered by a law firm whether they were paid by the Joint Council or paid independently.

Senator GOLDWATER. Would you think it would be justified to use some of that money to expunge the record of Arizona, so that Mr. Crosby might get out of an indictment against him in Portland?

Mr. MIKESELL. I don't know that that was done, sir.

Senator GOLDWATER. But the money was used, according to your idea, to aid in the defense of Mr. Crosby.

Mr. MIKESELL. I don't know whether it has been used at all. I don't know whether it was payment in advance or whether it was payment after services rendered, and it is the reason I am not in a position to make any statement under oath on this particular phase of our operations.

Senator IVES. Are there any further question?

Senator MUNDT. Could you give the committee a good reason, Mr. Mikesell, why if the Western Conference of Teamsters felt that they owed \$5,000 to Mr. Tanner, they should not make a check drawn out to Mr. Tanner to pay him instead of routing it through your office?

Mr. MIKESELL. I don't just understand the question.

Senator HUNDT. As I understood your testimony, you said this was an "in and out" transaction, that you got a check for \$5,000 from the Western Conference of Teamsters with instructions to make out a check to Mr. Tanner for a like amount of \$5,000.

Now, I say, if the Western Conference of Teamsters felt that they owed Mr. Tanner \$5,000, can you give this committee any good reason why they should not have made the check out to Mr. Tanner instead of running it through your office, the way it was handled?

(The witness consulted with his counsel.)

Senator MUNDT. You do not have to ask your attorney, he would not know. He is a smart fellow, but he was not there.

Mr. MAGEE. I do know, Senator, but I won't testify about it.

Mr. MIKESELL. I do not know why the Western Conference made the check to the joint council and why they asked us to write the



check from the joint council. I do know that the funds of the joint council were not depleted in any manner when the check was written.

Senator MUNDT. That I accept from your testimony, but it seems a curious way in which to pay a lawyer. Let me ask you, is this frequently done? Can you give us several other instances where you paid bills for the Western Conference by having them deposit the money in your account and you write checks and take it out again?

Mr. MIKESELL. I don't know that the joint council owed Mr. Tanner's firm and as I say, I never met Mr. Tanner until I arrived in Washington.

Senator MUNDT. You are not telling us that the Western Conference was just giving \$5,000 to Mr. Tanner for no reason at all?

Mr. MIKESELL. I don't know whether it was for services rendered or services anticipated.

Senator MUNDT. That is what the committee is trying to find out. Do you know of any other examples where the Western Conference has paid its bills by the device of depositing the money in your account and then having you write a check to take the money out again? Why is there this triangular system?

Mr. MIKESELL. Yes, it isn't an isolated case.

Senator MUNDT. Give us a couple of more examples.

Mr. MIKESELL. In instances we have borrowed money from the Western Conference of Teamsters.

Senator MUNDT. I am not talking about borrowing money. I am talking about paying bills that the Western Conference owed, and why they do not write the check to the man who has the money coming to him and why they route it through your office.

Mr. MIKESELL. Well, Senator, I don't know that they owed the money.

Senator MUNDT. They paid the money.

Mr. MIKESELL. They paid the money to us and we paid it.

Senator MUNDT. For services rendered or services anticipated.

Mr. MIKESELL. That's correct.

Senator MUNDT. Do you know of any other cases where the Western Conference paid people for services rendered or services anticipated by, first of all, depositing the money in your account and then having you write the check?

Mr. MIKESELL. I don't think just in that manner and such a quick transmittal.

Senator MUNDT. You cannot think of any others?

Mr. MIKESELL. No.

Senator MUNDT. So it was a bit unusual, was it?

Mr. MIKESELL. The Western Conference is our parent organization.

Senator MUNDT. That's right.

Mr. MIKESELL. They give us assistance.

Senator MUNDT. It is a little bit unusual to pay bills that way even so, is it not? This did not deplete your funds and it was not your transaction and it was apparently an obligation in which the Western Conference was interested.

Mr. MIKESELL. That's right.

Senator MUNDT. You can think of no other case where they ever used that particular device for paying their bills?

Mr. MIKESELL. Not in the same manner where the money was paid out immediately.

Senator MUNDT. Why do you suppose it was done this time?

Mr. MIKESELL. That I couldn't tell you.

Senator MUNDT. Give us an educated guess. You were closer to it than this committee was.

Mr. MIKESELL. I don't think that I have any. The answer will be forthcoming from Mr. Crosby, I am sure.

Senator MUNDT. Did you in your capacity as secretary-treasurer of the joint council take orders from Mr. Crosby and was he your superior officer?

Mr. MIKESELL. Mr. Crosby, as the organizer for the international assigned to the State of Oregon, in many ways would be my superior.

In other ways, he would not be my superior.

Senator MUNDT. Was he your superior in the rather important business of handling the money that belonged to the union?

Mr. MIKESELL. In a case such as this, transmittal from the western conference, Mr. Crosby would be the man who would handle the transaction, yes, sir.

Senator MUNDT. So when he told you to do it this way, you had no reason to question his authority.

Mr. MIKESELL. I had no reason to question it.

Senator IVES. Are there any further questions?

Mr. ADLERMAN. Mr. Mikesell, are you familiar with the constitution that guides joint council 37?

Mr. MIKESELL. Our joint council 37 operates under the international constitution. We do not have separate bylaws or separate constitutions. It is only those actions which are taken in executive sessions or by the council itself.

Mr. ADLERMAN. Under the constitution of the international that you are guided by, are you familiar with the provision about the mutilation or destruction of records?

Mr. MIKESELL. Yes, sir.

Mr. ADLERMAN. Are you familiar with section 8 of article 15 of this constitution?

Mr. MIKESELL. I couldn't quote it. I know in essence what the article consists of.

Mr. ADLERMAN. Now I would like to read into the record at this time from the constitution of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, section 8, article 15, which provides as follows:

Any member who, one, wrongfully takes or retains any money, books, papers, or any other property belonging to the International Brotherhood of Chauffeurs, Warehousemen, and Helpers, and any joint council, local union, or other subordinate body, or who, two, mutilates, erases, destroys, or in any way injures any books, bills, receipts, vouchers, or any property of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers, and any joint council, local union, or other subordinate body, may be tried in a manner provided for the trial of other offenses.

Has any charge been brought against you for the destruction of these records?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Has anybody been aware of this fact up until this time?

Mr. MIKESELL. Not until this hearing was called.

Mr. ADLERMAN. Did Mr. Steele, who is the president of your local, know that you destroyed these records?

Mr. MIKESELL. He does now; yes, sir.

Mr. ADLERMAN. Did he know 2 weeks or 3 weeks ago?

Mr. MIKESELL. I don't think that he did, sir.

Mr. ADLERMAN. When were you served with a subpoena?

Mr. MIKESELL. To come back here, you mean?

Mr. ADLERMAN. That's right, to produce the records.

Mr. MIKESELL. To produce the records, I believe, the subpoena was served on Mr. Steele on Monday. I was absent at a policy meeting.

Mr. ADLERMAN. That was about February 6, was it?

Mr. MIKESELL. I think about that time, yes.

Mr. ADLERMAN. And at that time Mr. Steele did find out that you had destroyed the records?

Mr. MIKESELL. Monday the 11th or—Monday was the 11th.

Mr. ADLERMAN. Did he have knowledge of the fact that you had destroyed the records before that date?

Mr. MIKESELL. I believe not.

Mr. ADLERMAN. Do you think it is peculiar, the fact that you destroyed only those records for that period of time which is covered in the time that McLaughlin and Maloney had transactions with the union?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Does not that period of time that you destroyed the records coincide with the time McLaughlin and Maloney had transactions with the union?

Mr. MIKESELL. Because of a peculiar circumstance in my election just prior to Maloney's appearance on the Portland scene, that may be true. However, I did not have charge of the records before that time.

Mr. ADLERMAN. I am talking now of the period of time in 1954 and 1955. Did you have charge of the records for the period 1954 to 1955?

Mr. MIKESELL. After September of 1954.

Mr. ADLERMAN. That is right, you had the records in your possession.

Mr. MIKESELL. Yes, sir.

Mr. ADLERMAN. You were the one who destroyed them or ordered them destroyed?

Mr. MIKESELL. Yes, sir.

Mr. ADLERMAN. Don't you think it is a peculiar coincidence that you ordered only that period of time, the records for that period of time that McLaughlin and Maloney had transactions with your union, that was the period of time that you ordered the records destroyed?

Mr. MIKESELL. I don't think so. As I say, when I took over as secretary-treasurer, I adopted that more or less as a policy and it was carried out after the audits were made. It happened to be during that period of time.

Mr. ADLERMAN. Did you ever discuss the destruction of the record before they were destroyed or the reason why it should be destroyed with anyone in your union?

Mr. MIKESELL. No, I don't remember because it was such a routine thing, and it was a thing that we had been doing.

Mr. ADLERMAN. It was a routine thing, you say?

Mr. MIKESELL. Insofar as my administration was concerned.

Mr. ADLERMAN. Your administration only lasted from January of 1954, you say, until to date, is that right?

Mr. MIKESELL. That's right.

Mr. ADLERMAN. And it was routine. How many other times have you destroyed records?

Mr. MIKESELL. I haven't destroyed any, any time. In my local union you can go and find the records back—

Mr. ADLERMAN. I am talking about your joint council records. This is the only time, is that not right?

Mr. MIKESELL. Well, I would like to inquire a little more specifically on the question. If you mean that all of the records were destroyed at one time, that is not correct.

They were gradually eliminated over the period of 2 years.

Mr. ADLERMAN. What was the name of the secretary or the book-keeper that worked for you?

Mr. MIKESELL. Now, you mean?

Mr. ADLERMAN. That's right.

Mr. MIKESELL. Mrs. Noack.

Mr. ADLERMAN. Have you discussed with her the destruction of those records?

Mr. MIKESELL. Nothing more than I told her to eliminate them after the audit was completed last fall.

Mr. ADLERMAN. That was right after the start of this investigation?

Mr. MIKESELL. No, sir, this investigation was never even thought of at that time, that is, to my knowledge.

Mr. ADLERMAN. I mean the State's investigation.

Mr. MIKESELL. The State's investigation?

Mr. ADLERMAN. That's right. They started looking into the transactions of Maloney and McLaughlin, did they not?

Mr. MIKESELL. The State investigation has been going on for—

Mr. ADLERMAN. Several months.

Mr. MIKESELL. I couldn't say exactly, but it has been going on for a long time.

Mr. ADLERMAN. Since last July and August.

Mr. MIKESELL. July and August.

Mr. ADLERMAN. Is that the time that you destroyed the records?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. When did you destroy them?

Mr. MIKESELL. After the audit was taken this fall.

Mr. ADLERMAN. When was that?

Mr. MIKESELL. You have the date of it, and I think it is September. I believe it includes the month of August.

Senator IVES. Mr. Mikesell, while they are hunting for some data, I would like to ask if that policy was only a policy applicable to two years, 1954, through 1955, into September of 1956? You talk about a new policy here of destroying records.

As nearly as I can find out, the only application that policy had was for that particular period of time. The thing that I am interested in knowing is why in blazes name, if you had a new policy, did it not apply all along the line, instead of just two particular years.

Why did you separate those two years and destroy the records during that period of time? You have not answered that question in any way, shape, or manner.

Mr. MIKESELL. Well, Senator, the only answer that I have——  
Senator IVES. You do not seem to have any.

Mr. MIKESELL. I was not elected as secretary-treasurer until 2 years ago.

Senator IVES. What has that to do with it? You are the person who put the policy into effect, and this was your policy destroying these records according to what you say.

Mr. MIKESELL. That's right.

Senator IVES. Why did you apply it to 2 years and not all of the years in the past for which you had records? Why select those two particular years? You have not answered that question, and in blazes, you cannot answer it, and you do not dare answer it.

Mr. MIKESELL. The only reason is because those records were in our working office.

Senator IVES. That is no answer at all, and you know it as well as I do. That is no answer that any reasonable person would ever accept. Go on with your questions.

Mr. ADLERMAN. I would just like to refresh your memory on this. We had a discussion with Miss Noack and she stated that sometime in 1956, in August, after the audit was finished she removed all prior records from the office and placed them in a cardboard carton. She did this on your orders. This carton she believes sat in the office for a week or so, and then one morning she came to work and the box containing the records was gone.

The instructions for removal of the files for destruction, according to Mrs. Noack, were given by Mr. R. R. Mikesell, secretary-treasurer. Is that a correct statement of what happened?

Mr. MIKESELL. That is correct, sir.

Mr. ADLERMAN. Do you expect to be charged under this section of the constitution with the destruction of records?

Mr. MIKESELL. I think that will be up to the international union, probably.

Mr. ADLERMAN. Do you feel that you have violated that section?

Mr. MIKESELL. I don't in the case of the joint council, sir. That is because of the fact that the records are available, and the books are available and the audits have been made and there is nothing wrong in transmittal of the records from the invoices which originally were received by the joint council, in the computing of the amounts involved and in the receipts and disbursements of the joint council.

I feel as far as the custody of the accounts and the records of the joint council that I have nothing to fear.

Mr. ADLERMAN. Do you not feel that the destruction of these records concealed certain facts from the State and from the Federal Government?

Mr. MIKESELL. Unfortunately, it may have resulted in that result. However, that was not the purpose.

Mr. ADLERMAN. Have you ever filed an exemption from taxes with the Federal Tax Office, the Department of the Treasury?

Mr. MIKESELL. That, I couldn't answer without looking at the records. Mr. Williams asked me that, too.

Mr. ADLERMAN. Are you exempt from taxes at the present time?

Mr. MIKESELL. I know that as far as the local union is concerned, we do file those.

Mr. ADLERMAN. I am not talking about the local union. I am talking about the joint council. That is Joint Council No. 37, and have you filed an exception of taxation?

Mr. MIKESELL. That I couldn't answer without checking.

Mr. ADLERMAN. Have you paid any taxes?

Mr. MIKESELL. We pay taxes to the State on personal property.

Mr. ADLERMAN. Have you paid any taxes to the Federal Government?

Mr. MIKESELL. No, sir, not to my knowledge.

Mr. ADLERMAN. Do you feel that you might have violated the law in not keeping or retaining the records of an organization that is required to pay taxes?

Mr. MIKESELL. If we have, it has been inadvertently.

Mr. ADLERMAN. Have you filed an annual return for exemption of taxation?

Mr. MIKESELL. That, as I say, sir, I couldn't answer until I would look.

Mr. ADLERMAN. You are the secretary-treasurer, and isn't that your job and your duty?

Mr. MIKESELL. We file a number of forms with the Federal Government and also with the State. Now, we have religiously followed the proper procedure in filing those forms. But in the case of this particular form you are speaking of, I don't know whether it has ever come to the joint council.

If it had been submitted to the joint council by the Internal Revenue, certainly it would have been filled out and transmitted.

Mr. ADLERMAN. Well, I feel that if you have not filed such a return you are liable for that tax, and if you are liable for that tax, I think that the Treasury Department has a right to examine the books and records to see how much the tax amounts to.

You have destroyed those records. Did you do it with the design to conceal those records?

Mr. MIKESELL. Did I do it on anyone's instructions?

Mr. ADLERMAN. Yes, sir.

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Did you do it with any design to conceal the facts?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Did you do it on the orders of Mr. Crosby?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Did you discuss it with Mr. Crosby before you destroyed these records.

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Did you discuss it with the council, the union council?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. You discussed it with nobody but your secretary and bookkeeper, is that correct?

Mr. MIKESELL. I gave the secretary instructions, what I thought should be done.

Mr. ADLERMAN. Did you discuss it with Mr. Steele, the president of the joint council?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. Did you discuss it with the executive board of the joint council?

Mr. MIKESELL. No, sir.

Mr. ADLERMAN. You take the responsibility entirely on yourself?

Mr. MIKESELL. Yes, sir.

Senator IVES. Are there any other questions?

Senator ERVIN. You have custody of all of the records of the joint council as treasurer, do you not; financial records?

Mr. MIKESELL. Yes, sir.

Senator ERVIN. How far back do they run?

Mr. MIKESELL. How far back?

Senator ERVIN. Yes.

Mr. MIKESELL. Our joint council was organized, I believe, in 1935 or 1936.

Senator ERVIN. In 1935 or 1936?

Mr. MIKESELL. Yes, sir.

Senator ERVIN. And you have in your custody the records from that date, the financial records, as treasurer? You did have them in your custody?

Mr. MIKESELL. Those records which are not maintained in our business office were filed in a room which we called the vault downstairs.

Senator ERVIN. The ones filed in that vault started about 1935 or 1936 and came down to what time?

Mr. MIKESELL. Down until 1954, I believe.

Senator ERVIN. They came down to the period of which the records have been destroyed by you?

Mr. MIKESELL. That's correct.

Senator ERVIN. What size vault is that?

Mr. MIKESELL. I beg your pardon?

Senator ERVIN. What size vault is that, where you keep the other records that you did not destroy?

Mr. MIKESELL. It is not large enough, sir.

Senator ERVIN. Well, why did you not take some of the records from 1935, 1936, and 1937 along in that period of time and destroy them, and take your current records and move them into the vault if you did not have room in your office for them?

Mr. MIKESELL. Well, I discussed that with the committee this morning. It was a matter of expediency. Seeing no further necessity for retaining the current records, which have been audited by a certified public accountant, I told the girls to eliminate them.

Senator ERVIN. Why did you not destroy some of your old records that were out of date and transactions on which the statute of limitations had run, instead of destroying your current records on which the statute had not run?

Mr. MIKESELL. Probably that should have been done, sir.

Senator ERVIN. Where is this vault with reference to your offices?

Mr. MIKESELL. I beg your pardon?

Senator ERVIN. Where is this vault located where you kept the old records, with reference to where you kept the new records?

Mr. MIKESELL. Two stories down from the office.

Senator ERVIN. In the same building?

Mr. MIKESELL. Yes, sir, in the same building; however, all of the local unions who use the building also store their records there.

Senator ERVIN. And you swear to this committee that you did not have enough room in this vault located in the same building two stories

below your office in which to put the records for this period of time starting in 1954?

Mr. MIKESELL. I might explain, sir, that this vault is also used for the storage of unused stationery and all kinds of supplies for the local unions.

Senator ERVIN. Unused stationery for whom?

Mr. MIKESELL. For the local unions in the building.

Senator ERVIN. Why in the world did you not take out the unused stationery and put the current records in, in lieu of the unused stationery?

Mr. MIKESELL. Well, there was no place else to store the unused stationery.

Senator ERVIN. Are you testifying on your oath that you did not have room enough in that vault to have put these current records? Is that what you are swearing to?

Mr. MIKESELL. I am not swearing that the records could not have been crammed in there, Senator, but it created a very congested condition and we had been asked to relieve that condition.

Senator ERVIN. So in order to avoid all trouble of that kind, you elected to destroy records which were absolutely current, records which were necessary and could possibly have been necessary to establish your proper handling of funds, and records which could conceivably have been necessary to protect the joint council against claims?

Instead of doing that, you destroyed the records which by a strange coincidence are the records which would throw light on the matters which this committee is investigating and which were being investigated in State court out in Oregon.

Is that what you say?

Mr. MIKESELL. That is true, Senator.

Senator ERVIN. And the whole thing was just to get a little space to store records, when you could have moved out and destroyed the records for 15 previous years and made space for those records. Is that right?

Mr. MIKESELL. Apparently, it is.

Senator ERVIN. That is all.

Senator GOLDWATER. I would like to ask, were those records all kept in books about this size?

Mr. MIKESELL. No, sir, they were not. One of those books would cover about 3 years, as you can see there.

Senator GOLDWATER. This book covers 2 years.

Mr. MIKESELL. Yes, 2 or 3 years.

Senator GOLDWATER. But the other books would be fairly consistent with this size?

Mr. MIKESELL. Just the same, yes, sir.

Senator GOLDWATER. Do you know if we piled up 21 years of this record it would make a stack about 15 inches high.

Now that must have been an awfully small storeroom if you could not file 15 inches in there.

Mr. MIKESELL. Senator Goldwater, I am not talking about the books of record. I am talking about invoices, and old checks and everything and correspondence that clutters up an office. Those books have not been destroyed.

Senator GOLDWATER. Well, you have an average of about 49 entries a month. That is about 500 entries a year. That would be about



3,000 entries, or say 4,000 entries or pieces of paper that you would have to account for.

Now, that is not a lot of paper. You know it is not a lot of paper and you know how much space it would occupy. You could put it in a space as big as the desk you are sitting before, if that were a box.

Mr. MIKESELL. I don't like to make a contrary statement, but that is not a fact.

Senator GOLDWATER. Well, I have had a lot of dealings with paper-work, and I think I know what I am talking about. I think you destroyed those 2 years for some purpose you are not telling us about. It would make sense to destroy the years you had no more use for, but it does not make sense to me, and I do not think it does to this committee or the general public, for you to make a statement that you destroyed 2 years because it would give you more space, 2 years of entries that could not possibly give you enough additional space to put anything of any substantial size in. I cannot buy that.

The CHAIRMAN. Senator Mundt?

Senator MUNDT. You did not answer very clearly Senator Ervin's question about how big this storage vault was. You said it was not big enough. Can you give us the dimensions in feet, approximately?

Mr. MIKESELL. No, I couldn't, Senator. I couldn't give you the exact dimensions.

Senator MUNDT. Have you been in the room yourself?

Mr. MIKESELL. Yes, at one time.

Senator MUNDT. Is it bigger than this chamber?

Mr. MIKESELL. No, sir.

Senator MUNDT. Is it smaller?

Mr. MIKESELL. Yes, sir.

Senator MUNDT. How big is it? Do not give it to us by inches, but—

Mr. MIKESELL. I would say probably 15 by 20.

Senator MUNDT. Fifteen by twenty.

Mr. MIKESELL. And all cut up into shelves for the storage of stationery and various supplies for the unions in the building.

Senator MUNDT. How big a cardboard carton was it that she placed these 2 years of records in, if they were all in one box?

Mr. MIKESELL. I don't know. I don't think I ever saw it.

Senator MUNDT. You said it sat around the office several days or about a week, and then you ordered it destroyed. You must have seen the box.

Mr. MIKESELL. No, it was ordered destroyed, and apparently sat around the office before the refuse collector, or whoever it was, took it out.

Senator MUNDT. It would not be a very big box, would it, if you were able to tote it around the office and move it?

Mr. MIKESELL. I couldn't say how large a box it was.

Senator MUNDT. You have no idea?

Mr. MIKESELL. No. I think there were probably 2 or 3 boxes, at least.

Senator MUNDT. I think you have candidly said that if you wanted to cram it in that room, you could have gotten it in all right?

Mr. MIKESELL. Oh, yes, there is no question about that. It could have been crammed in the room.

Senator MUNDT. If we were to send Mr. Williams down to look at the vault, you think he could probably find open space enough in which to have placed those records?

Mr. MIKESSELL. That is right. There is no question about that. It could have been crammed in.

Senator MUNDT. I think so, too.

The CHAIRMAN. Are there any further questions of this witness? (At this point, Senator Ives withdrew from the hearing room.)

The CHAIRMAN. If there are no further questions, you may stand aside.

(Members present at this point: The chairman, Senators Ervin, Mundt, and Goldwater.)

The CHAIRMAN. Mr. Givens, Mr. Leonard Givens, come forward, please, sir.

Will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. GIVENS. I do.

#### TESTIMONY OF LEONARD GIVENS

The CHAIRMAN. Mr. Givens, please state your name, your place of residence, and your business or occupation.

Mr. GIVENS. Leonard Givens, King County, Seattle, Wash., a member of the uniform patrol of the sheriff's office.

The CHAIRMAN. How long have you been a member of the patrol of the sheriff's office?

Mr. GIVENS. Since May 22, 1955.

The CHAIRMAN. May 22, 1955?

Mr. GIVENS. Yes, sir.

The CHAIRMAN. Have you conferred with members of the staff and know the general nature of the inquiry that may be made of you regarding your testimony?

Mr. GIVENS. I have talked to Mr. Kennedy.

The CHAIRMAN. You have talked to Mr. Kennedy. You have elected to waive counsel, have you?

Mr. GIVENS. Yes.

The CHAIRMAN. Thank you very much.

Mr. Kennedy?

Mr. KENNEDY. Mr. Chairman, Mr. Elkins has testified before this committee that the teamsters had originally supported Mr. McCourt for district attorney. Then when they brought Mr. Maloney down into Portland, Mr. Maloney was able to get the teamsters to switch from Mr. McCourt to Mr. Langley for district attorney. Mr. Crosby was asked yesterday as to why the teamsters did switch from Mr. McCourt to Mr. Langley, and he stated the following. Well, he stated at that time, and I will read from the testimony, that he had information that Mr. Elkins was backing Mr. McCourt in the district attorney race, and that because of his feeling for Mr. Elkins, and that Mr. Elkins was an underworld character, that the teamsters wanted to stay away from that, and they wanted to back, and decided to back, Mr. Langley, instead.

He said that that information came from an unimpeachable source. That information, he said, came to him from Leonard Givens.

On page 1666, in connection with that conversation :

I asked him simply this,  
talking about Givens—

"I know you are on Mr. McCourt's staff, and I know you know the answer to this question. If you don't answer it either way, then I will assume that you don't want to answer it and you can look elsewhere for your assistance. But either way, I would like to have an answer." I simply asked him this: "Do you have any knowledge of Jim Elkins financially supporting John McCourt?"

He hemmed and hawed for several minutes. Finally, he said "Well," he says, "you could get me into a lot of trouble if you identify me as your source of information. But," he says, "the facts are that Jim Elkins is putting a pretty big chunk of dough into McCourt's campaign."

Mr. Givens. I want to ask you: Did you ever say to Mr. Clyde Crosby during 1954 that "Jim Elkins" or anything like this—

the facts are that Jim Elkins is putting a pretty big chunk of dough into McCourt's campaign.

Mr. GIVENS. No, I did not.

Mr. KENNEDY. Did you say anything like that?

Mr. GIVENS. Not with that amount of—what would you say— vocabulary of pressure.

Mr. KENNEDY. Is it not a fact that Mr. Crosby asked you if Mr. Elkins was supporting Mr. McCourt's campaign?

Mr. GIVENS. Yes, he did.

Mr. KENNEDY. He did ask you?

Mr. GIVENS. He did.

Mr. KENNEDY. Did he say to you:

Isn't it general knowledge that Mr. Elkins is supporting McCourt's campaign?

Mr. GIVENS. I don't think the words "general knowledge"—I think the question was asked this way: Isn't it correct, or isn't it right, that Elkins is supporting McCourt?

Mr. KENNEDY. And did you state at that time that you had no knowledge, but if he said so, that is fine?

Mr. GIVENS. I said, I think, just as a last wording, "Perhaps you are right," and that ended our conversation.

Mr. KENNEDY. "Perhaps you are right"?

Mr. GIVENS. "Perhaps you are right." And that ended the conversation.

Mr. KENNEDY. Did you have any information at that time that Elkins was supporting McCourt's campaign?

Mr. GIVENS. No.

Mr. KENNEDY. Did you have any information at all that Elkins was supporting McCourt's campaign?

Mr. GIVENS. Nothing definite. Nothing concrete?

Mr. KENNEDY. Did you have anything nonconcrete?

Mr. GIVENS. Well, I don't know what you would call nonconcrete. I think that it was a case of probably talking when I should have been listening.

Mr. KENNEDY. Let me ask you this. I do not think that quite answers the question. Did you have any information of any kind that Elkins was supporting McCourt?

Mr. GIVENS. No.

Mr. KENNEDY. You did not?

Mr. GIVENS. I definitely did not.

Mr. KENNEDY. You never had heard, even, that Elkins was supporting McCourt's campaign?

Mr. GIVENS. Rumors during political times are fast and furious. I couldn't qualify anything of that nature at all as definite.

Mr. KENNEDY. But you had no specific information of any kind that you could put your finger on that Elkins was supporting McCourt's campaign?

Mr. GIVENS. I just used that phraseology of "perhaps you are right."

Mr. KENNEDY. But you never told him that the facts are that Jim Elkins was putting a pretty big chunk of dough into McCourt's campaign?

Mr. GIVENS. No, because that would be wrong for me to say to begin with, because I don't know that as a fact.

Mr. KENNEDY. The furthest that you might have gone is "Perhaps you are right," but you did not go beyond that?

Mr. GIVENS. That is right.

Mr. KENNEDY. And the facts are that you had no information that Elkins was supporting McCourt's campaign during that period of time?

Mr. GIVENS. That is true.

The CHAIRMAN. Mr. Counsel, did I understand this is the witness whose name was given as the unimpeachable source by Mr. Crosby?

Mr. KENNEDY. This is on page 1665:

Did you have a lot of evidence or a considerable amount of evidence?

And I am talking about the evidence that Elkins was supporting McCourt rather than Langley.

The CHAIRMAN. You are quoting from Crosby's testimony?

Mr. KENNEDY. I am questioning Crosby, and I am asking him whether he had a lot of evidence or a considerable amount of evidence to the effect that Elkins was backing McCourt.

The CHAIRMAN. All right.

Mr. KENNEDY. That was the question.

Mr. Crosby replied:

I had something that I considered unimpeachable and I will be glad to relate it to you when you get around to it.

Mr. KENNEDY. Fine. Go ahead.

Then he starts to talk.

Sometime in the summer or early fall of 1954, a man by the name of Leonard Givens had come to my office.

Had you come to his office?

Mr. GIVENS. Yes.

Mr. KENNEDY (reading):

He identified himself as a member of the investigating staff of the district attorney—

and then he went on to say that Mr. Givens was trying to get reinstated and the teamsters might help. Then he goes on to the subject matter that I just read.

The CHAIRMAN. All I want to be sure of is that this is the witness that he named as the unimpeachable source.

Mr. KENNEDY. That is correct.

The CHAIRMAN. If you are the unimpeachable source, you have unimpeached the fact that you made any such statement, is that correct?

Mr. GIVENS. Well, if I am the unimpeachable witness, I figure that I try to tell the truth and that is the best that I know on that score there.

The CHAIRMAN. Thank you very much.

Senator MUNDT. In that conversation which you had with Mr. Crosby, did you give Mr. Crosby any information which he did not already have in connection with any relationship which might have existed between Jim Elkins and Mr. McCourt?

Mr. GIVENS. That particular information was secondary in my mind. I was more concerned with my own reinstatement. That was what I went there originally for.

Senator MUNDT. That is right. But what I am trying to find out is whether in that conversation with Mr. Crosby you gave any information of any kind indicating that Mr. McCourt was in the racket business in connection with Mr. Elkins, under control of Mr. Elkins.

Mr. GIVENS. No.

Senator MUNDT. Did you give Mr. Crosby any information that Mr. Langley would be an excellent, fine, unimpeachable attorney if he were elected?

Mr. GIVENS. No, I wouldn't. I worked too many years under Mr. McCourt to make any remarks of disloyalty of that kind.

Senator MUNDT. In other words, you had confidence in Mr. McCourt?

Mr. GIVENS. Definitely.

Senator MUNDT. And you had no reason to know that Mr. Langley would be a better law enforcement official than Mr. McCourt?

Mr. GIVENS. No.

Senator MUNDT. I mentioned that because Mr. Crosby a little further down in his testimony says this. Mr. Kennedy says "Based on this information," the information we have been discussing:

Based on this information that Mr. Givens gave you, the teamsters backed Mr. Langley over Mr. McCourt?

Mr. CROSBY. Yes, sir.

So he attributes to you his sole reason for switching the teamsters from McCourt to Langley. You tell us that there was nothing in that conversation which would induce any voter to switch his allegiance in that way, is that right?

Mr. GIVENS. Well, in all fairness to Mr. Crosby, I don't think that anything that I implied by saying "Maybe you are right" would swing the whole picture of a political campaign. Once again, if that is the situation, I was talking when I should have been listening.

Senator MUNDT. Certainly, saying to Mr. Crosby he was right, would not be giving him any new information. That is quite obvious.

Mr. GIVENS. How is that again, please?

Senator MUNDT. I say certainly by your saying to Mr. Crosby "Probably you are right," you would not be giving him any new information. You would simply be commenting on something he told you.

Mr. GIVENS. Personally, I don't like to delve into anything of that kind. I was still more interested in getting my own reinstatement started.

Senator MUNDT. That is right. I wanted to make sure that your interest in getting reinstatement did not induce you to say some things about Mr. McCourt that might have changed the support.

Mr. GIVENS. No; definitely not.

Senator MUNDT. Definitely not.

The CHAIRMAN. Senator Goldwater?

Senator GOLDWATER. Mr. Givens, why did you go to Mr. Crosby to see about getting reinstated?

Mr. GIVENS. Many months prior to that situation, I had an occasion to make an investigation which led me to the teamsters hall, which at that time involved a past employee. I am not just too sure whether it was a check or a bill or something of that nature. I was informed that they had ceased their employment there with them. As I got into the situation, I was directed to Mr. Crosby to discuss the matter, because it was something the office girl didn't care to handle.

In so doing, our conversation developed that this party knew the combination of their office safe. So, just in the course of our conversation, I asked him about whether he had made any change in their combination, and so on, and he said "I didn't give it a thought. I appreciate your courtesy."

That just about terminated my conversation there, and leaving with this remark from Mr. Crosby, that at any time he could be of assistance to me, or the office, to make inquiry, which I did.

Senator GOLDWATER. Was it general knowledge around Portland that, when you were interested in a job, either getting one or being reinstated in one, Mr. Crosby or the teamsters were the people to see?

Mr. GIVENS. No. No. I think perhaps why I chose Mr. Crosby was the fact that I surmised in my own mind that this acquaintanceship with some of the members of the Civil Service Board may be of some value to me. For that reason, I felt that I could at least say "Hello, Mr. Crosby," and lay my problem on his desk.

Senator GOLDWATER. Did you get reinstated?

Mr. GIVENS. I was reinstated, and then they brought a proceedings on the merits in the fourth circuit court, in which time they decided against me, and that is on appeal to the Supreme Court.

The CHAIRMAN. Are there any further questions?

(At this point, Senator Ervin withdrew from the hearing room.)

Mr. KENNEDY. I would just like to say in this connection once again, Mr. Chairman, I think that the importance of this cannot be overestimated. Mr. Elkins' testimony was that the teamsters were backing Mr. McCourt, and then Tom Maloney was brought down by them into Portland and was able to switch, through his connections with John Sweeney and Frank Brewster was able to switch, the teamsters from backing McCourt as they had before, to backing Mr. Langley.

Mr. Crosby said that was not the reason, but it was because Leonard Givens had given him this information about the big chunk of money that the head of the syndicate, namely Jim Elkins, was putting up for Mr. McCourt.

Mr. Givens comes in and gives this testimony under oath.

I think that testimony of Mr. Elkins and Mr. Crosby, which is directly contradictory, is extremely important. It begins the whole setup of the power of Tom Maloney.

The CHAIRMAN. Have you any further comment, Mr. Givens?

Mr. GIVENS. No, I haven't. I appreciate the courtesy of your kindness here.

The CHAIRMAN. Thank you very much. You may stand aside. Call the next witness.

Mr. KENNEDY. Mr. Sheridan.

(Members present at this point: The chairman, Senators Mundt, and Goldwater.)

The CHAIRMAN. Mr. Sheridan, will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SHERIDAN. I do.

The CHAIRMAN. Be seated.

### TESTIMONY OF THOMAS J. SHERIDAN

The CHAIRMAN. State your name, your place of residence, your business or occupation, or official position if you hold one.

Mr. SHERIDAN. Thomas J. Sheridan. I reside in Portland, Oreg. My official position is assistant administrator of the Oregon Liquor Control Commission.

The CHAIRMAN. Have you talked with members of the staff here regarding your testimony?

Mr. SHERIDAN. I talked with Mr. Kennedy yesterday afternoon on the telephone.

The CHAIRMAN. You also talked with me yesterday on the telephone, did you not?

Mr. SHERIDAN. I did, sir.

The CHAIRMAN. You waive counsel, I assume. You do not have counsel with you.

Mr. SHERIDAN. No. I don't care for counsel.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Sheridan, in 1954 you were the subject of an investigation in connection with the Oregon Liquor Commission?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. That was with regard to certain expenses amounting to something over or around \$40 that you had incurred, your family had incurred, at a convention, is that right?

Mr. SHERIDAN. That is correct. In 1951.

Mr. KENNEDY. Back in 1951. And those expenses had been paid, by one of the members of the convention, or some liquor supplier, or something?

Mr. SHERIDAN. That is correct.

Mr. KENNEDY. Is that correct?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. So during this period of time you had been suspended from your job?

Mr. SHERIDAN. Yes. I was suspended.

Mr. KENNEDY. That is, when this was made public, you were suspended, is that right?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. You were anxious, as I understand it, to be able to tell your story and to get your job back. Did you speak to Mr. Elkins about that?

Mr. SHERIDAN. Well, I had an occasion to meet Mr. Elkins and during the course of the conversation, my difficulties were mentioned, and that I was on suspension.

Mr. KENNEDY. Did Mr. Elkins make arrangements to bring you to Mr. Clyde Crosby?

Mr. SHERIDAN. Not at that time.

Mr. KENNEDY. Did he, at a later time?

Mr. SHERIDAN. Subsequently he did.

Mr. KENNEDY. Approximately to what date are we now?

Mr. SHERIDAN. This would be in November 1954.

Mr. KENNEDY. November 1954?

Mr. SHERIDAN. Yes, sir.

Mr. KENNEDY. Mr. Clyde Crosby at that time was international organizer for the Teamsters in the Portland area, in Oregon?

Mr. SHERIDAN. I presume that was his position.

Mr. KENNEDY. Had you known Mr. Crosby prior to that time?

Mr. SHERIDAN. No, sir.

Mr. KENNEDY. So Mr. Elkins at a later time, subsequent to the time you originally talked to him about this, did he say that he would bring you to Mr. Crosby?

Mr. SHERIDAN. He called me up one night and asked me if I could meet him over at the Teamsters' Building at 7 o'clock, and I said "Yes." He said, "Well, I want to introduce you to a friend of mine there." I met him over there at the Teamsters' Building and he introduced me to Mr. Crosby.

Mr. KENNEDY. This is approximately 7 o'clock at night?

Mr. SHERIDAN. I think so. It could have been 7:30 but it was early in the evening.

Mr. KENNEDY. He brought you in and introduced you to Mr. Crosby?

Mr. SHERIDAN. That is right.

The CHAIRMAN. How long was this after your first conversation with him in which your troubles were mentioned?

Mr. SHERIDAN. With Elkins?

The CHAIRMAN. Yes.

Mr. SHERIDAN. Possibly a week. I am not sure, Senator.

The CHAIRMAN. In other words, you had a conversation with him in which your troubles were discussed, and about a week later, Mr. Elkins called you and asked you to meet him at the Teamsters' Building, that he wanted you to meet a friend of his?

Mr. SHERIDAN. That is correct.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Elkins did bring you down to the Teamsters' Building and introduce you to Mr. Crosby?

Mr. SHERIDAN. No. I met Elkins at the Teamsters' Building.

Mr. KENNEDY. Did he take you in to meet Mr. Crosby?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. And both of you went into the office, is that right?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. He stayed for approximately 30 minutes or so, Mr. Elkins?

Mr. SHERIDAN. I would say possibly 20 to 30 minutes.

Mr. KENNEDY. And then he left?

Mr. SHERIDAN. He left.



Mr. KENNEDY. And you stayed on with Mr. Crosby?

Mr. SHERIDAN. And explained the whole matter to Mr. Crosby.

Mr. KENNEDY. You explained all of your problems, is that right?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. There is no question in your mind that it was Mr. Elkins that brought you down to see Mr. Crosby?

Mr. SHERIDAN. No.

Mr. KENNEDY. Did Mr. Crosby and Mr. Elkins appear to be enemies at that time, or did Mr. Crosby appear not to like Mr. Elkins?

Mr. SHERIDAN. No, there was no evidence of animosity between either one of them.

Mr. KENNEDY. Did Mr. Crosby act as if he did not want to be associated with Mr. Elkins?

Mr. SHERIDAN. Well, I couldn't say that he gave that impression, no.

Mr. KENNEDY. He did not give that. Well, did they appear as friends?

Mr. SHERIDAN. Yes.

Mr. KENNEDY. They did.

Now, Mr. Crosby testified before this committee yesterday. At page 1745, for instance, he was asked the question, I will state it again:

Did Mr. Elkins bring Mr. Sheridan to you?

The answer was—

No, sir.

Again on page 1745:

No. Let us start over again. Did Mr. Sheridan and Mr. Elkins ever meet with you?

Mr. CROSBY. No, sir.

Then,

Was there ever a conversation in your office?

Let us start that way.

Was there ever a conversation in your office between Mr. Sheridan, Mr. Elkins and yourself—

meaning Mr. Crosby.

Mr. Crosby's reply to that "No."

In fact, there was such a meeting, is that right?

Mr. SHERIDAN. Yes, that is right.

Mr. KENNEDY. And as Mr. Elkins has testified, that meeting took place in Mr. Crosby's office?

Mr. SHERIDAN. That is correct.

The CHAIRMAN. Do you now know Mr. Crosby?

Mr. SHERIDAN. Yes, sir.

The CHAIRMAN. Can you see him in this room?

Mr. SHERIDAN. Yes, he is back there.

The CHAIRMAN. You recognize him?

Mr. SHERIDAN. Yes.

The CHAIRMAN. Do you know Mr. Elkins?

Mr. SHERIDAN. Yes.

The CHAIRMAN. Do you see him in this room?

Mr. SHERIDAN. Yes, he is sitting back there.

The CHAIRMAN. You are telling us under oath that the three of you were together that evening in Mr. Crosby's office?

Mr. SHERIDAN. That is correct.

The CHAIRMAN. And that Mr. Elkins called you to meet him there and you did meet him?

Mr. SHERIDAN. That is right. Elkins called me at my home. Mr. Elkins called me at my home and asked me.

The CHAIRMAN. He called you and arranged for you to meet him there?

Mr. SHERIDAN. That is right.

The CHAIRMAN. He was going to introduce you to a friend of his?

Mr. SHERIDAN. That is right.

The CHAIRMAN. Did you ever have any information until now that they were not friends? I am talking about friends at that time.

Mr. SHERIDAN. At that time? No.

The CHAIRMAN. That is what I am talking about.

Mr. KENNEDY. I just wanted to read or also quote to you from page 1753. This is a statement I made which described the time of the meeting.

It was at 7 o'clock at night, Mr. Chairman. There wasn't anyone else in the building.

The CHAIRMAN. I want to give you the benefit of every opportunity to say yes or no.

Mr. CROSBY. Mr. Kennedy says the meeting was held at 7 o'clock at night and there was no one else in the building. I can certainly recall that that never happened.

In fact, it did happen, is that right?

Mr. SHERIDAN. The meeting?

Mr. KENNEDY. Yes.

Mr. SHERIDAN. Yes.

The CHAIRMAN. Did you see anyone else in the building at the time?

Mr. SHERIDAN. No, I didn't. There was possibly some janitors or somebody like that around there, but I didn't pay any attention to them.

The CHAIRMAN. You did not see anybody there that you recognize as working with the teamsters or officials or anyone like that?

Mr. SHERIDAN. No.

The CHAIRMAN. Or any other callers on Mr. Crosby?

Mr. SHERIDAN. No.

The CHAIRMAN. No activity in the offices other than possibly the janitors, and so forth?

Mr. SHERIDAN. Well, the janitors were not in the office in which we were.

The CHAIRMAN. I mean, you saw no activity around the building other than you might expect when a building was not occupied? I mean outside of business hours.

Mr. SHERIDAN. That is right. Of course, there could have been activity on some other floor that I wasn't on that I knew nothing about.

The CHAIRMAN. So far as you observed, there was no other activity, not other business being transacted, on the floor you were on?

Mr. SHERIDAN. No.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Chairman, we also have an affidavit here that bears a little bit on the general relationship of Crosby and Elkins during this period of time.

The CHAIRMAN. May the Chair inquire if this Mr. Carl R. Crisp is the Mr. Crisp that was referred to in Mr. Crosby's testimony?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Do you want anything further from this witness?

Mr. KENNEDY. Just one other thing.

During the period of time that Mr. Langley was district attorney and was involved in the liquor investigation, of the liquor commission, did you have some conversation with him?

Mr. SHERIDAN. With Langley?

Mr. KENNEDY. Yes.

Mr. SHERIDAN. Yes, I did.

Mr. KENNEDY. Did some of those conversations take place in Mr. Maloney's room?

Mr. SHERIDAN. One did.

Mr. KENNEDY. One did. And that conversation lasted for a period of about an hour?

Mr. SHERIDAN. That is correct.

Mr. KENNEDY. And at that time, the district attorney was allegedly investigating activities in the liquor commission, is that right?

Mr. SHERIDAN. That is right.

Mr. KENNEDY. And he had a conversation with you at that time, outlining what he expected to do and what information he expected to have?

Mr. SHERIDAN. Well, I don't recall that he did that. I think the main purpose of that meeting was that he wanted to get the facts from me, as to just how I was involved in the matter. I don't believe that he disclosed to me any information that he may have had other than what I gave him.

Mr. KENNEDY. That took place in Mr. Maloney's room?

Mr. SHERIDAN. That is what I learned later. At the time, I didn't know whose apartment it was.

Senator MUNDT. How did it happen to happen in Mr. Maloney's? I cannot quite get this straight. Why not Mr. Langley's office, if he was trying to get information?

Mr. SHERIDAN. Mr. Langley called me and asked me to meet him at the King Tower Apartments.

Senator MUNDT. Mr. Langley called you and asked you to go to a certain apartment?

Mr. SHERIDAN. That is right.

Senator MUNDT. At that time, you did not know whose apartment it was?

Mr. SHERIDAN. No.

Senator MUNDT. When you got there, you found Mr. Maloney was in the room and it was his apartment?

Mr. SHERIDAN. No. Mr. Maloney was not there.

Senator MUNDT. He was not there?

Mr. SHERIDAN. No, sir.

Senator MUNDT. But it was Mr. Maloney's apartment?

Mr. SHERIDAN. That is right. I learned later that it was Mr. Maloney's apartment.

(At this point, Senator Ives entered the hearing room.)

Senator MUNDT. When you arrived, was Mr. Langley in the apartment?

Mr. SHERIDAN. Yes, he was there.

Senator MUNDT. He was there by himself?

Mr. SHERIDAN. Yes.

Senator MUNDT. No one else came in or went out while you were there?

Mr. SHERIDAN. No, sir.

Mr. KENNEDY. Mr. Chairman, we have these two affidavits from Carl Crisp. I think there was at least a suggestion yesterday by Mr. Crosby that it was through Mr. Crisp's intervention that he took the action in Mr. Sheridan's case.

We have an affidavit on that, and also we have an affidavit from Mr. Crisp regarding the relationship between Mr. Elkins and Mr. Crosby.

The CHAIRMAN. The affidavits may be read in evidence. If the committee then feels he should be brought here by subpoena for cross-examination, that will be in order.

Mr. KENNEDY. I asked Mr. Crisp to come, and he has been sick, and he is confined to his house. The doctor felt that it was better that he should not travel.

The CHAIRMAN. All right.

The affidavit may be read.

Mr. KENNEDY (reading):

I, Carl R. Crisp, a city of Portland police officer, legally residing at 20 N. W. 16th Avenue, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of and an agent for the United States Senate Select Committee on Improper Activities in the Labor or Management Field. No threats, force or duress have been used to induce me to make this statement. I am fully aware of the penalties for perjury or falsely swearing and I have been informed that this statement may be introduced as evidence in the hearings before the aforementioned Senate Select Committee:

I have known Thomas J. Sheridan for 15 years or more, dating from the time when he was an officer in the Oregon State Police. I have known Clyde C. Crosby since about March, 1953. I have never introduced Thomas J. Sheridan to Clyde C. Crosby, nor have I ever arranged an appointment for Thomas J. Sheridan to see Clyde C. Crosby. Furthermore, Sheridan, Crosby and I have never been together at the same place at any time.

The CHAIRMAN. This affidavit may be printed in the record in full at this point.

Mr. KENNEDY. Then, Mr. Chairman, the same preliminary statement on the next affidavit.

City of Portland)  
County of Multnomah) SS.  
State of Oregon)

MARCH 12, 1957.

I, Carl R. Crisp, a city of Portland police officer, legally residing at 20 NW. 16th Avenue, Portland, Oreg., freely and voluntarily make the following statement to T. George Williams who has identified himself to me as a member of the professional staff of and an agent for the United States Senate Select Committee on Improper Activities in the Labor or Management Field. No threats, force, or duress have been used to induce me to make this statement. I am fully aware of the penalties for perjury or falsely swearing and I have been informed that this statement may be introduced as evidence in the hearings before the aforementioned Senate select committee.

Early in July 1955, to the best of my present recollection, I met Clyde C. Crosby by chance at a cleaning and pressing establishment on SE. Morrison Street near 7th Avenue in Portland which, it developed, we both patronized. Crosby suggested that we step into a nearby restaurant for a cup of coffee, and I agreed. While we were having the coffee, Crosby stated that he was angry at James B. Elkins because Elkins was double-crossing Crosby's friends "Tom and Joe." I didn't understand the full implications of Crosby's remarks at that time. I didn't know whom he meant by "Joe," and I assumed the "Tom" was Tom Maloney.

I didn't want to get in the middle of an argument between these men and I replied that I had known Elkins for some years and that he had a reputation of keeping his word. I added that Elkins might be slow at times in keeping his appointments but that eventually he got around to keeping his promises.

I have read the foregoing statement, consisting of this page, at the bottom of which I have affixed my name, and to the best of my present knowledge and belief, it is true and correct.

(S) CARL R. CRISP.

MARCH 12, 1957.

Witness:

(S) T. GEORGE WILLIAMS.

(S) JANE E. WILLIAMS.

Sworn to and subscribed before me, a notary public in and for Multnomah County, State of Oregon, this 12th day of March 1957.

(S) HARRY D. SKLETON.

My commission expires September 11, 1960.

The CHAIRMAN. Both of those affidavits are dated yesterday, is that correct?

Mr. KENNEDY. That is correct.

The CHAIRMAN. They will both be in the record.

The staff has some work to do that will have to require the attention, also, of the chairman for a while this afternoon.

Under those circumstances, I think it would be inadvisable to start with the next witness, whose testimony will be of some duration, I may say. So I feel that we should recess at this time, and come back and start afresh in the morning.

The committee stands in recess until 10 o'clock in the morning.

(Members present at the taking of the recess: The chairman, Senators Ives, Mundt, and Goldwater.)

Whereupon, at 3:40 p. m., the committee recessed, to reconvene at 10 a. m., Thursday, March 14, 1957.)



# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, MARCH 14, 1957

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Pat McNamara, Democrat, Michigan; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona.

Also present: Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, and Mundt.)

The CHAIRMAN. The Chair will make a brief statement for the record.

Since the committee recessed on yesterday, there have been some rather interesting developments and a great deal of it has already been published in the morning papers. But I thought for this record the Chair should make a statement. I shall read into the record the statement I made last night to the press after Mr. Jimmy Hoffa was arrested by the FBI for violation of Federal law in attempting to bribe a Government official and for other crimes that may be involved in the activities associated with that action.

Mr. Hoffa was arrested last night about 11:10, I believe, at the Dupont Plaza Hotel as he was entering the elevator or in the elevator, as he started to his room. Immediately preceding that he had had a contact with a member of this committee's staff somewhere in the area of Dupont Circle, at which time the member of this staff gave Mr. Hoffa some papers and documents from the files of this committee.

This was not the first occasion that Mr. Hoffa had received documents out of the files of this committee. This all starts with a date sometime early last month, near the middle of last month rather, when Mr. Cheasty was contacted by a lawyer here in Washington, named Fischback, who persuaded him to go to Detroit to see Mr. Jimmy Hoffa under the assurance that Mr. Hoffa had a job for him to do. He met

with Mr. Hoffa in the teamsters headquarters in Detroit at which time Mr. Hoffa employed him to undertake to become a member of the staff of this committee, and if successful, then to serve him in that capacity by getting information for him and doing anything else that might be helpful to Mr. Hoffa or that might be of interest to him and for his benefit.

He was to be paid a total of \$18,000 for his services, \$1,000 of which was paid in cash at that time. Mr. Cheasty returned to Washington and promptly reported what had occurred to this committee. The chairman immediately arranged for a conference with Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation, at which time it was decided that the Justice Department, the FBI, and the committee would work together cooperatively to explore this matter and see just what it meant.

I may say that even prior to that time, the chairman who has been working diligently and expeditiously and carefully to select a staff to do this work had received information from sources that someone or certain elements would undertake to place someone on the staff, one or more people, to keep them informed of plans of the committee and so forth.

Following that conference, Mr. Cheasty was interviewed at my office with the reporter of this committee present and he made a complete record of his statement which he swore to and at that time \$700 of the first \$1,000 was delivered to the FBI for safekeeping.

Shortening the story since then, Mr. Cheasty has had many contacts with Mr. Fischback and also with Mr. Hoffa. On Monday night of this week Mr. Cheasty with our knowledge and with the knowledge of the FBI delivered to Mr. Hoffa some documents from the committee file, at which time Mr. Hoffa paid him \$2,000.

The FBI covered that meeting as it had covered many telephone conversations between Mr. Hoffa and Mr. Cheasty. Thereafter, that same night, about 12 o'clock that night, those papers were returned. There was another meeting between Mr. Hoffa and Mr. Cheasty and those papers or documents were returned.

Last night another meeting was arranged between Mr. Hoffa and Mr. Cheasty, and they met and some more papers were delivered and promptly thereafter Mr. Hoffa was arrested with the papers on him.

Mr. Hoffa is now under \$25,000 bond, and Mr. Fischback was promptly arrested in Florida, somewhere, in Miami, I believe, and placed under \$10,000 bond, and Mr. Hoffa's secretary, a lady by the name of Mrs. Fred Dobrescu, who has been the intermediary between Mr. Hoffa and Mr. Cheasty.

Now, the Chair issued this statement last night to the press:

The information came to us more than a month ago that Mr. Hoffa was undertaking to plant someone on the committee staff to represent him, to give him information, and keep him informed of the committee's plans, and of any information the committee might obtain or possess that would be of interest to him. When we checked and found that this was a fact, we immediately had a conference with Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation. We also had conferences with the Justice Department. It was agreed that the committee, the FBI and the Justice Department would all cooperate in this undertaking. Daily constant contacts have been maintained by us.

What happened tonight is the result of this combined and coordinated effort. I am sure I speak for our Government and all good citizens of this country



when I say that we are grateful to Mr. Cheasty, a member of our staff, for his great courage and patriotic devotion, and for his loyalty to his country and to the position of trust which he occupies with this committee.

This action of Mr. Hoffa is clearly indicative of the steps that the gangster elements are undertaking and will continue to undertake to hinder, hamper, obstruct and destroy this committee. This committee will pursue its duties.

This committee will pursue its duties and it will endeavor with fidelity to our country and to the best interest and welfare of our people to carry out the assignment that has been entrusted to it. We will probably encounter other obstacles, and other difficulties and more interference. But I want to assure those who plan such a course that we will try to meet them and accept their challenge, and deal with them accordingly.

(At this point, Senator McNamara entered the room.)

Senator MUNDT. Mr. Chairman, I think we should make clear one part of your statement that the press might possibly misconstrue, when you said that the FBI covered the telephone conversations. That was not wiretapping, and it was not any illegal covering, and I do not think that you meant that.

The CHAIRMAN. The Chair will clarify that. The FBI heard one end of the conversation. There was no wiretapping involved anywhere at any time.

Senator MUNDT. I thought we ought to have that in the record. Might I say, Mr. Chairman, that speaking for myself, as I told some reporters that called me up with some of these phone calls you get in this business, about 1, 2 and 3 o'clock in the morning, that it occurs to me that with high officials of the Teamsters Union destroying records at one end of the continent, and other high officials of the Teamsters Union trying to steal documents and records at the other end of the continent, there are facts and information which these officials desire to conceal from their dues-paying members and from the public and from Congress which obviously are much more startling than the early evidence before this committee would have led us to presume. I think that our staff and the FBI are to be congratulated on demonstrating to the country that goon-squad methods applied to the United States Senate will not work.

The CHAIRMAN. Thank you, Senator Mundt. Is there anyone else?

The Chair might add one thing, I am sure the press knows it, but Mr. Hoffa practically controls all transportation except railroad between the Atlantic Ocean and the Rocky Mountains. That is the stature of his figure in the Teamsters Union according to the best information I have.

All right, call the first witness.

Mr. KENNEDY. The district attorney of Multnomah County, William Langley.

The CHAIRMAN. Come around, Mr. Langley.

(Present at this point in the hearing were Senators McClellan, Ives, McNamara and Mundt.)

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. LANGLEY. I do.

TESTIMONY OF WILLIAM M. LANGLEY, ACCOMPANIED BY HIS  
COUNSEL, RICHARD R. CARNEY

The CHAIRMAN. Mr. Langley, state your name and your place of residence and your business, profession or occupation.

Mr. LANGLEY. William M. Langley, Portland, Oreg., district attorney of Multnomah County, Oreg.

The CHAIRMAN. How long have you been district attorney of that county, Mr. Langley?

Mr. LANGLEY. Since January, 1955.

The CHAIRMAN. Mr. Langley, you have elected to have counsel present while you testify?

Mr. LANGLEY. That is correct.

The CHAIRMAN. He is counsel of your own choice?

Mr. LANGLEY. Yes, sir.

The CHAIRMAN. Counsel, will you please identify yourself for the record?

Mr. CARNEY. Mr. Chairman, I am Richard Carney, attorney at law, Portland, Oreg. and I practice law in Portland with Mr. K. C. Tanner.

The CHAIRMAN. That is Mr. K. C. Tanner and you are associated in the firm together?

Mr. CARNEY. Yes, we are.

The CHAIRMAN. All right. Thank you very much.

Mr. Counsel, you may proceed.

Mr. CARNEY. Before we proceed, Mr. Chairman, may we not have the cameras and flash bulbs in front of us during the testimony?

The CHAIRMAN. Do you object to the lights?

Mr. CARNEY. Not except the one straight ahead there, we have no objection.

The CHAIRMAN. Gentlemen, the photographers will desist from taking flash pictures and I think that we had better apply that whether there is a flash or not to certain of you folks, because if there are those who have some camera that works without flashes that gives them an advantage.

Let me inquire now whether the snapping of the cameras without flash you think distracts you, and would you like to have it all cease.

Mr. CARNEY. We would rather have it all cease until we are finished.

The CHAIRMAN. Thank you very much.

Gentlemen, you will obey the order of the Chair.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Langley, could you give me a little bit of your background, where you were born?

Mr. LANGLEY. I was born in Portland, Oreg.

Mr. KENNEDY. In what year and what date?

Mr. LANGLEY. March 26, 1916.

Mr. KENNEDY. And you went to school there, did you?

Mr. LANGLEY. Yes, sir, I did.

Mr. KENNEDY. Where about?

Mr. LANGLEY. Do you mean—

Mr. KENNEDY. For instance, what high school did you go to?

Mr. LANGLEY. Grant High School.

Mr. KENNEDY. In Portland, Oreg.?

Mr. LANGLEY. Yes, sir.

Mr. KENNEDY. And college?

Mr. LANGLEY. University of Oregon, and I graduated from a law school, Northwestern College of Law, in Portland.

The CHAIRMAN. What year did you graduate from law school?

Mr. LANGLEY. I graduated in 1938 and I was admitted to practice law in Oregon in 1938.

The CHAIRMAN. Did you go into the practice of law in 1938?

Mr. LANGLEY. Yes, sir, with my father.

Mr. KENNEDY. Did your father have some official position in Oregon?

Mr. LANGLEY. Well, he practiced law in Portland for 60 years. At one time he served as district attorney of Multnomah County.

Mr. KENNEDY. When was he district attorney?

Mr. LANGLEY. It was from 1930 to 1934.

Mr. KENNEDY. Now, from 1938 you practiced law until what time?

Mr. LANGLEY. Well, I was an assistant United States attorney for a period of time, but I followed the profession of law at the time.

Mr. KENNEDY. When did you become an assistant United States attorney?

Mr. LANGLEY. I believe it was in 1942.

Mr. KENNEDY. And you served as an assistant United States attorney from 1942 to when?

Mr. LANGLEY. To 1946.

Mr. KENNEDY. From 1942 to 1946 you were an assistant United States attorney?

Mr. LANGLEY. I think those dates are approximately correct.

Mr. KENNEDY. Who was the U. S. Attorney?

Mr. LANGLEY. Mr. Carl Donaugh.

Mr. KENNEDY. How do you spell his name?

Mr. LANGLEY. D-o-n-a-u-g-h.

Mr. KENNEDY. Then, in 1946 did you go back into the practice of law?

Mr. LANGLEY. Yes, sir, with my father.

Mr. KENNEDY. With your father?

Mr. LANGLEY. Yes, sir.

Mr. KENNEDY. What was the first time that you ran for public position?

Mr. LANGLEY. Well, I am not sure. I ran for the Oregon Legislature one time and I am not sure whether that was—it was about 1947, I think.

Mr. KENNEDY. About 1947 and were you elected at that time?

Mr. LANGLEY. No Democrat was elected at that time.

Mr. KENNEDY. And you ran as a Democrat?

Mr. LANGLEY. That is right.

Mr. KENNEDY. When did you run again?

Mr. LANGLEY. Well, I ran for district attorney in 1949.

Mr. KENNEDY. And were you successful?

Mr. LANGLEY. No, I was not.

Mr. KENNEDY. The next time, when did you run.

Mr. LANGLEY. In 1954.

Mr. KENNEDY. And you were successful?

Mr. LANGLEY. Yes, sir.

Mr. KENNEDY. And your term now runs through to when?

Mr. LANGLEY. Well, it was a 4-year term and it began January of 1955 and so it runs to 1959.

Mr. KENNEDY. Could you tell the committee when you first met Mr. Jim Elkins?

Senator MUNDT. Before we leave the background, you ran and were elected in 1954?

Mr. LANGLEY. That is correct.

Senator MUNDT. Did you have a primary contest that year?

Mr. LANGLEY. No, I did not.

Senator MUNDT. You were elected by the Democratic Party without any contest?

Mr. LANGLEY. That is right.

Senator MUNDT. Nominated, I should say. You were nominated, or in other words you filed for nomination and nobody filed against you?

Mr. LANGLEY. We have an open primary system in Oregon and I ran unopposed in the primary and I was nominated.

Senator MUNDT. And you defeated Mr. McCourt in the fall campaign?

Mr. LANGLEY. Yes, sir.

Senator MUNDT. The Republican incumbent?

Mr. LANGLEY. Yes, that is correct.

Mr. KENNEDY. Would you tell the committee when you first met Mr. Jim Elkins?

(The witness consulted with his counsel.)

Senator MUNDT. Obviously this counsel is not familiar with the procedure of the committee and I think that you should explain to him that under our rules you have a right to consult with your client at any time he asks you to, but no right to volunteer information to him.

Mr. CARNEY. I understood, Senator Mundt, that he leaned over to me and started talking first.

Senator MUNDT. I was not complaining, and I was just making certain we did not go through a sort of pagan ritual that has been going on before us.

I propose to get it stopped if I can get it stopped. I was not complaining about what you had done. You are not a Washington attorney and so I thought—

Mr. CARNEY. No, sir, but I have been here since the 25th and I have become aware of the rule.

The CHAIRMAN. Since counsel is aware of the rules he will be expected, of course, to observe them. Let us proceed.

Mr. LANGLEY. I respectfully decline to answer the question and invoke the fifth amendment of the Constitution of the United States.

Mr. KENNEDY. Mr. District Attorney, would you tell the committee when you first met Mr. Jim Elkins? As the district attorney of Multnomah county, Oreg., would you tell the committee when you first met Mr. Jim Elkins?

Mr. LANGLEY. I have answered that question, Counsel.

Mr. KENNEDY. I am asking you again and I do not know whether I understood you correctly.

Mr. LANGLEY. I am respectfully declining to answer the question for the reason that the answer might tend to incriminate me.

The CHAIRMAN. The Chair will ask you at this point, and probably ask you a number of times, do you state under your oath to this committee that you honestly believe that if you answered that question

and told the truth that such answer and the truth thereof might tend to incriminate you?

(The witness consulted with his counsel.)

Mr. LANGLEY. In this setting, the answer might tend to incriminate me.

The CHAIRMAN. I beg your pardon?

Mr. LANGLEY. I say in this setting the answer might tend to incriminate me.

The CHAIRMAN. You mean to reflect upon this setting?

Mr. LANGLEY. Not upon the committee, your honor.

Senator MUNDT. Mr. Chairman, let us get a little more information about this setting. Will you dilate on that a little bit? What are you complaining about?

Mr. LANGLEY. I am only using the language of the United States Supreme Court, Senator.

Senator MUNDT. Will you apply the language of the United States Supreme Court to the Senate caucus room of the United States Senate so I can understand it?

Mr. LANGLEY. I think that it means the type of hearing and the statements made in the circumstances of the witness.

Senator MUNDT. Let us take those up one by one, beginning with "the circumstances of the witness." What are the circumstances of the witness other than the fact he is the district attorney of Multnomah County, Oreg.

(The witness consulted with his counsel.)

Mr. LANGLEY. Well now, Senator, I am under indictment in Multnomah County on a conspiracy charge and in view of the testimony that has been introduced here I feel that I ought to invoke my constitutional rights.

Senator MUNDT. How many indictments rest against you?

Mr. LANGLEY. I have three, all involving the same situation in my opinion, but they are in the nature of conspiracy indictments.

Senator MUNDT. Are they State or Federal?

Mr. LANGLEY. They are State.

Senator MUNDT. That is what you mean when you talk about the circumstances of the witness?

Mr. LANGLEY. That is correct.

Senator MUNDT. Now we go to the second clause and that is the nature of the hearing. Now what do you mean by that?

Mr. LANGLEY. Well, this hearing is an investigation and it is not a trial and I feel that my personal difficulties can best be settled in a trial in Oregon.

Now I intend to be a witness there in my own defense and, of course, the transcript of my testimony will be available to this committee. I would add, too, that if the committee thinks that there are any questions which I could answer that would assist this committee in eventually making its findings, if those questions are transmitted to the attorney general, I am sure he will ask me those questions and they will be in the transcript which will be available to this committee.

Senator MUNDT. Surely you must appreciate, Mr. Langley, that this committee prefers to interrogate its witnesses directly, rather than straining the testimony through the lips and mind of the attorney general of Oregon.

Mr. LANGLEY. I appreciate that.

Senator MUNDT. You can either answer them or refuse to answer them, but certainly we are not going to present our interrogation by that kind of a triangulation.

Mr. LANGLEY. I am only pointing out to the Senator that I am not shutting the committee off entirely.

Senator MUNDT. But you will answer some questions?

Mr. LANGLEY. If I feel that they do not incriminate me.

Senator MUNDT. If they do not involve your particular indictments, will you feel free to answer the question?

Mr. LANGLEY. I will have to pass judgment on those as the questions are asked.

Senator MUNDT. Very good, we will be asking some.

The CHAIRMAN. Proceed with the questions, Mr. Counsel.

Mr. KENNEDY. What has been your relationship, Mr. District Attorney, with Mr. Tom Maloney?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. You feel that an answer to that question might incriminate you?

Mr. LANGLEY. It might tend to incriminate me.

Mr. KENNEDY. Might tend to incriminate you?

Mr. LANGLEY. Yes, sir.

Mr. KENNEDY. What about Mr. Joe McLaughlin. What has your relationship with Mr. Joe McLaughlin been?

Mr. LANGLEY. I would invoke the fifth amendment.

Mr. KENNEDY. And what about your relationship with Mr. Clyde Crosby, who is the international organizer of the teamsters?

Mr. LANGLEY. I am not sure as to your question.

Mr. KENNEDY. What has been your relationship with him? When did you first meet Mr. Clyde Crosby?

(The witness consulted with his counsel.)

Mr. LANGLEY. I would invoke the fifth amendment.

Mr. KENNEDY. On when you first met Mr. Clyde Crosby, the international organizer of the teamsters, you take the fifth amendment?

Mr. LANGLEY. Yes, sir.

Mr. KENNEDY. Is he involved in any of your indictments?

Mr. LANGLEY. Well, now, I will be glad to make an explanation if the committee will assure me that it will not be constituted as a waiver against my position.

The CHAIRMAN. You have counsel to advise you and the committee will not undertake to advise you. It will interrogate you about matters that are relevant and pertinent on this inquiry.

Mr. LANGLEY. In those circumstances, Mr. Chairman, I would then invoke the fifth amendment.

Mr. KENNEDY. Would you just tell the committee whether Mr. Clyde Crosby is involved in any of your indictments?

The CHAIRMAN. That is a matter of record and I think the witness knows that. If he does not want to, that is his privilege.

(The witness consulted with his counsel.)

Mr. LANGLEY. I will answer that question in this way, that circumstantially, he possibly is.

Mr. KENNEDY. Is he named a defendant or a party to any of your indictments?

(The witness consulted with his counsel.)

(At this point in the proceedings, Senator Goldwater entered the room.)

Mr. LANGLEY. No, he is not.

Mr. KENNEDY. Then now will you tell the committee when you first met Mr. Clyde Crosby, the international organizer of the teamsters?

Mr. LANGLEY. I decline to answer that on the fifth amendment.

Mr. KENNEDY. You just admitted he was not involved as a party in any of your indictments and did you not give the committee that information?

Mr. LANGLEY. I would be glad to explain my position in that matter. But I am hesitant to do it if you are going to claim that I have constituted a waiver.

Mr. KENNEDY. As the chairman said, that is up to you and your attorney.

Mr. LANGLEY. Under those circumstances, I am invoking the fifth amendment.

Mr. KENNEDY. Do you know the mayor of Portland, Mr. Terry Schrunk?

Mr. LANGLEY. Yes.

Mr. KENNEDY. How long have you known him?

Mr. LANGLEY. Since about 1949, I think.

Mr. KENNEDY. Did you and he ever work, since 1949, to abate any afterhours places in Portland?

(The witness consulted with his attorney.)

Mr. KENNEDY. That is some 7 or 8 years ago.

Mr. LANGLEY. Now I don't understand your last statement about 6 or 7 years ago.

Mr. KENNEDY. Since you met him, in 1949.

Mr. LANGLEY. Of course, I was not in an official position.

Mr. KENNEDY. Since 1954, you are right.

Mr. LANGLEY. If you are asking me whether I filed any abatement cases, I can answer that question.

Mr. KENNEDY. Well, now, let me ask, I will break it down, did he ever request that you have any places abated?

Mr. LANGLEY. No, he did not.

Mr. KENNEDY. From the time that you became district attorney in 1954, he never requested that you abate any afterhours places or houses of prostitution or call-girl place?

Mr. LANGLEY. Well, of course, there is some ambiguous language in the question, but I think that I can answer that question by saying he did not.

Mr. KENNEDY. Now, would you tell the committee there has been some testimony that when you ran for district attorney, back, I believe, the first time you ran for district attorney in 1949, was it?

Mr. LANGLEY. That is correct.

Mr. KENNEDY. Had you any interest in any gambling establishments at that time?

Mr. LANGLEY. I would decline to answer that and invoke the fifth amendment.

Mr. KENNEDY. Now, that is 1949, and it has nothing to do with your indictments in 1955.

Mr. LANGLEY. Well, I am charged in a conspiracy, and a conspiracy is based on circumstantial evidence, and I feel quite strongly that the answer might tend to incriminate me.

Mr. KENNEDY. Did you own an establishment with Mr. Jim Elkins during the 1940's?

Mr. LANGLEY. I would decline to answer that and invoke the fifth amendment.

Mr. KENNEDY. Was there gambling going on in that establishment when you owned it jointly with Mr. Jim Elkins?

(The witness consulted with his counsel.)

Mr. LANGLEY. I would decline to answer that and invoke the fifth amendment.

Mr. KENNEDY. Did you ever pay any moneys to Mr. Jim Elkins?

(The witness consulted with his counsel.)

Mr. LANGLEY. Would you name the time and place, please?

Mr. KENNEDY. In 1949, did you ever pay money to him?

Mr. LANGLEY. I would decline to answer that and invoke the fifth amendment.

Mr. KENNEDY. In 1950 did you pay any money to him?

Mr. LANGLEY. I would decline to answer.

Mr. KENNEDY. In 1951 did you pay any money to him?

Mr. LANGLEY. I would decline and invoke the fifth amendment.

Mr. KENNEDY. In 1952, did you pay any money to him?

Mr. LANGLEY. I would decline and invoke the fifth amendment.

The CHAIRMAN. The Chair asks again as to these questions that have been asked you now, when you take the fifth amendment do you state to this committee under oath that you honestly believe that if you answered these questions truthfully, a truthful answer might tend to incriminate you?

Mr. LANGLEY. My answer is the same as it was before, Mr. Chairman.

The CHAIRMAN. What was your answer before?

Mr. LANGLEY. That the answer might tend to incriminate me.

The CHAIRMAN. Thank you. Proceed.

Senator MUNDT. I would like to ask the witness, have you received any money from Mr. Elkins since you were indicted by the grand jury?

Mr. LANGLEY. I would invoke the fifth amendment and decline to answer that question.

Senator MUNDT. Why did you ask the counsel to name the places and the times if you were going to take the fifth amendment on all of it?

(The witness consulted with his counsel.)

Mr. LANGLEY. Well, the question was ambiguous and I thought it ought to be exact.

Senator MUNDT. He made it very exact and then, after he made it exact, you were afraid to answer, is that right?

Mr. LANGLEY. Now, Senator, I don't think you should say that.

Senator MUNDT. Well, you declined to answer under the fifth amendment because it might tend to incriminate the district attorney of Multnomah County; is that right?

Mr. LANGLEY. Senator, I don't want to be disrespectful of you, but when you took an oath, you took an oath to uphold the Constitution and the fifth amendment is a part of the Constitution. And now I am entitled to my legal rights, and you ought not to embarrass me about it.

Senator MUNDT. You embarrass yourself about it and it is very embarrassing to me as a citizen of this country to find any district



attorney presently sitting in that office, hiding behind the fifth amendment. It is embarrassing to me to think of the people of Portland, Oreg., with a mayor who flunks a lie-detector test and a district attorney hiding behind the fifth amendment.

If I lived there I would suggest they pull the flags down at half mast in public shame. So I am embarrassed.

The CHAIRMAN. The Chair wishes to make this statement.

Mr. LANGLEY. I would like to—

The CHAIRMAN. Just a moment. The Chair makes this statement, that the fifth amendment or the taking of the fifth amendment is not a duty. It is simply a privilege that a witness may exercise. In my judgment he can only exercise the privilege, if in good conscience, he honestly believes that the giving of a truthful answer under oath would tend to incriminate him.

So it is upon that premise this witness is being questioned. Proceed.

Mr. KENNEDY. Did you take an oath of office when you were sworn in as district attorney?

Mr. LANGLEY. I think so.

Mr. KENNEDY. You did, and you would know. Did you?

Mr. LANGLEY. Well, I believe I did; yes, sir.

Mr. KENNEDY. Was that oath of office to uphold the laws of Multnomah County?

Mr. LANGLEY. I presume so, and I have forgotten the contents of it.

Mr. KENNEDY. Have you kept that oath of office to uphold and enforce the laws of Multnomah County?

Mr. LANGLEY. No. I am indicted under a statute charging malfeasance in office and for that reason I must decline to answer your question and invoke the fifth amendment.

Mr. KENNEDY. Have you kept your oath of office to uphold the laws and enforce the laws of the State of Oregon?

Mr. LANGLEY. I give you the same answer.

Mr. KENNEDY. What is that answer, Mr. District Attorney?

Mr. LANGLEY. I am indicted for alleged malfeasance in office and for that reason I am declining to answer and invoking the fifth amendment.

Senator MUNDT. Mr. Chairman, I would like to ask this question: Mr. District Attorney, you are a lawyer and I presume a pretty good one, and I am not. I am just a country boy from South Dakota, but I would like to have your answer to this question:

If the counsel says to you, "Have you kept your oath to enforce the laws of the State of Oregon," and you answer affirmatively and emphatically, "Yes," how does that hurt you with your indictment?

(The witness consulted with his counsel.)

Mr. LANGLEY. Well, Senator Mundt, if I answered that question it could very easily constitute a waiver, and then you would be entitled to ask me other questions along the same line, which I would be obligated to answer, having waived the invoking of the fifth amendment.

Senator MUNDT. You would have waived it in connection with the area of the question which was whether or not you had enforced the law.

Mr. LANGLEY. I feel it might constitute a waiver, Senator.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. KENNEDY. While you were district attorney of Multnomah County, did you receive any moneys from Mr. Tom Maloney?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. While you were district attorney of Multnomah County, did you receive any moneys from Mr. Joe McLaughlin?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you ever discuss receiving moneys with Mr. Tom Maloney in Mr. Tom Maloney's apartment?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you receive moneys from Mr. Tom Maloney and Mr. Joe McLaughlin for afterhours joints that they were operating?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you receive any moneys from Mr. Tom Maloney and Mr. Joe McLaughlin from any call houses they were operating?

Mr. LANGLEY. I will invoke the first amendment.

Mr. KENNEDY. Did you receive any money from Mr. James Elkins?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Have you ever been in the apartment of Mr. Tom Maloney?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Have you ever been in the hotel room of Mr. Joe McLaughlin?

(The witness consulted with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Would you tell the committee whether your bills, any of your bills, have been paid since the time that you have been elected district attorney, by the teamsters' union?

(The witness consulted with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Now, were your bills, hotel bills when you visited Seattle, Wash., paid by the Teamsters Union?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. After you were elected district attorney in November of 1954, did Mr. Tom Maloney bring you down to the State of California?

(The witness consulted with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. When you were in California, were your hotel bills and your vacation bills paid by the Teamsters Union?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you meet Mr. Frank Brewster in the State of California when you were there?

(The witness consulted with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment. All of these questions will be answered in my trial and you will have a transcript of that testimony.

Mr. KENNEDY. Did you meet Mr. John Sweeney when you were down in California?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did they pay your hotel bills when you were there?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you make arrangements with Mr. Frank Brewster and Mr. John Sweeney for opening up after-hours places?

Mr. LANGLEY. I invoke the fifth amendment. I tell you again all of these questions will be answered in my trial and this committee will have a transcript of that testimony.

The CHAIRMAN. Mr. District Attorney, I have no way of knowing when and if a trial ever will be had in some other jurisdiction. This committee has a duty and a responsibility to the United States Senate, and to the citizens and taxpayers of this country to carry out the assignment reposed in it by a resolution unanimously adopted by the United States Senate.

This committee is going to pursue its task. It is going to question you about everything that is in your knowledge that is pertinent to this inquiry. So whether you like the questions will make no difference. You will have the opportunity, you are being given the opportunity, to answer questions which, if you can answer them truthfully, might refute testimony that is already before this committee regarding your official conduct.

Therefore, sir, the committee will pursue these questions. You can, and it is your privilege, to take the fifth amendment, if that is what you choose to do. But the fact that you choose to do it will not cause the committee to be reluctant to pursue its duty.

Proceed.

Mr. KENNEDY. Mr. Chairman, we have some tape recordings that are available to be played and possibly the other members of the committee would like to ask some questions prior to that time.

The CHAIRMAN. Do any other members of the committee have questions?

The Chair may say for the information of the committee, that we have certain tape recordings that will be introduced in evidence while this witness remains on the witness stand.

They will be played and they will be verified and sworn to before they are played. Are there any other questions? Senator McNamara?

Senator McNAMARA. Has the date been set for this trial that you make reference to?

Mr. LANGLEY. Yes, and one of the committee assistants assured the judge that I would return about February 29. Now, I have been here since February 25, but what the judge has done about the case since I have been away, I do not know.

Senator McNAMARA. I want to ask what is the date set for the trial?

Mr. LANGLEY. I think it was some consideration about March 8, which date has now passed.

Mr. KENNEDY. I would like to say that I have had some conversations with the judge, and the judge realizes that you are here on important work and he has agreed that you may stay and testify before the committee.

The CHAIRMAN. All right. Are there any further questions?

All right, if not, Mr. Counsel, you may bring your witness to testify as to the documents in the nature of tape recordings which you wish to introduce.

Senator MUNDT. Mr. Chairman, may I ask a question?

I do not think you have been asked the question this morning I would like to ask you. Did the Teamsters Union support you in your successful campaign for district attorney?

(The witness consulted with his counsel.)

Mr. LANGLEY. Well, Senator, I think the answer to that is common knowledge, but because it might be involved in this conspiracy case, I am declining to answer on the fifth amendment.

Senator MUNDT. It would seem to me that your declining to answer that on the grounds that it might incriminate you puts a rather bad stigma on the Teamsters Union which I presume will be your friend. I wonder if it is a matter of common knowledge why you do not answer it.

Mr. LANGLEY. Is that in the form of a question?

Senator MUNDT. That is right.

Mr. LANGLEY. Would you repeat it, please?

Senator MUNDT. Yes. It seems to me that your refusal to answer that question on the ground that it might tend to incriminate you stigmatizes the Teamsters Union which I presume to be your friend.

I wonder whether you would not like to give us a direct answer instead of taking the fifth amendment.

Mr. LANGLEY. I have stated my position, Senator.

Senator MUNDT. You do not care to change it?

Mr. LANGLEY. No.

The CHAIRMAN. May I ask the witness just to remain where he is and if they will set up another chair right here before these microphones for the other witness.

Mr. KENNEDY. Mr. Elkins, would you come over here, please?

#### TESTIMONY OF JAMES B. ELKINS—Resumed

The CHAIRMAN. As I understand it, it is all right to make the pictures except when the witness is testifying.

Mr. Elkins, you have been previously sworn at these hearings and have given previous testimony regarding the subject matters that inquiry has been made of you?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. You will remain under the same oath and do you acknowledge that?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Mr. KENNEDY. Now, Mr. Elkins, we have discussed in the past the fact that you put a tape recorder into the room of Mr. Tom Maloney, is that correct?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And what address was that tape recording put in?

Mr. ELKINS. It was in the King Towers apartment.

Mr. KENNEDY. That is in the city of Portland?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. What was the mechanics of it and where did you put it?

Mr. ELKINS. It was put in the living room, and there was a microphone put in the living room and run into the next apartment, and the wires run in.

Mr. KENNEDY. Was the microphone put in the living room, and the wires ran into the next apartment?

Mr. ELKINS. That's correct.

Mr. KENNEDY. And their conversations were taken down, is that right?

Mr. ELKINS. That's right.

Mr. KENNEDY. And they were put on tapes.

Mr. ELKINS. That's correct.

Mr. KENNEDY. Now you say that there are about 70 or more hours of tapes, is that right?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. Let me ask you, the tape machines recorded the conversations as they took place?

Mr. ELKINS. That's correct, sir.

The CHAIRMAN. So what we have here is the tape recordings that you have turned over to this committee—that we now propose to play are tape recordings that you, yourself, made?

Mr. KENNEDY. Or supervised.

The CHAIRMAN. Were you present at all times when this tape recording was being made?

Mr. ELKINS. No, sir; I wasn't present at all times.

Mr. CARNEY. We cannot hear and I think the microphones are dead.

The CHAIRMAN. All right.

Mr. ELKINS. I wasn't present in the room where the recorder was all of the time.

The CHAIRMAN. But you were there much of the time?

Mr. ELKINS. That's correct, and they were turned over to me and they weren't out of my possession until I turned them over to other people.

The CHAIRMAN. May I ask you before we begin, if you have heard these tapes played since.

Mr. ELKINS. Well, some parts of them, yes.

The CHAIRMAN. Can you identify the voices that will be recorded on the tapes?

Mr. ELKINS. Most of them, yes, sir.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Senator MUNDT. Could I ask one other question?

Mr. ELKINS, are you willing to state under oath that you have not changed, or altered, or tampered with, or demagnetized, or subtracted from or added to anything that we are about to hear on these tapes?

Mr. ELKINS. Yes, sir. I have not.

Senator MUNDT. They have not been changed in any way?

Mr. ELKINS. They have not.

Senator MUNDT. You make that statement under oath?

Mr. ELKINS. I do; yes, sir.

The CHAIRMAN. All right, Mr. Counsel, proceed.

Senator McNAMARA. I have a question. Since you were not there when these recordings were made all of the time, did you hire somebody to do this job?

Mr. ELKINS. I did, sir.

Senator McNAMARA. This is a hired job by you?

Mr. ELKINS. That's correct, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Now these conversations, which you have the text in front of you, are excerpts from certain conversations, is that correct?

Mr. ELKINS. That's correct, sir.

Mr. KENNEDY. Senator Mundt asked you, and they are exact transcripts as much as you could understand the transcripts being made?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. They have not been tampered with and they have not been altered?

Mr. ELKINS. No, sir.

Mr. KENNEDY. By you or by anybody under your supervision?

Mr. ELKINS. No. That's correct.

Mr. KENNEDY. You can swear to that?

Mr. ELKINS. I will swear to that; yes, sir.

The CHAIRMAN. I think the Chair should make one statement for the information of the witness and also for others who are interested.

There are some parts of these recordings that are so obscene and vulgar that they cannot be played. A transcript is available to the committee, however, and so are the tapes where anything that is left out of the recording that you will hear is still available, and any examination of it will substantiate what the Chair is saying.

They are of that nature that they should not be played in this public hearing.

All right, proceed.

Senator MUNDT. I think we should have one other fact in the record, Mr. Elkins, in response to the question of Senator McNamara. You said that you hired somebody to make the tapes. I think we should have the name of the person you hired in the event we might want to call him.

Mr. ELKINS. Raymond Clark.

Senator MUNDT. Of Portland, Oreg.?

Mr. ELKINS. Yes, sir.

Senator MUNDT. Do we have his address?

Mr. KENNEDY. We have it, Senator Mundt.

Senator MUNDT. Very good.

Mr. KENNEDY. We can proceed, Mr. Chairman.

The CHAIRMAN. Proceed.

Mr. KENNEDY. We will get started.

The CHAIRMAN. Mr. Elkins, I want you to follow the tapes, follow the playing, and be able to identify voices as we proceed.

(Recording was played as follows:)

MALONEY. See, uh, he just put down the uh, the total see! They totaled the whole G—D— thing.

The CHAIRMAN. Is that Maloney's voice?

Mr. ELKINS. Yes.

(Recording was played as follows:)

See, it uh, the bar took in twenty-five ninety-seven twenty-five. They opened up the twelfth, Joe. G—D—, I thought it was open the night of the tenth. They was open ten days through last night. The bar took in twenty-five hundred and ninety-seven dollars and uh, twenty-five cents, in, in ten days; beat-the-dealer took in two hundred ninety-seven dollars and fifty cents in ten days; the twenty-one game took in twelve hundred and fifty-two dollars and twenty-five cent in uh, ten days. Well, that was figur'n without what they did Saturday night on the twenty-one. Cigarettes, fifty dollars and forty-five cents and over here it says—bar, from, from twenty-five hundred ninety-seven dollars and twenty-five cents, you take for sev—eighty bottles of whisky, four hundred and twenty-five dollars. Wages, approximately five hundred and fifty; he said, the Swede put down here would be, would be, if Swede was down here this time, why, it would be a hundred and fifty more, it would make seven hundred instead of five-fifty, see? He subtracted two hundred and fifty-six dollars and eighty cents, that's uh, for uh, entertainment and uh, and uh, all that kind of b—. So, he then subtracted twelve forty six eighty from forty one ninety seven forty five—take that—shows the joint registered in ten days—has got to net around twenty-eight, twenty-nine hundred dollars. Is that any—is that all right for you?

McLAUGHLIN. Not only that, uh—

The CHAIRMAN. Stop the recording at that point.

Do you have a transcript before you?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. Will you read from your transcript or follow as I read it, that part which has just been played?

Mr. ELKINS. All right, sir.

The CHAIRMAN. Will you state whether you recognize from the record the statements as I read.

MALONEY. See, uh, he just put down the uh, the total see! They totaled the whole G—D— thing. See, it uh, the bar took in twenty-five ninety-seven twenty-five. They opened up the twelfth, Joe, G—D—, I thought it was open the night of the tenth! They was open ten days through last night. The bar took in twenty-five hundred and ninety-seven dollars and uh, twenty-five cents in, in ten days; beat-the-dealer took in two hundred ninety-seven dollars and fifty cents in ten days; the twenty-one game took in twelve hundred and fifty-two dollars and twenty-five cents in uh, ten days. Well, that was figur'n without what they did Saturday night on the twenty-one. Cigarettes, fifty dollars and forty-five cents and over here it says—bar, from, from twenty-five hundred ninety-seven dollars and twenty-five cents, you take for sev—eighty bottles of whisky, four hundred and twenty-five dollars. Wages, approximately five-hundred and fifty; he said, the Swede put down here would be, would be, if Swede was down here this time, why, it would be a hundred and fifty more, it would make seven hundred instead of five-fifty, see? He subtracted two hundred and fifty-six dollars and eighty cents, that's uh, for uh, entertainment and uh, and uh, all that kind of b—. So, he then subtracted twelve forty six eighty from forty one ninety seven forty five—take that—shows the joint registered in ten days—has got to net around twenty-eight, twenty-nine hundred dollars. Is that any—is that all right for you?

McLAUGHLIN. Not only that, uh—

The CHAIRMAN. Now, did you hear that played from what I have read?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. I am not sure just where the machine stopped.

McLAUGHLIN. Not only that, uh—

MALONEY. Or would you like to see a "every-day"—

Where did the machine stop?

Mr. ELKINS. When, I believe, McLaughlin's voice came in.

The CHAIRMAN. When McLaughlin's voice came in?

Mr. ELKINS. Yes, sir.

The CHAIRMAN. Resume playing the machine at that point.

You follow it closely. You are under oath.

Mr. ELKINS. I am doing the best I can.

(Recording was played as follows:)

MALONEY. Or would you like to see a "every-day"—

McLAUGHLIN. Uh, I want to see—He's got the "every-day" and he just—he just—

The CHAIRMAN. Will you identify the voices as we go along?

Mr. ELKINS. Yes, sir. That was Maloney and this is McLaughlin.

The CHAIRMAN. Resume the recording.

(Recording was played as follows:)

MALONEY. Well, Joe, now Jes—, I told you what he did; I told him th—, if he had "every-day" figures for me and he says, "yes," so this is the way he answered; that ain't "every-day," that's just—he's just making a total out there!

McLAUGHLIN. Uh, that's right. I didn't know—when you was see'n him I thought, I with it, you—"do you want me to get a copy of it or do you want me to get the slips from him?"

MALONEY. I did——

MCLAUGHLIN. I said to get the slips from him.

MALONEY. That's right. That's his, that's his, uh, that's his uh, he's taken 'em off another piece of paper, he left that piece of paper up in his room but I never ask him. I says, "is this all—all of it?" He says, "yes, right to the, to the, to the nickel."

(no voice for fifty seconds)

MCLAUGHLIN. I don't know what—whether here, whether uh, the dealer got his end off of this here——

MALONEY. Yah, that's right. The dealer's got his end off; everything is, everything is, uh, paid. It's the net. It should be—come up, twenty-nine hundred dollars. Now you take a tax off that, won't he?"

Mr. ELKINS. I am lost, sir.

The CHAIRMAN. What part are they in now?

Mr. ELKINS. That is what I say. I am lost.

Senator MUNDT. They are on the second paragraph of page two, Mr. Chairman.

The CHAIRMAN. The Chair will read to that point.

Senator MUNDT. Can you slow your machine down a little?

Mr. ELKINS. No. I just have a one-track mind.

Senator MUNDT. I am wondering if he could play it a little slower.

Mr. KENNEDY. It is starting with "Beat-the-dealer." He has come to that. Just a line above that.

Now you take——

Mr. ELKINS. Okay.

All right.

(Recording was played as follows:)

MCLAUGHLIN. Beat-the-dealer, beat-the-dealer wages is off and the twenty-one wages is off?

MALONEY. That's right.

MCLAUGHLIN. About taxes—no tax here, I think——

Mr. ELKINS. That is McLaughlin's voice.

(Recording was played as follows:)

MALONEY. Well, didn't he give you some tax proposition last time?

MCLAUGHLIN. Well, that's on wages, on wages (indistinct phrase).

MALONEY. He said that Kenton is run'in, they're running.

MCLAUGHLIN. (Indistinct sentence.)

MALONEY. The party said, that uh, said that there was another joint open (indistinct phrase) he's goin out around—Friday and Saturday and Sunday (indistinct phrase). Well, I told him to stick his nose in it to see what it was do'in and he found out there was just nothing do'in (indistinct phrase) they could hardly make the "nut". What time did you decide you was gonna meet him?

MCLAUGHLIN. I said, "ten", didn't I?

MALONEY. Well, twelve, fourteen-hundred dollars—Jes—, well we'll have to, accord—if that's the case, he's gonna give us three hundred and he, and he snatches three hundred for himself, cause that's—that's figure'n twelve hundred net. I believe it because—Leo—so, for twelve hundred net, why, the guy that runs it gets six hundred and then, uh, uh, Jim grabs three hundred and takes three hundred and splits it between you and I, between——

MCLAUGHLIN. That was for two weeks.

MALONEY. What two weeks? Yeah, but the only one, they opened up on a, a Saturday and we made sixty dollars;

The CHAIRMAN. Whose voice is that? Mr. Elkins, whose voice is that?

Mr. ELKINS. That is Maloney's.

(Recording was played as follows:)



MALONEY. What two weeks? Yeah, but the only one, they opened up on a, a Saturday and we made sixty dollars.

The CHAIRMAN. Stop the machine at that point.

You follow as I read, and tell me if this is what the machine recorded.

MALONEY. Well, Joe, now Jes—, I told you what he did; I told him th—, if he had "every-day" figures for me and he says, "Yes," so this is the way he answered; that ain't "every-day," that's just—he's just making a total out there.

MCLAUGHLIN. Uh, that's right. I didn't know—when you was see'n him I thought, I with it, you—do you want me to get a copy of it or do you want me to get the slips from him?

MALONEY. I did—

MCLAUGHLIN. I said to get the slips from him.

MALONEY. That's right. That's his, that's his, uh, that's his uh, he's taken 'em off another piece of paper, he left that piece of paper up in his room but I never ask him. I says, "Is this all—all of it?" He says, "Yes; right to the, to the, to the nickel." [No voice for 50 seconds.]

MCLAUGHLIN. I don't know what—whether here, whether uh, the dealer got his end off of this here—

MALONEY. Yah, that's right. The dealer's got his end off; everything is, everything is, uh paid. It's the net. It should be—come up, twenty-nine hundred dollars. Now you take a tax off that, won't he?

MCLAUGHLIN. Beat-the-dealer, beat-the-dealer wages is off and the 21 wages is off?

MALONEY. That's right.

MCLAUGHLIN. About taxes—no tax here, I think—

MALONEY. Well, didn't he give you some tax proposition last time?

MCLAUGHLIN. Well, that's on wages, on wages [indistinct phrase].

MALONEY. He said that Kenton is runnin', they're running.

MCLAUGHLIN. [Indistinct sentence.]

MALONEY. The party said, that uh, said that there was another joint open [indistinct phrase] he's goin' out around—Friday and Saturday and Sunday [indistinct phrase]. Well, I told him to stick his nose in it to see what it was doin' and he found out that there was just nothin' doin' [indistinct phrase] they could hardly make the "nut." What time did you decide you was gonna meet him?

MCLAUGHLIN. I said, "ten," didn't I?

MALONEY. Well, twelve, fourteen hundred dollars—Jes—well, we'll have to accord—if that's the case, he's gonna give us three hundred and he, and he snatches three hundred for himself, 'cause that's—that's figure'n twelve hundred net. I believe it because—Leo—so, for twelve hundred net, why, the guy that runs it gets six hundred and then, uh, uh, Jim grabs three hundred and takes three hundred and splits it between you and I, between—

Who is Jim?

Mr. ELKINS. That is me, sir.

The CHAIRMAN. O. K. Have I read down as far as the record played?

Mr. KENNEDY. It went down to \$60.

The CHAIRMAN. I will read to that.

MCLAUGHLIN. That was for two weeks.

MALONEY. What two weeks? Yeah, but the only one, they opened up on a, a Saturday, and we made sixty dollars.

Now you may resume playing.

(Recording was played as follows:)

that's what he give you—gave us on that proposition. Sixty dollars! Then they opened up the last weekend, he's gone all this week now, and last Sat.—weekend so we'll see what kind of a figure he gives you on that one, this week. You got the envelope there, Joe. It says sixty-six dollars! On one weekend there, he had on—two hundred and something. It's pretty hard to get information out of that joint because Slim's old lady, uh, runs the high-dice game out there and runs—uh, another fellow handles the twenty-one. And it's just a closed shop corporation there and—but I'm just tellin' you what I, what I understand they're

doin' weekends. But this is right to a penny—what this is! What he figures, net, that's in ten days, well, that would make that, in ten days, making three hundred dollars a day—let's see what figures Mr. Elkins gives you tomorrow!

The CHAIRMAN. Hold the machine there. I will finish reading that paragraph, Maloney talking:

Then they opened up the last weekend, he's gone all this week now, and last Sat—weekend so we'll see what kind of a figure he gives you on that one, this week. You got the envelope there Joe. It says sixty-six dollars! On one weekend there, he had on—two hundred and something. It's pretty hard to get information out of that joint because Slim's old lady, uh, runs the high-dice game out there and runs—uh, another fellow handles the twenty-one. And it's just a closed shop corporation there and—but I'm tellin' you what I, what I understand they're doin weekends. But this is right to a penny—what this is! What he figures, net, that's in ten days, well, that would make that, in ten days, making three hundred dollars a day—let's see what figures Mr. Elkins gives you tomorrow!

Were you supposed to give him some more figures? Is that what they were checking?

Mr. ELKINS. No. They had the man, this Leo Plotkin in there, and he had taken the figures, and then they would check it up the way he seen it and then they would say, "Well, we will see what Elkins comes up with tomorrow," sir.

The CHAIRMAN. He would come in and make an estimate to them of what your take was at those places?

Mr. ELKINS. That is correct.

The CHAIRMAN. And they would check what his estimate was against what you reported to them?

Mr. ELKINS. That is right.

The CHAIRMAN. Is that what they are talking about here?

Mr. ELKINS. Yes, sir.

Senator MUNDT. Who is this fellow Slim?

Mr. ELKINS. That is the man Slim Jenkins—

Senator MUNDT. The man who testified?

Mr. ELKINS. Yes, sir.

Senator MUNDT. And his wife, also?

Mr. ELKINS. Yes. But she worked on the door, in the checkroom. She wasn't dealing in that place.

The CHAIRMAN. Proceed.

The Chair is going to ask the counsel to do some of this reading.

Mr. KENNEDY. The participants here are Tom Maloney and Joe McLaughlin. As I understand, McLaughlin is in a room conversation with Maloney, regarding Maloney allowing Clyde Crosby to find out the actual income figures from illegal operations.

Is that what the gist of this conversation is?

Mr. ELKINS. That is correct. They didn't want Crosby to know they were stealing from him.

The CHAIRMAN. Play the machine.

(Recording was played as follows:)

McLAUGHLIN. (noise)—think you—you can't let him know too much—Clyde. MALONEY. But you told him, Joe.

McLAUGHLIN. I didn't tell him s—Tom.

MALONEY. Well, that's what he said—

McLAUGHLIN. Just a minute. I told him—(interrupted)

MALONEY. Well he told—

McLAUGHLIN. Just a minute—I told him that they padded the—all the bills and what have you and put in a lot of expenses and he wanted to know how we

did out of the outa the outa the bootlegging joint. I told him they'd padded-up a lot of expenses and had to tear up all the books back to then and I says "out of your end your supposed to get" I says "there's three-thousand dollars in—in bills." And I says "(indistinct word) and building a bar and what have you" so I says "it's kind funny (indistinct phrase)". So I says "we'll see what they got to put in it next month". Didn't tell him nothin about what "Swede" got what you or I got—

MALONEY. Well here's—(interrupted)—see—

McLAUGHLIN. I didn't tell him—told him nothin I just told him I couldn't—I wasn't going to see him going for free. Because I'm a little warm because with it before we "cut" up any money they went ahead and took out over three thousand dollars in bills and I says "with it we wasn't in with the Swede in that joint when it was going two months ago, a month ago, three months ago" I says "cause we're pay'n either back rent or back bills and all that c—— that Swede had from that joint and maybe from the other joint." I says "I suppose those are the things you gotta cut up with". So I says "I never got nothin out of it 'because' I said "they went ahead and put down three thousand". Irregardless Tom, they won't let you have all that you get out of this here report to John. Tom if you don't—if—you—you—you gotta have it your way—

MALONEY. (two words indistinct.)

(At this point, the chairman withdrew from the hearing room.)

Senator MUNDT (Presiding). You can stop the machine now. We will have counsel read that bit of tape.

Mr. KENNEDY (reading):

McLAUGHLIN. (noise)—think you—you can't let him know too much—Clyde.

MALONEY. But you told him Joe.

McLAUGHLIN. I didn't tell him s—— Tom.

MALONEY. Well that's what he said—

McLAUGHLIN. Just a minute I told him—(interrupted)

MALONEY. Well he told—

McLAUGHLIN. Just a minute—I told him that they padded the—all the bills and what have you and put in a lot of expenses and he wanted to know how we did out of the outa the outa the bootlegging joint. I told him they'd padded up a lot of expenses and had to tear up all the books back to then and I says "out of your end your supposed to get" I says "there's three-thousand dollars in—in bills." And I says "(indistinct word) and building a bar and what have you" so I says "it's kinda funny (indistinct phrase)." So I says "we'll see what they got to put in it next month". Didn't tell him nothin about what "Swede" got what you or I got—

MALONEY. Well here's—(interrupted)—see—

McLAUGHLIN. I didn't tell him—told him nothin I just told him I couldn't—I wasn't going to see him going for free. Because I'm a little warm because with it before we "cut" up any money they went ahead and took out over three thousand dollars in bills and I says "with it we wasn't in with the Swede in that joint when it was going two months ago, a month ago, three months ago" I says "cause we're PAY'n either back rent or back bills and all that c—— that Swede had from the joint and maybe from the other joint." I says "I suppose those are the things you gotta put up with". So I says "I never got nothing out of it 'because'." I said "they went ahead and put down three thousand". Irregardless Tom they won't let you have all that you get out of this here report to John. Tom if you don't—if—you—you—you gotta have it your way—

MALONEY. (two words indistinct.)

That is it.

What does that mean?

Mr. ELKINS. Well, they are cooking up. McLaughlin is accusing Maloney of telling Crosby and John too much, and he is giving him an explanation so they would both stick to the same story to Sweeney and to Crosby.

Mr. KENNEDY. They are arguing who told Crosby the story?

Mr. ELKINS. That is right. That is in the first part. Tom Maloney told him there was more money taken in than what Joe told him.

Then they covered it up by saying that I was taking out \$3,000 in bills and for a bar and bills, and things like that.

(At this point, Senator McNamara withdrew from the hearing room.)

Mr. KENNEDY. So that is where the money disappeared, that you had taken it and paid it for these expenses and that is why they did not have the money they were supposed to have, is that right?

Mr. ELKINS. That is correct.

Mr. KENNEDY. And John is John Sweeney?

Mr. ELKINS. Yes, sir.

Senator MUNDT. Who is Swede?

Mr. ELKINS. Swede Ferguson. He operated a bootlegging place.

Senator MUNDT. He was one of your men?

Mr. ELKINS. He was the manager of it, yes, sir.

Senator MUNDT. Working for you?

Mr. ELKINS. Well, we were partners, sir.

Senator MUNDT. You and Swede were partners?

Mr. ELKINS. That is right.

(At this point, the chairman entered the hearing room.)

Mr. ELKINS. That is why they were raising the devil over there because he took \$600, and I slipped the \$600 to them.

Senator MUNDT. Go ahead with the recording.

(Recording was played as follows:)

McLAUGHLIN. You can't let him know what your—

MALONEY. Oh, I don't—(interrupted).

McLAUGHLIN.—Well, with it—

MALONEY. Well did I—did I give him the right answer?

McLAUGHLIN. You shouldn't have given him any answer. You shouldn't have told him because you get hot that Swede cut over three thousand. Because that is—just makes that—now we'll have to put in everything that you win. So, he'll mark it on down, you understand, uh, with it, and "Bill" will beef and he and he'll be cryin' for some more. —Cause you break him in that way and that's the way you'll have him/

MALONEY. I didn't "break him in," Joe, I just—because he jumped on me. He said, Je—, that bootlegging joint did pretty good and that's and that's from the figure—

McLAUGHLIN (interrupting). What figure, Tom?

MALONEY. Three thousand dollars—

McLAUGHLIN. That's right. But—with it—that was paid on out in bills.

MALONEY. Yah, but he didn't say anything about it being paid out in bills—bills—except that uh, you—he put somebody in—cause he said, he said—that—"Jesus, that bootlegging joint's allright", he says, uh, uh, "something about three thousand dollars" and I says, "what the hell you talkin' about, three thousand dollars." I said, "All the, all the money was paid out in bills", I says, "s—", I says, they're payin' for—payin' rent on on two joints and everything else and I don't know if—if the thing is gonna be a successful venture. I—

McLAUGHLIN. Don't be yellin' at me—Tom—cause I'm just tellin'—if you coulda figured wrong, your—you'll never forget about it—

MALONEY. Joe, I'm not breaking him in wrong but he said—

McLAUGHLIN. You see, if you can—

MALONEY. Well, he lied, he just lied to me about what you told him, that's all and that's a hell of a different story. I'm just tellin' you what he told me. Well, I jumped right on over him, that's all, and I says, "he don't know what the f— he's talkin' about—three thousand dollars that they—all he did was pad"—

McLAUGHLIN. And I told Bill to close 'em, I told you and I told Clyde about the three thousand dollars in bills they "cut". That's why he was so "hot" about the joints being closed cause he was hope'n we'd open on up. Here, we go ahead and they take out three thousand dollars in bills and Tom and I have gotta stand our end of it and then the joint does on down—they blamed the chief of police;

now if I'm mistaken, I planned then on another new Chief of Police cause when you're sittin' down with a guy, that's with him and I told Bill—at the same time, I told Clyde the same thing.

The CHAIRMAN. Mr. Counsel, read and let Mr. Elkins verify it.

Mr. KENNEDY (reading) :

McLAUGHLIN. You can't let him know what your—

MALONEY. Oh I don't—

McLAUGHLIN. Well with it—

MALONEY. Well did I—did I give him the right answer?

McLAUGHLIN. You shouldn't have given him any answer. You shouldn't have told him because you get hot that Swede cut over three thousand. Because that is—just makes that—now we'll have to put in everything that you win. So, he'll mark it on down, you understand, uh, with it, and "Bill" will beef and he and he'll be cryin' for some more—cause you break him in that way and that's the way you'll have him.

The CHAIRMAN. Who is the "Bill" referred to?

Mr. ELKINS. Bill Langley.

The CHAIRMAN. Bill Langley, the district attorney?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY (reading) :

MALONEY. I didn't "break him in" Joe, I just—because he jumped on me. He said, Je—, that bootlegging joint did pretty good and that's and that's from the figure—

McLAUGHLIN. What figure, Tom?

MALONEY. Three thousand dollars—

McLAUGHLIN. That's right. But—with it—that was paid on out in bills.

MALONEY. Yah, but he didn't say anything about it being paid out in bills—bills—except that uh, you—he put somebody in—cause he said, he said—that—"Jesus, that bootlegging joint's all right", he says, uh, uh, "something about three thousand dollars" and I says, "what the hell you talkin' about, three thousand dollars." I said, "All the, all the money was paid out in bills", I says, "s—", I says, "they're payin' for—payin' rent on on two joints and everything else and I don't know if—if the thing is gonna be a successful venture. I"—

McLAUGHLIN. Don't be yellin at me—Tom—cause I'm just tellin—if you coulda figured wrong, your—you'll never forget about it—

MALONEY. Joe, I'm not breaking him in wrong but he said—

McLAUGHLIN. You see, if you can—

MALONEY. Well, he lied, he just lied to me about what you told him, that's all and that's a hell of a different story. I'm just tellin you what he told me. Well, I jumped right on over him, that's all, and I says, "he don't know what the f— he's talkin about—three thousand dollars that they—all he did was pad" —

McLAUGHLIN. And I told Bill to close em, I told you and I told Clyde—

The CHAIRMAN. Who is Bill, there, that he told to close him?

Mr. ELKINS. Bill Langley, sir, the district attorney.

Mr. KENNEDY. "I told Clyde," and that is Clyde Crosby?

Mr. ELKINS. That is Clyde Crosby.

Mr. KENNEDY (reading) :

about the three thousand dollars in bills they "cut". That's why he was so "hot" about the the joints being closed cause he was hop'n we'd open on up. Here, we go ahead and they take out three thousand dollars in bills and Tom and I have gotta stand our end of it and then the joint goes on down—they blamed the chief of police; now if I'm mistaken, I planned then on another new chief of police cause when you're sittin down with a guy, that's with him and I told Bill—at the same time, I told Clyde the same thing.

The CHAIRMAN. Is that the same Clyde and Bill you referred to a moment ago?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. What is the gist of this conversation?

Mr. ELKINS. Bill Langley was checking up some other way, and they told him they made \$3,000, and apparently talking to Tom, Tom admitted it, and Joe is apparently raising the devil with Tom for telling how much they are making, and he says break Bill Langley in right so he won't want too much of the take.

Mr. KENNEDY. Would not expect too much?

Mr. ELKINS. Wouldn't expect too much.

The CHAIRMAN. He did not want to tell Bill Langley the correct amount?

Mr. ELKINS. Nor Clyde Crosby nor John Sweeney.

The CHAIRMAN. They wanted to hold out on them?

Mr. ELKINS. They were holding out on them. That is right.

Mr. KENNEDY. And the amount of money was mentioned without mentioning the fact that some of this money had to go out in bills, that they were giving the whole figure rather than considering that some of the money had to be paid out in bills?

Mr. ELKINS. They are telling them there is a lot more paid out in bills than what there was. They are trying to cover up the \$3,000 because they don't know where he got the figure, and they are trying to cover up in case he knew what he was talking about on the \$3,000 basis.

Mr. KENNEDY. And that Clyde Crosby was also interested at the same time?

Mr. ELKINS. That is correct, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. This is tape No. 3, the third one recorded in September 1955. It is tape No. 12, but it is the third group. It was recorded in September 1955. The participants are William L. Langley, district attorney, and Joseph P. McLaughlin.

The CHAIRMAN. All right. Play tape No. 12, No. 3 on our schedule.

Mr. KENNEDY. This is William Langley.

(Recording was played as follows:)

LANGLEY. You see, there's another way you can—

Mr. ELKINS. That is the district attorney's voice. (Recording was played as follows:)

MCLAUGHLIN. With it, it's the only way to handle it, to curb it, is through the police department.

LANGLEY. To my way of thinkin', is this, that he can make all the money he needs if he does this—I can see where the punchboards—is such a big proposition, that's difficult to handle, but get the Swede goin' and get this poker goin' down there and if you can get a guy to come in and to run the book and get a book goin', why, hell, between those things Tom oughta pick up pretty good money. It'll be the only book in town—

MCLAUGHLIN. That's right.

LANGLEY. That amounts to a g—damned.

MCLAUGHLIN. That's right.

LANGLEY. I know damned good and well that when I was bettin' I bet 6 to 5 and when you get stuck you'll have—

The CHAIRMAN. Would you point out Langley's voice?

Mr. ELKINS. I did, sir.

(Recording was played as follows:)

you'll bet the damn 10 percent, you're so damn crazy in the head that you'll take 10 percent for it just to get into the action.

MCLAUGHLIN. You got to get the action.

LANGLEY. Yeah.

MCLAUGHLIN. That's right.

LANGLEY. To get even. So if he starts it off, charging everybody the 10 percent it'll be all right and, as I say, if he starts them off and if it don't go he can close down. And, but—and he's got to make it a——(Langley continuing \* \* \*) Of course, it'd have to be cut up a lot of ways, he'd have to bring in some guy to run it, but this town could—could stand a pretty good book, you know. And I take that card room down there and—down around—he's done pretty good, you know. Well, Tom—Tom gets all stirred up and he gets unduly concerned about things. He's out frontin' the g—damned—he get's out in front for the uh—for the union. Well, so we should sit back and calculate about it, but if they make a change, fine and dandy and it's the Teamsters' business, but I—I have—Teamsters' business, see. Here's the way I feel about it, Joe, the Teamsters have been good to me, but I don't want people thinking that the Teamsters own me and yet on the other—I feel——

MCLAUGHLIN. (Indistinct) morally.

LANGLEY. Yes. Now, on the other hand, I'm a stand up guy that's uh—although I don't want to try to dictate what they're doin', I don't want to see 'em doin' something that's going to hurt 'em. It hurts them and then, of course, indirectly it—it hurts me. But you've got to—you've got to—you've thought it out clearly of course uh uh—Sweeney throws up his hands and says it's up to Pete to figure out his own way of gettin' uh—uh, uh, you know, of getting rid of Purcell. We'll have to see what he—we'll have to see what he says about that. But it still gets back over to Tom's thinking is all wrong, Joe. Tom's thinking is all wrong because he's not going for the 10 percent proposition, what the hell's he changing for cuz if he changes that's all the more that's gonna be due, Joe.

MCLAUGHLIN. That's right.

LANGLEY. I can't see—you don't think I'm wrong about that. You can't let these sporting houses go. I don't think they'll like it. I don't think there's any use in it.

MCLAUGHLIN. — no.

LANGLEY. Well, uh now especially when I've taken a position I have——

MCLAUGHLIN. You gotta have a position. With it, I was never for it. John was never for it, I don't think it's any good for any town. I think there's a smarter way of doing it, I think we can do it in a easier and a smarter way and it looks like you'll have a fight if Uncle Sam is in there and besides there's no way to cope with a deal like, you understand. There's no official involved in it and that's—and that's the officials you want to try to—to get 'em to come on down the line. So how are you——

LANGLEY. Why, sure, I can't uh—I can't——

MCLAUGHLIN. (Indistinct) He ran a whorehouse for over thirty years. Just like Tom, with a half a dozen girls up there. (Indistinct) even made money off his own wife (indistinct)

LANGLEY. I told him that to start out with except I put the slots in—I mean the pinballs and they were—doesn't seem to be in the picture now. And the punchboards would be all right if you could get them out with just the ten percent tax. I mean, get the things taxed. It's a difficult thing to get accomplished. But he's already got two things going—he's got the bootleg joint and——

MCLAUGHLIN. Now, comes the cards——

LANGLEY. Now he's got the cards——

MCLAUGHLIN. And there should be a book.

LANGLEY. (Indistinct.)

MCLAUGHLIN. Absolutely.

LANGLEY. And he should ma— and he should make himself a thousand, fifteen hundred off that. That's all he's gonna do, see? He had some wild idea about the abortionists. I never heard any more about that. But——

MCLAUGHLIN. That's right, I——

LANGLEY. See, that's about what's (indistinct) See, that's another reason the bootleg joint's gonna go. If it keeps going maybe he can get another one goin' here someplace and uh have it going so he can pick up a few more bucks. But he oughta do well enough on that without creating a rumpus in here. You got this guy Elkins now in the best shape you've ever got him, right now, haven't you?

MCLAUGHLIN. I think so.

LANGLEY. Yeah.

MCLAUGHLIN. (Indistinct.)

LANGLEY. Well, Joe, I don't know anything to report. We'll wind up our conversation. Except insofar as the Kenton trouble is concerned. That is not

in my office. That's where your responsibility is. And then uh I'll give the mayor a call tomorrow about the gypsies. So when do you go back? Tomorrow night?

McLAUGHLIN. That's right.

LANGLEY. Well, you might call me—

McLAUGHLIN. (Indistinct)

LANGLEY. Huh?

McLAUGHLIN. Tom will be here tonight. You want to go see those fights, some pictures of the heavyweight—

LANGLEY. Now, I don't care about fights. I don't like fights. He'll be back home tomorrow though, won't he?

McLAUGHLIN. (Indistinct) because he's a top fighter, you know. You like to admire a champion, but if you've seen 'em fight a few times you'd admire 'em.

(Indistinct)

LANGLEY. What the hell's good about watching some guy knock some other guy in the head. I can't see it. (Background laughter). Well, Joe, hear from you before you go back.

McLAUGHLIN. Yeah. (Indistinct.)

LANGLEY. All right, I'll do that.

The CHAIRMAN. Mr. Counsel, read it.

Mr. ELKINS, will you follow? I may want to ask you a question or two about it.

Mr. ELKINS. Yes, sir.

Mr. KENNEDY. Who is Swede?

Mr. ELKINS. A partner of mine in a bootleg joint.

Mr. KENNEDY. And Maloney is Tom Maloney and Langley is Bill Langley?

Mr. ELKINS. Yes, sir.

Mr. KENNEDY (reading).

LANGLEY. You see, there's another way you can—

McLAUGHLIN. With it, it's the only way to handle it, to curb it, is through the police department.

LANGLEY. To my way of thinkin', is this, that he can make all the money he needs if he does this—I can see where the punchboards—is such a big proposition, that's difficult to handle, but get the Swede goin' and get this poker goin' down there and if you can get a guy to come in and to run the book and get a book goin', why, hell, between those things Tom oughta pick up pretty good money. It'll be the only book in town—

McLAUGHLIN. That's right.

LANGLEY. That amounts to a g--damned.

McLAUGHLIN. That's right.

LANGLEY. I know damned good and well that when I was bettin' I bet 6 to 5 and when you get stuck you'll have—you'll bet the damn 10 percent, you're so damn crazy in the head that you'll take 10 percent for it just to get into the action.

McLAUGHLIN. You got to get the action.

LANGLEY. Yeah.

McLAUGHLIN. That's right.

LANGLEY. To get even. So if he starts it off, charging everybody the 10 percent it'll be all right and, as I say, if he starts them off and if it don't go he can close down. And, but—and he's got to make it a—(Langley continuing \* \* \*.)

Of course, it'd have to be cut up a lot of ways, he'd have to bring in some guy to run it, but this town could—could stand a pretty good book, you know. And I take that card room down there and—down around—he's done pretty good, you know.

Mr. Chairman, there is some remark by McLaughlin that we do not have, right in there. It is a correction to the transcript.

The CHAIRMAN. All right.



Mr. KENNEDY. And then Langley continuing:

Well, Tom—Tom gets all stirred up and he gets unduly concerned about things. He's out frontin' the g--damned—he get's out in front for the uh—for the union. Well, so we should sit back and calculate about it, but if they make a change, fine and dandy and it's the Teamsters' business, but I—I have—Teamsters' business, see. Here's the way I feel about it, Joe, the Teamsters have been good to me, but I don't want people thinking that the Teamsters own me and yet on the other—I feel—

MCLAUGHLIN. (indistinct) morally.

LANGLEY. Yes. Now, on the other hand, I'm a stand up guy that's uh—although I don't want to try to dictate what they're doin', I don't want to see 'em doin' something that going to hurts 'em. It hurts them and then, of course, indirectly it—it hurts me. But you've got to—you've got to—you've thought it out clearly of course uh uh—Sweeney throws up his hands and says it's up to Pete to figure out his own way of gettin' uh—uh, uh, you know, of getting rid of Purcell. We'll have to see what he—we'll have to see what he says about that.

The CHAIRMAN. Who is Pete?

Mr. ELKINS. That is the mayor of Portland, sir, Fred Peterson.

The CHAIRMAN. Fred Peterson.

All right.

Mr. KENNEDY. And Purcell was the chief of police?

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. Langley continuing:

But it still gets back over to Tom's thinking is all wrong, Joe. Tom's thinking is all wrong because he's not going for the ten percent proposition, what the hell's he changing for cuz if he changes that's all the more that's gonna be due, Joe.

MCLAUGHLIN. That's right.

LANGLEY. I can't see—you don't think I'm wrong about that. You can't let these sporting houses go. I don't think they'll like it. I don't think there's any use in it.

MCLAUGHLIN. No.

LANGLEY. Well, uh, now especially when I've taken a position I have.

MCLAUGHLIN. You gotta have a position. With it, I was never for it John was never for it, I don't think it's any good for any town. I think there's a smarter way of doing it, I think we can do it in a easier and a smarter way and it looks like you'll have a fight if Uncle Sam is in there and besides there's no way to cope with a deal like, you understand. There's no official involved in it and that's—and that's the officials you want to try to—to get 'em to come on down the line. So how are you—

What does that conversation mean? That it would be difficult to get somebody to go along in an official capacity?

(At this point, Senator Ervin entered the hearing room; and at this point, Senator Goldwater withdrew from the hearing room.)

Mr. ELKINS. On houses of prostitution.

Mr. KENNEDY. Because then you would get into the Federal Government?

Mr. ELKINS. That is right. They figured if they could open call houses, they wouldn't have to be out in front like they would in walkups.

Mr. KENNEDY. But the houses of prostitution would bring you under the Mann Act and bring in the Federal Government?

Mr. ELKINS. That is correct.

Mr. KENNEDY (reading):

LANGLEY. Why, sure, I can't, uh—I can't—

MCLAUGHLIN. [Indistinct] He ran a whorehouse for over thirty years. Just like Tom, with a half a dozen girls up there. [Indistinct] even made money off his own wife [indistinct].

LANGLEY. I told him that to start out with except I put the slots in—I mean the pinballs and they were—doesn't seem to be in the picture now. And the punchboards would be all right if you could get them out with just the ten percent tax. I mean, get the things taxed. It's a difficult thing to get accomplished. But he's already got two things going—he's got the bootleg joint and—

McLAUGHLIN. Now, comes the cards—

LANGLEY. Now he's got the cards—

Senator MUNDT. What does he mean by "he" all the time, Mr. Elkins?

Mr. ELKINS. Well, Tom Maloney.

Mr. KENNEDY. Tom Maloney?

Mr. ELKINS. Yes, sir; Tom Maloney. That is he.

Mr. KENNEDY (reading):

McLAUGHLIN. And there should be a book.

LANGLEY. [Indistinct.]

McLAUGHLIN. Absolutely.

LANGLEY. And he should ma— and he should make himself a thousand, fifteen hundred off that. That's all he's gonna do, see? He had some wild idea about the abortionists. I never heard any more about that. But—

McLAUGHLIN. That's right, I—

LANGLEY. See, that's about what's [indistinct]. See that's another reason the bootleg joint's gonna go. If it keeps going maybe he can get another one goin' here someplace and, uh, have it going so he can pick up a few more bucks. But he oughta do well enough on that without creating a rumpus in here. You got this guy Elkins now in the best shape you've ever got him, right now, haven't you?

McLAUGHLIN. I think so.

LANGLEY. Yeah.

McLAUGHLIN. [Indistinct.]

Senator MUNDT. What does he mean by saying that he has the man Elkins in the best shape he ever had?

Mr. ELKINS. Well, I made up my mind to get evidence against them and I am telling them I am scared to death of them, whatever they say I should do, I will do.

Senator MUNDT. You have been telling them you are afraid of them?

Mr. ELKINS.. That is correct.

Senator MUNDT. You are decoying them?

Mr. ELKINS. That is right.

Mr. KENNEDY (reading):

LANGLEY. Well, Joe, I don't know anything to report. We'll wind up our conversation. Except insofar as the Kenton trouble is concerned. That is not in my office. That's where your responsibility is. And then, uh, I'll give the mayor a call tomorrow about the gypsies. So when do you go back? Tomorrow night?

What about the gypsies? What was that in connection with?

Mr. ELKINS. Well, there is a housing rule or something, an ordinance in the city ordinance, that gypsies or anyone else couldn't live in a store building, because of the sanitary conditions, sanitation, I guess. They couldn't find anything else to ask to have the chief of police thrown out, and those gypsies live all over the north end of town and part of the south end, in these buildings, and they have their door open, and telling fortunes, and things like that. They decided they would use that as an excuse to go to the mayor and tell him the chief was getting money out of those gypsies to let them live in those store buildings.

They would use that as an excuse to remove the chief of police. But they eventually decided—I don't think they ever went to him for that.

Mr. KENNEDY. With that reason about the gypsies?

Mr. ELKINS. They finally, I think, decided it was too weak a reason.

Senator MUNDT. Do you know what they meant by the Kenton trouble?

Mr. ELKINS. Well, that is the raid on Kenton, the 8212, that wasn't reopened.

Do you mean the Kenton trouble?

Senator MUNDT. Yes. It says,

Except insofar as the Kenton trouble is concerned. That is not in my office.

Mr. ELKINS. He meant that he had no part of it.

Senator MUNDT. That is the place that Mayor Schrunk was alleged to have raided when he was a sheriff?

Mr. ELKINS. That is right. Neither Joe nor Langley knew that Tom had stirred it up. When they got pretty mad about it, why—that is what they are talking about the Kenton trouble.

Mr. KENNEDY. And then:

McLAUGHLIN. That's right.

LANGLEY. Well, you might call me—

McLAUGHLIN. [Indistinct.]

LANGLEY. Huh?

McLAUGHLIN. Tom will be here tonight. You want to go see those fights, some pictures of the heavyweight—

LANGLEY. Now, I don't care about fights. I don't like fights. He'll be back home tomorrow though, won't he?

McLAUGHLIN. [Indistinct] because he's a top fighter, you know. You like to admire a champion, but if you've seen 'em fight a few times you'd admire 'em. [Indistinct.]

LANGLEY. What the hell's good about watching some guy knock some other guy in the head. I can't see it. [Background laughter.] Well, Joe, hear from you before you go back.

McLAUGHLIN. Yeah. [Indistinct.]

LANGLEY. All right, Ill do that.

The CHAIRMAN. Proceed.

Mr. KENNEDY. The next is tape No. 47. It is tape No. 47, recorded August 22, 1955, participants being District Attorney Langley, Joseph McLaughlin and Tom Maloney. The persons mentioned are Attorney General Robert Thornton, described as "that screwball in Salem"; Jim Purcell, Jr., at that time chief of police in Portland; Leo Plotkin, referred to by his code name "the spy"; Johnny Delaney, an underworld character in Portland who was working as an investigator for Attorney General Thornton; Gordon McCreary, Chief of Hard Liquor Enforcement Division for the Oregon Liquor Control Commission.

The CHAIRMAN. Play it.

(Recording was played as follows:)

LANGLEY. No reason why he couldn't. Because he can't see him on account of his dads de—that's—Jim Purcell is so g damned hungry for money that he wouldn't even go to his dad's funeral if it meant makin' a few bucks. I'm telling you—he's money—crazy guy. Well, the only worry I got that—that you fellows get taken care of. If you're satisfied, why, it's alright with me. As far—

The CHAIRMAN. Whose voice is that?

Mr. ELKINS. That is the district attorney.

(Recording was played as follows:)

MALONEY. Well, I'm not satisfied.

Mr. ELKINS. That is Tom Maloney that says, "Well, I'm not satisfied."

(Recording was played as follows:)

LANGLEY (laughing). Well, you better do something then—

MALONEY. Joe's not satisfied.

LANGLEY. Well, I'm not holding you back, you know that. Well, I gotta go home. You'll a—if anything happens the, you uh—this Spy will call you and you call me. Okeh. And then, Joe, I probably won't be seeing you for a little while. You won't be down until after Labor Day, anyway, will you?

McLAUGHLIN. (Indistinct) . . . next week. Maybe I'll call you up before I come in.

LANGLEY. Oh, no, you don't have to do that. You can call me up—

McLAUGHLIN. (Indistinct.)

MALONEY. Why don'cha call up once in a while? Put some money in—in the box.

LANGLEY. I called you up the other night.

MALONEY. Puttin' the money in the box?

LANGLEY. Sure I did.

MALONEY. Well, that's good.

(McLAUGHLIN laughing.)

MALONEY. How about overtime?

LANGLEY. I've had—I had overtime this time.

McLAUGHLIN. (Indistinct.)

LANGLEY. She says—she says, "Three minutes is up."

MALONEY. What'd you say—how'd—how much?

McLAUGHLIN. (Laughter.)

LANGLEY. I says, "How much." And Joe says, well, he says, "Wait—wait'll you get through. Well, now, you wait until you get through and I don't put it in what happens?"

McLAUGHLIN. Not nothin' just—I'll tell you what happens, they charge it on the other end. Cuz a—

LANGLEY. Oh, do they? Oh, they charge it up to your end, is that it? Well, you can't have any prostitution going, Joe, with this screwball in Salem.

McLAUGHLIN. That's right.

LANGLEY. You can't have 'em going because he'd—I'm telling you, he's nuttier on prostitution than he is on this thing.

McLAUGHLIN. That's right. And now, with—with this thing here if he uh if you're not on his side or he feels as though you did—he knew, you know, that you did some—didn't do everything that—that he wants you to do, why, uh, and if he draws a blank on it, why, that would be the next move. I—

LANGLEY. He'd try to hurt me somewhat.

McLAUGHLIN. That's right.

LANGLEY. He'd be mad at me, but uh—

McLAUGHLIN. How long is he in there for?

LANGLEY. Well, they gotta defeat him and uh, he's in there until uh all next year, he's in there until January the first '50-'57. They have to defeat him next year or it will be a nightmare for 4 more years. This b—

MALONEY. Oh, he'll get beat. There's no chance for him.

LANGLEY. I don't know.

MALONEY. Well, all right. I'm just telling you. I know politics.

McLAUGHLIN. Maybe he's doing the screamin' a little earlier, Tom. People forget.

MALONEY. You see, people forget all about him, and they think he's screwy.

LANGLEY. Well, uh anyway, he's nuttier on prostitution than he is on this. So, if you give him any opportunity on prostitution he'll go. Let 'em run in some counties around here and then he'll focus on those. They're running, you know, in Ontario and places like that.

McLAUGHLIN. That's right.

LANGLEY. So the prostitution is out. And now it's no good and we don't want it anyway and it's too dangerous with him. Do you see. So the only way you're going to do any good is cards, high dice. Like I told you all along, cards and book and then if you get into the pinballs and punchboards, that's all right.

But that's what it amounts to. That bootleg joint if it'll—if it will go if you can make anything. That's all right. I don't see any reason to close that down now.

McLAUGHLIN. That's right. Because we'll be right there and if any—if he signs a complaint on out there, you'll be the first one to know it. (Indistinct.)

LANGLEY. Oh, I don't know about that. I don't—I don't care to be anything on it anyway.

McLAUGHLIN. That's right.

LANGLEY. That's er the Governor's business, it's not—it's not mine. Do you see? See, you—if Sheridan wants to close it, why, he ought to close it. Let him close it down, see. 'Cause they're the ones that are going to stand to get embarrassed.

McLAUGHLIN. That's right.

LANGLEY. I'm not going into all that junk about the administration of the liquor commission and they're lettin' bootleg joints go and all that kind of stuff. I'm not going into that. I just want to find out whether there's been any bribery and—and he's not talking about bribery. Now that's the only thing that Delaney might bring in. Delaney might claim there's been some bribery to let these bootleg joints go, see? Well, I don't see how he's going to prove it. It's only speculation on this Delaney's part. And then if it is the Character's got to give it to—been givin' it to that McCreary or whatever his name is so maybe we could get the Character into a mess—that's the way.

MALONEY. Oh, J— C— (chuckles) I don't want no part of that. I don't want no part of anybody going to jail. I don't want—

LANGLEY. Well, I'm not asking you to have any part of it, but if—if this Delaney comes in here and with that (chuckles) got some proof that that character's giving up money, why, you're not in the g damned—I don't—ain't got no patience with that s-o-b. He's no good. He's cheated me and he's horsing you guys around. You got too much—you have too damned much patience with him. He's a no good bastard. He won't treat anybody right, except a bunch of those dizzy policemen I guess, or some of them, some of them. (pause) Tries to uh—. He's doin' to you just exactly like he did to me. He lied to me once a month for four years.

LANGLEY. He's been lyin' to you now once a week for 6 weeks—for 6 months, see? It's exactly the same g-damned thing. Yeah. Is that what you're going to give me?

MALONEY. Yeah.

LANGLEY. All right. I tell you, the same axe that I got. He lied to me once a month for 4 years. He's lied to you once a week for 6—

MALONEY. Put your hand underneath it, Bill.

LANGLEY. —for six weeks. So you're gettin it. Well, I'll see you, Tom.

MALONEY. Okey, kid.

LANGLEY. Okey.

LANGLEY. Okey. You'll call me then. You'll probably be back down Monday, huh?

MALONEY. Yeah.

LANGLEY. All right. You won't be back into town before he is?

MALONEY. Oh, he might be in any day.

LANGLEY. Wha—Wha—

MALONEY. But never can tell when he'll come in.

McLAUGHLIN. Well, like I say, you can't tell when I'm gonna [indistinct].

LANGLEY. Is this pajamas or a shirt?

McLAUGHLIN. Yeah, it's, huh—

LANGLEY. Yeah, it's a shirt. Is that your shirt?

McLAUGHLIN. No. Uh-huh.

LANGLEY. Uh, what'd you do? Get 'em laundered?

MALONEY. What's that?

LANGLEY. But if I want you, I can get you at either that Main number or—or that other number and I got yours in Spokane, I guess, Tom, haven't I?

MALONEY. Yeah, Yeah.

LANGLEY. If something happens, I could call Sea—up there and get it and I could—

MALONEY. Don't cost you a goddamned penny to—

LANGLEY. Oh, I got the call from there. I'm not worried about the money part of it. I just don't want anybody listening in—

MALONEY. You're not worried about the money part of it?

LANGLEY. No.

MALONEY. Well, be sure it's three minutes then, when you talk on this telephone if you're not worried about the—the money.

LANGLEY. I don't talk long.

MALONEY. Yeah.

LANGLEY. And uh—yeah, I gotta, oh yeah, and I got John's number up there, too. What—yeah, Clyde talked to me today. He said he might go to Seattle.

McLAUGHLIN. (indistinct).

LANGLEY. Okeh, Well, I'll see you, Joe. [Door closes.]

The CHAIRMAN. All right.

Mr. Counsel, you may read it.

Mr. KENNEDY (reading): LANGLEY. No reason why he couldn't. Because he can't see him on account of his dad's de—that's—Jim Purcell is so g—damned hungry for money that he wouldn't even go to his dad's funeral if it meant makin' a few bucks. I'm telling you he's—he's money—crazy guy. Well, the only worry I got that—that you fellows get taken care of. If you're satisfied, why, it's alright with me. As far—

MALONEY. Well, I'm not satisfied.

LANGLEY (laughing). Well, you better do something then.

MALONEY. Joe's not satisfied.

LANGLEY. Well, I'm not holding you back, you know that. Well I gotta go home. You'll a—if anything happens, then, you uh—this Spy will call you and you call me. Okeh. And then, Joe, I probably won't be seeing you for a little while. You won't be down until after Labor Day, anyway, will you?

McLAUGHLIN (indistinct). \* \* \* next week. Maybe I'll call you up before I come in.

LANGLEY. Oh, no, you don't have to do that. You can call me up—

McLAUGHLIN (indistinct).

MALONEY. Why don'cha call up once in a while? Put some money in—the box.

LANGLEY. I called you up the other night.

MALONEY. Puttin' the money in the box?

LANGLEY. Sure I did.

MALONEY. Well, that's good.

McLAUGHLIN (laughing).

MALONEY. How about overtime?

LANGLEY. I've had—I had overtime this time.

McLAUGHLIN (indistinct).

LANGLEY. She says—she says, "Three minutes is up."

MALONEY. What'd you say—how'd—how much?

McLAUGHLIN. [Laughter.]

LANGLEY. I says, "How much." And Joe says, well, he says, "Wait—wait'll you get through. Well now, you wait until you get through and I don't put it in what happens?"

McLAUGHLIN. Not nothin' just—I'll tell you what happens, they charge it on the other end. Cuz a—

LANGLEY. Oh, do they? Oh, they charge it up to your end, is that it? Well, you can't have any prostitution going, Joe, with this screwball in Salem.

That is the screwball referring to the attorney general, Robert Thornton.

Mr. ELKINS. That is correct, sir.

Mr. KENNEDY. And presently attorney general in the State of Oregon?

Mr. ELKINS. That is correct.

Mr. KENNEDY (reading):

Well, you can't have any prostitution going, Joe, with this screwball in Salem.

McLAUGHLIN. That's right.

LANGLEY. You can't have 'em going because he'd—I'm telling you, he's nuttier on prostitution that he is on this thing.

McLAUGHLIN. That's right. And now, with—with this thing here—

"this thing" means the liquor investigation?

Mr. ELKINS. That is correct.

Mr. KENNEDY (reading) :

With this thing here, if he uh, if you're not on his side or he feels as though you did—he knew, you know, that you did some—didn't do everything that—that he wants you to do, why, uh, and if he draws a blank on it, why, that would be the next move. I—

LANGLEY. He'd try to hurt me somewhat.

McLAUGHLIN. That's right.

LANGLEY. He'd be mad at me, but uh—

McLAUGHLIN. How long is he in there for?

LANGLEY. Well, they gotta defeat him and uh, he's in there until uh all next year, he's in there until January the first '50—'57. They have to defeat him next year or it will be a nightmare for 4 more years. This b—

MALONEY. Oh, he'll get beat. There's no chance for him.

LANGLEY. I don't know.

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McLAUGHLIN. Maybe he's doing the screamin' a little earlier, Tom. People forget.

MALONEY. You see, people forget all about him, and they think he's screwy.

LANGLEY. Well, uh anyway, he's nuttier on prostitution that he is on this. So, if you give him any opportunity on prostitution he'll go. Let 'em run in some counties around here and then he'll focus on those. They're running, you know, in Ontario and places like that.

McLAUGHLIN. That's right.

LANGLEY. So the prostitution is out. And now it's no good and we don't want it anyway and it's too dangerous with him. Do you see. So the only way you're going to do any good is cards, high dice. Like I told you all along, cards and book and then if you get into the pinballs and punchboards, that's all right. But that's what it amounts to. That bootleg joint if it'll—if it will go if you can make anything. That's all right. I don't see any reason to close that down now.

McLAUGHLIN. That's right. Because we'll be right there and if any—if he signs a complaint on out there, you'll be the first one to know it. [Indistinct.]

LANGLEY. Oh, I don't know about that. I don't—I don't care to be anything on it anyway.

McLAUGHLIN. That's right.

LANGLEY. That's er the governor's business—it's not—it's not mine. Do you see? See, you—if Sheridan wants to close it, why, he ought to close it. Let him close it down, see. 'Cause they're the ones that are going to stand to get embarrassed.

McLAUGHLIN. That's right.

Sheridan was in the liquor commission?

Mr. ELKINS. That is right, sir. The same man who testified yesterday.

Mr. KENNEDY (reading) :

LANGLEY. I'm not going into all that junk about the administration of the liquor commission and they're lettin' bootleg joints go and all that kind of stuff. I'm not going into that. I just want—

Now he is talking about the investigation of the liquor commission; is that correct?

Mr. ELKINS. That is correct.

Mr. KENNEDY (reading) :

I just want to find out whether there's been any bribery and—and he's not talking about bribery. Now that's the only thing that Delaney might bring in. Delaney might claim there's been some bribery to let these bootleg joints go, see? Well, I don't see how he's going to prove it. It's only speculation on this Delaney's part. And then if it is the Character's got to give it to—been givin' it to that McCreary or whatever his name is so maybe we could get the Character into a mess—that someway.

The CHAIRMAN. Who is "the Character"?

Mr. ELKINS. Jim Elkins, that is me, sir.

Mr. KENNEDY. So when he says "Maybe we could get the Character into a mess," is that right?

Mr. ELKINS. That is right.

The CHAIRMAN. Who is the McCreary?

Mr. ELKINS. He is a lieutenant in the—he works under Mr. Sheridan. He is a lieutenant of hard liquor.

The CHAIRMAN. He says here you have been giving him money.

Mr. ELKINS. That isn't true.

The CHAIRMAN. That is what he said, though.

Mr. ELKINS. That is what they claim, because I asked them to do a favor for Sheridan. If you have a minute, I will tell you the whole thing.

The CHAIRMAN. All right. I think I can take a minute.

Mr. ELKINS. Tommy Sheridan come to me and this McCreary, and they was looking at a burro I owned.

The CHAIRMAN. A what?

Mr. ELKINS. A burro. Do you know what a burro is?

Senator MUNDT. A small-size jackass.

The CHAIRMAN. A burro?

Mr. ELKINS. Yes.

The CHAIRMAN. Yes, I believe I know.

Mr. ELKINS. So he mentioned that he had been suspended and told me what over, and I said, "Maybe I got a friend that will help you." So I go ask Mr. Crosby to help him. They help him. Then immediately after, Mr. McCreary and Mr. Sheridan moved all the furniture in the bar out of one of the bootleg places. So they got madder than the devil. They said, "Do you mean to tell me that he would do that after you helped him?"

I said, "I didn't do that to help him. He has a family. I didn't mean that I had ever paid him anything."

And they figured that I had to be giving him money or I wouldn't have asked somebody to have done a favor for me. That is it.

The CHAIRMAN. I see.

Mr. ELKINS. But I didn't pay him any.

The CHAIRMAN. But they thought you had?

Mr. ELKINS. That is right.

Mr. KENNEDY (reading):

MALONEY. Oh, J C (chuckles) I don't want no part of that. I don't want no part of anybody going to jail. I don't want—

LANGLEY. Well, I'm not asking you to have any part of it, but if—if this Delaney comes in here and with that (chuckles) got some proof that that Character's giving up money, why, you're not in the g damned—I don't—ain't got no patience with that s-o-b. He's no good. He's cheated me and he's horsing you guys around. You got too much—you have too damned much patience with him. He's a no good bastard. He won't treat anybody right, except a bunch of those dizzy policemen I guess, or some of them, some of them. (pause) Tries to uh—. He's doin' to you just exactly like he did to me. He lied to me once a month for 4 years.

Senator MUNDT. Who did he mean by that "he"?

Mr. ELKINS. He means me, sir, and I am the one he is calling "a no good bastard."

Mr. KENNEDY. You are the one that lied to him once a month for 4 years?

Mr. ELKINS. That is his story, sir.

Mr. KENNEDY (reading):



LANGLEY. He's been lyin' to you now once a week for 6 weeks—for 6 months, see? It's exactly the same g damned thing. Yeah. Is this what you're going to give me?

MALONEY. Yeah.

LANGLEY. All right. I tell you, the same ax that I got. He lied to me once a month for 4 years. He's lied to you once a week for 6—

MALONEY. Put your hand underneath it, Bill.

LANGLEY. For 6 weeks. So your're getting it. Well, I'll see you, Tom.

MALONEY. O. K., kid.

LANGLEY. O. K.

LANGLEY. O. K. You'll call me then. You'll probably be back down Monday, huh?

MALONEY. Yeah.

LANGLEY. All right. You won't be back into town before he is?

MALONEY. Oh, he might be in any day.

LANGLEY. Wha— Wha—

MALONEY. But never can tell when he'll come in.

McLAUGHLIN. Well, like I say, you can't tell when I'm gonna (indistinct)—

LANGLEY. Is this pajamas or a shirt?

McLAUGHLIN. Yeah, it's, huh—

LANGLEY. Yeah, it's a shirt. Is that your shirt?

McLAUGHLIN. No. Uh-huh.

LANGLEY. Uh, what'd you do? Get 'em laundered?

MALONEY. What's that?

LANGLEY. But if I want you, I can get you at either that Main number or— or that other number and I got yours in Spokane, I guess, Tom, haven't I?

MALONEY. Yeah, yeah.

LANGLEY. If something happens, I could call Sea—up there and get it and I could—

MALONEY. Don't cost you a goddamned penny to—

LANGLEY. Oh, I got the call from there. I'm not worried about the money part of it. I just don't want anybody listening in—

MALONEY. You're not worried about the money part of it?

LANGLEY. No.

MALONEY. Well, be sure that it's 3 minutes then, when you talk on this telephone if you're not worried about the—the money.

LANGLEY. I don't talk long.

MALONEY. Yeah.

LANGLEY. And uh—yeah, I gotta, oh yeah, and I got John's number up there, too. What—yeah. Clyde talked to me today. He said he might go to Seattle.

McLAUGHLIN. (Indistinct.)

LANGLEY. O. K. Well, I'll see you, Joe.

The CHAIRMAN. Who is John?

Mr. ELKINS. John Sweeney, sir.

The CHAIRMAN. All right.

The Chair suggests that we might take a recess now. The Chair has to hold another committee hearing at 1 o'clock, a different committee. We will recess until 2, and I hope I can be back by that time to reopen the hearings.

We will stand in recess until 2 o'clock.

(Members present at the taking of the recess: The chairman, Senators Ervin, and Mundt.)

(Whereupon, at 12:10 p. m., the committee recessed, to reconvene at 2 p. m. the same day.)

#### AFTERNOON SESSION

(The hearing resumed at 2 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan and Ives.)

The CHAIRMAN. All right, Mr. Counsel, you may proceed.

MR. KENNEDY. Mr. Chairman, we had been through our fourth tape and we were starting on tape No. 62, which is fifth in our order, and recorded in late August of 1955. Do we have a copy for Mr. Elkins?

The participants are District Attorney William M. Langley, Joseph McLaughlin, and Thomas E. Maloney. The persons mentioned are "he" is Elkins, and "character" is Elkins.

"The spy" is Leo Plotkin. When Langley wants to "knock him out of the box" he is talking of Elkins. Kenton is a district of Portland. "Archer" is Bob Archer, a poolroom operator, and "Jim" is Jim Elkins.

This is the last one, I think, Mr. Chairman, at least for now.

The CHAIRMAN. You may proceed.

MR. KENNEDY. All right.

(The recording is as follows:)

LANGLEY. Yeah, I'm tired. Hello, Tom.

MALONEY. Hello, Willy, how are you. Here—sit down.

LANGLEY. Have you got to—the Archer going yet?

MCLAUGHLIN. (Indistinct.)

LANGLEY. (Laughter) Huh?

MALONEY. (Indistinct.)

MCLAUGHLIN. Well, that's what I come to hear (?) about. They want a they—they a I don't know (indistinct) . . . it's a bad deal.

LANGLEY. Oh, it's bull.

MALONEY. Tell 'im, tell 'im, tell 'im, tell 'im (laughter).

LANGLEY. Well, if he's so damned scared, why don't he close down the rest of his stuff?

MCLAUGHLIN. It's a—

MALONEY. They closed the Chinaman down, Bill.

LANGLEY. Oh, did they?

MCLAUGHLIN. Or—

MALONEY. (Indistinct.)

LANGLEY. What Chinaman?

MCLAUGHLIN. Oh, we have three of them—

LANGLEY. Oh. He didn't close the ones downtown though?

MALONEY. No, no, no.

LANGLEY. How'd he happen to close the one in jig town, I wonder.

MALONEY. Well, I told him you wanted him closed. That's—is that what you told me?

LANGLEY. Wha—who'd you tell that to?

MALONEY. I told the Character.

LANGLEY. Oh.

MALONEY. We've got chuckaluck, we've got whites and everything else and I said, "Bill don't want it to go." And he says, "All right, if he wants it closed." I says, "That heel over there give me an O. K. on things, and I knew he—he didn't close it." Said he had a piece of it. I knew if he closed it that he didn't have no piece of it. So it closed.

LANGLEY. (Laughter.) Well, that's not the one of them that's supposed to be in that bit, is it?

MCLAUGHLIN. No.

LANGLEY. Or he'd put a squawk up.

MCLAUGHLIN. That's right.

LANGLEY. Yeah.

MCLAUGHLIN. (Indistinct.)

LANGLEY. Well, that's right then. If it's not doin' any good for anybody it goes down; that's—that's a sure thing.

MALONEY. The spy made a prediction about the grand jury this afternoon.

LANGLEY. What does the spy say?

MALONEY. You tell 'im that—that—

LANGLEY. Well, he—that's just speculation. That's no facts.

MALONEY. Well?

LANGLEY. Well, I don't—I didn't come down to talk about that. So—the guy closed down there—that closed over there, huh?

McLAUGHLIN. So I asked him, you know. I says, it isn't wise to talk on the phone he had started you know (indistinct) can do that over the weekend—can have it open, see. (Indistinct.)

LANGLEY. Well, then just tell them to close everything; that's what you tell them. Just tell them if the chief is so worried about—about—just to close everything then.

McLAUGHLIN. Well, they a—they said it would be O. K. to open up the 21 game. They don't want them high dice. So just I—

LANGLEY. Open it up where?

McLAUGHLIN. In the Elite. I says when I called, "Open 'er up right next, open 'er on up." So I says "Well, in that case" I says (indistinct).

LANGLEY. While—what excuse did he give you for putting in 21 and not poker?

McLAUGHLIN. Well, this here guy he didn't want to open up poker until after the dogs is over with. This here, in fact the powers that be with a the dogs and what have you a he want, a he has an understanding with the chief that if he doesn't have no poker—gambling in town while a—while the dogs are running—

LANGLEY. I don't follow that one line. What does the gambling have to do with the dogs?

McLAUGHLIN. Well, they do that pretty much, Bill. We've got it up in Seattle when the racetrack is open.

LANGLEY. (Indistinct.)

McLAUGHLIN. But they gotta—they take care of everything in that town. It seems like it—when we're a—when we're—when the county—when we went ahead into the county we wouldn't do no business in the city you know. You see, what we'd do, we'd take care of the city police to keep the town down. Pretty nice arrangement (indistinct). I tell you the trouble here that's about what—

LANGLEY. Well, this thing—this grand jury thing will go on for a couple of months.

McLAUGHLIN. That's right.

LANGLEY. (Indistinct breakin.)

McLAUGHLIN. Pertaining to—to anything anyway. A it's—it's in regards to that liquor deal. It's—of course, anything. I know, can be drawn on into it, but the—

LANGLEY. Yeah, if you're gonna close anything down the first thing to close down is the bootleg joints. If you—you know—

McLAUGHLIN. That's right. If there was any—that would be the closest thing to it on this investigation.

LANGLEY. Well, do as you like—it doesn't make any—any—you handle it any way you want to. He's a no good. So he gives you one excuse after another—

McLAUGHLIN. That's right.

LANGLEY. If you're going to get the football—the dogs aren't over until October. (Indistinct two voices.)

McLAUGHLIN. Over Labor Day.

LANGLEY. No—

MALONEY. No. No; the 7th.

LANGLEY. If you're going to get any book on football, you've gotta get yourself established—

McLAUGHLIN. Well, I—

LANGLEY. Pretty soon. For the first part of September.

McLAUGHLIN. You—we realize that. That's a serious problem. We realize that. The football situation—

MALONEY. Well, I wouldn't worry about it (indistinct).

LANGLEY. Where's that (indistinct) made? Where's (name indistinct).

McLAUGHLIN. I don't—he didn't leave me the address. He said someplace upstairs. I said upstairs—

LANGLEY. Well—

McLAUGHLIN. (Indistinct.)

LANGLEY. It looks to me that you're just wasting your time. You've got to knock him out of the box, that's all. You know a, it's what—I've said all along that you were never going to do any good being with him. That you've got to be away from him. The—you have your own operation, but he's not going to let you have your own operation. That's what I say. But if—anything is agreeable with me, a I don't—you decided what you want to do. If you want to keep on trying to do business with him that's all right or put him out. It's all right.

MALONEY. I got some meat in there I want you to take home with you when you leave. Cuz I'm leaving tomorrow—be gone for 3 or 4 days so I wanta—

LANGLEY. Yeah—are you coming back before the weekend or after the weekend?

MALONEY. After the weekend.

LANGLEY. You'll be back next Monday, probably?

MALONEY. Yeah, you can come up here and lay down.

LANGLEY. Ah \* \* \* I don't have time.

MALONEY. You won't have time?

LANGLEY. Ah eya—

MALONEY. Here's another key if you need it.

LANGLEY. No, I've got one. You're going back up tomorrow, Joe, Huh?

McLAUGHLIN. Yeah.

LANGLEY. Oh, is he still going out there in Kenton?

McLAUGHLIN. Yeah.

LANGLEY. Well, if you fellows can take—

McLAUGHLIN. (Indistinct.)

LANGLEY. Yeah—

McLAUGHLIN. That poker game—

LANGLEY. What?

McLAUGHLIN. (Indistinct)—that poker game.

MALONEY. The big seven.

McLAUGHLIN. (Indistinct) you know that Dahl and Penne guy.

LANGLEY. Oh, the Greek. (Pause.) Well, now he gave me something for the 2—he give me 4 bills—2 of them for each 1 the Chinamen and 50 bucks for some—for the Big Seven or some damn thing?

McLAUGHLIN. For the Big Seven and a—

LANGLEY. Two for the two Chinamen going?

McLAUGHLIN. Only supposed to be one.

LANGLEY. There's two China joints going, isn't there, Tom? Two China joints going.

McLAUGHLIN. (Indistinct.)

LANGLEY. Oh.

McLAUGHLIN. There's just one.

LANGLEY. Well, that's 2—what's the other 2 for?

McLAUGHLIN. For the Big Seven and poker game in the outlying districts. I'll get the addresses off him in the morning so we'll know—so we'll know what's what. (Indistinct.)

LANGLEY. Well, what are you going to do with those two? Keep monkeying along with them? Is that what you're figuring on doing?

McLAUGHLIN. Not going to keep monkeying along with them. We're going ahead with the situation—

LANGLEY. And a—well, he says he's not going to go along with us—

McLAUGHLIN. Well, because the chief wouldn't stand for it. So with it, he wants to go on down to the sheriff's office. (Indistinct.) So I told 'em, I said, "You tell 'em I'm not interested (indistinct). That if we can't do this thing along—this thing right, why a, we'll forget about it. (Indistinct.)

LANGLEY. What did Archer say when you talked to him?

McLAUGHLIN. He a—well a—he wants to move—he wants to go.

LANGLEY. And what did you say to him?

McLAUGHLIN. (Indistinct.)

LANGLEY. I mean, how does he take the explanation from you? Does he—

McLAUGHLIN. Yeah, he says he can't go until Jim tells him to.

LANGLEY. Yeah, well, has he got confidence in that Jim or does he think he's horsing him around?

McLAUGHLIN. Well, I don't know, with it, I a, I think everything that he's been doing up there the last couple of months—years, why a, he's went along that line that—

LANGLEY. Has he done much up there?

McLAUGHLIN. Well, as little that's been done in town, he's done. This Dahl and Penne guy—

LANGLEY. Well, tell him I want my 8,500 when you talk to him some more. You can tell him that, too. The s— of b—, he—you guys can have the 8,500.

(Maloney laughs in the background.)

LANGLEY. I don't want it, but I don't want that dizzy bastard acting the way he's acting.

(L. laughs) J—, that's—

McLAUGHLIN. (Indistinct.) You can't tell on the chief of police.

LANGLEY. Yeah.

McLAUGHLIN. (Indistinct.) When Tom tells him about (indistinct)—you know, anytime you're closed for fishing you can't go ahead and (indistinct).

LANGLEY. He's just lying to you, that's all. He's just a—it's flus—its frustrating for you as well as Tom—it's frustrating for you to talk to a guy that don't know how to be honest and square, you know. It's a g—damned pity.

The CHAIRMAN. All right, Mr. Counsel, you may read it, and Mr. Elkins, you follow it and we may want to ask you some questions about that.

### TESTIMONY OF JAMES B. ELKINS—Resumed

Mr. KENNEDY (reading).

LANGLEY. Yeah, I'm tired. Hello, Tom.

MALONEY. Hello, Willy, how are you. Here—sit down.

LANGLEY. Have you got to—the Archer going yet?

McLAUGHLIN. (Indistinct.)

LANGLEY. (Laughter.) Huh?

MALONEY. (Indistinct.)

Then, Mr. Chairman,

Well, that is what I came to hear about."

That comes in for Langley rather than for McLaughlin there and that is a mistake. Then, McLaughlin goes on:

McLAUGHLIN. They want a they—they a I don't know (indistinct.) \* \* \* It's a bad deal.

LANGLEY. Oh, it's bull.

MALONEY. Tell 'im, tell 'im, tell 'im. (laughter).

LANGLEY. Well, if he's so damned scared, why don't he close down the rest of of his stuff?

McLAUGHLIN. It's a—

MALONEY. They closed the Chinaman down. Bill.

LANGLEY. Oh, did they?

McLAUGHLIN. Or—

MALONEY. (Indistinct.)

LANGLEY. What Chinaman?

McLAUGHLIN. Oh, we have three of them—

LANGLEY. Oh. He didn't close the ones downtown though?

MALONEY. No, no, no.

LANGLEY. How'd he happen to close the one in jig town, I wonder.

MALONEY. Well, I told him you wanted him closed. That's—is that what you told me?

LANGLEY. Wha—who'd you tell that to?

MALONEY. I told the character.

LANGLEY. Oh.

The "character" is Elkins.

MALONEY. We've got chuckaluck, we've got whites and everything else and I said, "Bill don't want it to go." And he says, "All right, if he wants it closed." I says, "That heel over there give me an O. K. on things and I knew he—he didn't close it." Said he had a piece of it. I knew if he closed it that he didn't have no piece of it. So it closed.

LANGLEY. (Laughter.) Well, that's not the one of them that's supposed to be in that bit, is it?

McLAUGHLIN. No.

LANGLEY. Or he'd put a squawk up.

McLAUGHLIN. That's right.

LANGLEY. Yeah.

McLAUGHLIN. (Indistinct.)

Could you tell us what that all means in there, Mr. Elkins? Could you put it together?

Mr. ELKINS. Yes, I can put it together. They were after an address and so I am feeding them money and I gave him \$450 for Bill Langley and he said, "What is the address?" Well, the Big Seven had been arrested and there were some complaints going in against the Chinaman with the chuckaluck game that I knew about and I just said, "The Big Seven and another poker game and the two Chinamen and the Greek." The Greek was a place that I had 25 percent of, that I was giving them.

Mr. KENNEDY. What is the conversation about telling you that you should close it?

Mr. ELKINS. Well, Maloney told me, "You should close that, the Chinaman, in jig town," and I said, "Well, it will be closed," because I knew it was going to be pinched, so it was no problem of mine.

Mr. KENNEDY. Why did he say he wanted to have it closed?

Mr. ELKINS. Because Langley wasn't getting paid for it. There were three others.

Mr. KENNEDY. Now, continuing:

LANGLEY. Well, that's right, then. If it's not doin' any good for anybody it goes down, that's—that's a sure thing.

MALONEY. The spy made a prediction about the grand jury this afternoon.

LANGLEY. What does the spy say?

MALONEY. The spy says, "I don't know," he says, "that the district attorney is wasting his time going into the grand jury. He ain't got nothin'."

LANGLEY. (Laughter.)

MALONEY. You tell 'im that—that—

LANGLEY. Well, he—that's just speculation. That's no facts.

The spy is Leo Plotkin.

MALONEY. Well?

LANGLEY. Well, I don't—I didn't come down to talk about that. So—the guy closed down the—that closed over there, huh?

MCLAUGHLIN. So I asked him, you know. I says, it isn't wise to talk on the phone; he had started you know [indistinct] can do that over the weekend—can have it open, see [indistinct]?

LANGLEY. Well, then just tell them to close everything. That's what you tell them. Just tell them if the chief is so worried about—about—just to close everything then.

MCLAUGHLIN. Well, they a—they said it would be O. K. to open up the 21 game. They don't want them high dice. So just, I—

LANGLEY. Open it up where?

MCLAUGHLIN. In the Elite. I says when I called, he says, "pen 'er up right next, open 'er on up." So I says, "Well, in that case," I says \* \* \* [indistinct].

LANGLEY. While—what excuse did he give you for putting in 21 and not poker?

MCLAUGHLIN. Well, this here guy, he didn't want to open up poker until after the dogs is over with. This here, in fact the powers that be with a the dogs and what have you a he wants a he has an understanding with the chief that if he doesn't have no poker—gambling in town while a—while the dogs are running—

LANGLEY. I don't follow that one line. What does the gambling have to do with the dogs?

MCLAUGHLIN. Well, they do that pretty much, Bill. We've got it up in Seattle when the race track is open.

LANGLEY. [Indistinct.]

MCLAUGHLIN. But they gotta—they take care of everything in that town. It seems like it—when we're a—when we're—when the county—when we went ahead into the county we wouldn't do no business in the city you know. You see, what we'd we'd take care of the city police to keep the town down. Pretty nice arrangement [indistinct]. I tell you the trouble here that's about what—

LANGLEY. Well, this thing—this grand jury thing will go on for a couple of months.

MCLAUGHLIN. That's right.

LANGLEY. [Indistinct breakin.]

MCLAUGHLIN. Pertaining to—to anything anyway. A it's—it's in regards to that liquor deal. It's—of course anything I know can be drawn on into it. But the—

LANGLEY. Yeah, if you're gonna close anything down the first thing to close down is the bootleg joints. If you—you know—

MCLAUGHLIN. That's right. If there was any—that would be the closest thing to it on this investigation.

LANGLEY. Well, do as you like—it doesn't make any—any—you handle it any way you want to. He's a no good. So he gives you one excuse after another—

He's a "no-good" refers to whom?

Mr. ELKINS. To me.

Mr. KENNEDY (reading).

MCLAUGHLIN. That's right.

LANGLEY. If you're going to get the football—the dogs aren't over until October. [Indistinct; two voices.]

MCLAUGHLIN. Over Labor Day—

LANGLEY. No—

MALONEY. No, no; the 7th.

LANGLEY. If you're going to get any book on football you've gotta get yourself established—

MCLAUGHLIN. Well I—

LANGLEY. Pretty soon. For the first part of September.

MCLAUGHLIN. You—we realize that. That's a serious problem, we realize that. The football situation—

MALONEY. Well, I wouldn't worry about it. [Indistinct.]

LANGLEY. Where's that [indistinct] made? Where's [name indistinct].

MCLAUGHLIN. I don't—he didn't leave me the address. He said, "Someplace upstairs." I said "Upstairs"—

LANGLEY. Well—

MCLAUGHLIN. (Indistinct.)

LANGLEY. It looks to me like you're just wasting your time. You've got to knock him out of the box, that's all. You know, ah, it's what—I've said all along that you were never going to do any good being with him. That you've got to be away from him.

Who is "him" there?

Mr. ELKINS. That's me.

Mr. KENNEDY (reading).

The—you have your own operation, but he's not going to let you have your own operation. Looks to me like. He won't let you have your own operation. That's what I say. But if—anything is agreeable with me. Ah, I don't—you decided what you want to do. If you want to keep trying to do business with him that's all right or put him out. It's all right.

MALONEY. I got some meat in there I want you to take home with you when you leave. Cuz I'm leaving tomorrow—be gone for 3 or 4 days so I wanta—

LANGLEY. Yeah—are you coming back before the weekend or after the weekend?

MALONEY. After the weekend.

LANGLEY. You'll be back next Monday, probably?

MALONEY. Yeah. You can come up here and lay down.

LANGLEY. Ah—I don't have time.

MALONEY. You won't have time?

LANGLEY. Ah, ea—

MALONEY. Here's another key if you need it.

LANGLEY. No; I've got one. You're goin' back up tomorrow, Joe, huh?

MCLAUGHLIN. Yeah.

LANGLEY. Oh, is he still going out there in Kenton?

What does that mean?

Mr. ELKINS. That means the bootleg joint in Kenton, is it still running.

Mr. KENNEDY (reading).

MCLAUGHLIN. Yeah.

LANGLEY. Well, if you fellows can take——

MCLAUGHLIN. (Indistinct.)

LANGLEY. Yeah——

MCLAUGHLIN. That poker game——

LANGLEY. What?

MCLAUGHLIN. (Indistinct) that poker game.

MALONEY. The Big Seven.

MCLAUGHLIN. (Indistinct) you know that Dahl and Penue guy.

Dahl and Penne is another after-hours place?

Mr. ELKINS. That was a legitimate cardroom, but he and I owned a half interest in the Explorers' Club.

Mr. KENNEDY. Who is that?

Mr. ELKINS. The man who owned Dahl and Penne, George Andrews and I owned a half interest in the Explorers' Club which was a poker game.

Mr. KENNEDY (reading):

LANGLEY. Oh. The Greek you mean [pause]. Well, now he gave me something for the two—he give me four bills—two of them for each one the Chinamen and 50 bucks for some—for the Big Seven or some damn thing.

MCLAUGHLIN. For the Big Seven and a——

LANGLEY. Two for the two Chinamen going?

MCLAUGHLIN. Only supposed to be one.

LANGLEY. There's two China joints going, isn't there, Tom? Two China joints going?

MCLAUGHLIN. [Indistinct.]

LANGLEY. Oh.

MCLAUGHLIN. There's just one.

LANGLEY. Well, that's two—what's the other two for?

MCLAUGHLIN. For the Big Seven and poker game in the outlying districts I'll get the addresses off him in the morning so we'll know—so we'll know what's what. [Indistinct.]

LANGLEY. Well, what are you going to do with those two? Keep monkeying along with them? Is that what you're figuring on doing?

MCLAUGHLIN. Not going to keep monkeying along with them. We're going ahead with the situation——

LANGLEY. And a—well, he says he's not going to go along with us——

MCLAUGHLIN. Well, because the chief wouldn't stand for it. So with it, he wants to go on down to the sheriff's office. [Indistinct.] That is we can't do this thing along—this thing right, why a, we'll forget about it. [Indistinct.]

The CHAIRMAN. What does that refer to?

Mr. ELKINS. That refers to a conversation they had with me. I said the city officials wouldn't stand for it and I heard them say that they had the sheriff. I made the proposition to them, before they could make it to me and I said, "Let's quit fooling with the city and go out in the county and operate."

Mr. KENNEDY. Who was the sheriff at the time?

Mr. ELKINS. Terry Schrunk.

Mr. KENNEDY. And they said that they had him?

Mr. ELKINS. That's correct.

Mr. KENNEDY. Now, just on the two Chinamen, what is the colloquy about the two Chinamen?

Mr. ELKINS. There were two Chinese really going, I guess. There was one in Chinatown and one in colored town. But the one in colored town had colored people and white people and everything running it and I knew it couldn't operate more than a week or two before they



would knock it off. So actually, the Big Seven, I told them there was money from the two Chinese and from the Greek.

Actually, the money didn't come from any of those places. I was giving them half of my 25 percent of the Greek's poker game. The Greek got 25 percent and I got 25 percent and I split mine with Tom and Joe, McLaughlin and Maloney.

So I was just making up addresses to give them that the money was coming from and they were demanding, getting more positive in their demands for addresses as to where this money was coming from and what places that he was to protect.

Mr. KENNEDY. There was some question whether there were 2 or 1 Chinese places?

Mr. ELKINS. There were two, but one of them got in jail the next day or a few days after that. I told Joe 1 and I had told Tom 2, and I got caught in the shuffle there.

Mr. KENNEDY. That is why they are having a discussion here as to whether there is 1 or 2 Chinamen.

Mr. ELKINS. Yes; they are checking up on me to see if I told them the truth or didn't tell them the truth.

Mr. KENNEDY. You told one of them one thing?

Mr. ELKINS. One of them one thing and the other one something else.

Mr. KENNEDY. Will you go on. "What did Archer say when you talked to him?" Who was Archer?

Mr. KENNEDY. That is Bob Archer, who owned the Rialto Billiard Parlor.

Mr. KENNEDY. What did he run there?

Mr. ELKINS. He run pan and billiards and he had a private club license and he could run poker. They wanted Archer to open up high dice, 21, and poker.

Well, I am shadowboxing with them and I told them, "He can't open it all up and he can't have more than poker there and he couldn't have that until after the dogs were over." I knew the same situation existed in Seattle, that during the racing season they closed down everything else, not the book, but they closed down the gambling.

I thought the same answer would work for Portland. Then I said, "Well, we could open up in the Elite, which Arthur's son owns," and we did one night. We opened gambling down there one night.

Mr. KENNEDY. What happened then?

Mr. ELKINS. Well, it closed to keep from getting arrested by the city.

Mr. KENNEDY. Where Langley is talking about getting something from the Chinese,

He gave me 4 bills, 2 of them for each 1 and the Chinaman \$50 for something, for the Big Seven or some damned thing.

What is he referring to there?

Mr. ELKINS. That is the poker. They had arrested the poker game and the Big Seven and so I said, "Well, am having to account for where the money came from and it is supposed to come from." I said, "There is \$50 from the Big Seven and a couple of outlying other poker games in outlying districts."

Mr. KENNEDY. Is that money that the district attorney was getting for allowing these two Chinese places to operate?

Mr. ELKINS. That's right.

Mr. KENNEDY. He was talking about the amount of money that he was getting for allowing these Chinese places to operate?

Mr. ELKINS. That's right.

Mr. KENNEDY. (reading):

LANGLEY. What did Archer say when you talked to him?

MCLAUGHLIN. He a—well a—he wants to move—he wants to go.

LANGLEY. And what did you say to him?

MCLAUGHLIN. (Indistinct.)

LANGLEY. I mean, how does he take the explanation from you? Does he—

MCLAUGHLIN. Yeah, he says he can't go until Jim tells him to.

LANGLEY. Yeah, well, has he got confidence in that Jim or does he think he's horsing him around?

MCLAUGHLIN. Well, I don't know, with it, I a—I think everything that he's been doing up there the last couple of months—years, why a, he's went along that line that—

LANGLEY. Has he done much up there?

MCLAUGHLIN. Well, as little that's been done in town, he's done. This Dahl and Penne guy—

LANGLEY. Well, tell him I want my eighty-five hundred when you talk to him some more. You can tell him that, too. The s— of b—, he—you guy can have the eighty-five hundred. [Maloney laughs in the background.]

I don't want it, but I don't want that dizzy bastard acting the way he's acting. [L. laughs.] J—, that's—

MCLAUGHLIN [indistinct]. You can't tell on the chief of police.

LANGLEY. Yeah.

MCLAUGHLIN [indistinct]. When Tom tells him about [indistinct]. You know, anytime you're closed for fishing you can't go ahead and [indistinct].

LANGLEY. He's just lying to you, that's all. He's just a— It's flus—it's frustrating for you as well as Tom—it's frustrating for you to talk to a guy that don't know how to be honest and square, you know. It's a g—damned pity.

The CHAIRMAN. Does any member want to ask Mr. Elkins any questions while he is still on the stand?

Senator GOLDWATER. Just as a matter of curiosity, that game you called "pan" is that Panguingui?

Mr. ELKINS. That's right, yes, sir.

The CHAIRMAN. Is there anything further?

Senator MUNDT. What does "the 85" refer to?

Mr. ELKINS. That is a business that Langley and I formerly owned down in Washington County. When we sold it, we retained half of the gambling. But the place hadn't got the gambling open when he was elected district attorney and all of a sudden he wanted me to buy his half interest in a dead place for \$8,500. I think I finally gave him \$5,000.

Senator MUNDT. What is the name of that place?

Mr. ELKINS. The China Lantern.

The CHAIRMAN. Proceed with the witness, Mr. Langley. You may just keep your seat for a few moments, Mr. Elkins, and we may desire to ask you further questions.

#### TESTIMONY OF WILLIAM M. LANGLEY—Resumed

Mr. KENNEDY. Did you ever receive any money from any of these Chinese places, Mr. District Attorney?

Mr. LANGLEY. I would decline to answer on the fifth amendment.

Mr. KENNEDY. But that a truthful answer might tend to incriminate you?

(The witness consulted with his counsel.)

Mr. LANGLEY. I don't understand you. You asked me a question.

Mr. KENNEDY. Do you feel that if you gave a truthful answer to the question as to whether you ever received any moneys from these Chinese places, that a truthful answer might tend to incriminate you?

Mr. LANGLEY. Might tend to incriminate me.

Mr. KENNEDY. Do you feel that it might tend to incriminate you if you gave a truthful answer as to whether you ever received any moneys from these Chinese places.

(The witness consulted with his counsel.)

Mr. LANGLEY. As I said this morning, in view of this setting and the testimony and my circumstances, I do feel that if I answered the question it might tend to incriminate me.

The CHAIRMAN. Let the Chair ask you something in view of "the setting." With these records being played in your presence and with the witness testifying under oath it is your voice, will you tell this committee whether you heard your voice on those records that have been played?

(The witness consulted with his counsel.)

Mr. LANGLEY. I decline to answer on the fifth amendment.

The CHAIRMAN. You mean you don't want to say before this committee after listening to these records played, and the explanation made of them, you do not want to deny that you heard your voice?

(The witness consulted with his counsel.)

Mr. LANGLEY. I don't want to affirm or deny it. I decline to answer on the ground of the fifth amendment because if I go into the problem then I will have to go into all of the matters that are involved in my trial in Portland.

The CHAIRMAN. Well, I think the Chair wants to be fair to you. I want to give you every opportunity because the records were not played just for amusement. They were played to give you an opportunity to know exactly what the sworn evidence was before this committee regarding your activities as a public official and a law-enforcement officer.

If you do not want to explain, and if you want to take the fifth amendment, that is your privilege.

Now, Mr. Counsel, you can proceed to examine him on each point that is referred to in the record, if you desire to do so. The Chair may say for the information of the committee regarding the recordings, and I will have this sworn to or we can call this witness if anyone desires, we have had Mr. Robert Coar, Director, under the Sergeant at Arms of the Senate, Recording Room Studio, examine these tapes that have been played here today.

This letter, in effect, says that these tapes have not been changed or anything superimposed on them and that the noises that are heard are those noises of trucks or airplanes and other noises that might interfere in the course of taking a recording of that kind.

I shall pass the letter to members of the committee for examination and if the committee desires we will have this witness, the one who examined the tapes, brought over and placed under oath and let him testify to what his letter says.

If not, if there is no question about it, then the letter may be printed in the record. What is the pleasure of the committee?

Senator MUNDT. I suggest we print it in the record.

Senator IVES. It is all right.

The CHAIRMAN. All right, the letter will be printed in the record at this point.

UNITED STATES SENATE,  
SERGEANT AT ARMS,  
RECORDING STUDIO.  
Washington, D. C., March 14, 1957.

Senator JOHN McCLELLAN,

*Chairman, Select Committee on the Improper Activities of Labor and Management, Senate Office Building, Washington, D. C.*

DEAR SIR: In response to the request made to Mr. Joseph C. Duke, Sergeant at Arms, United States Senate, that I investigate certain tapes furnished by your committee, I wish to advise that this has been done.

The object of this inspection was to determine whether or not there was any possibility of these tapes having been altered, words superimposed, words taken out of context, or interruptions in the recording which might in any way alter the statements made on the tapes.

The tapes I listened to and checked were tapes made, I was told, by means of a portable tape recorder of certain conversations in a hotel room. In all of these recordings there was not only a definite pattern of standing waves due to room noise, in addition to that there was street noise, such as trucks, aircraft passing overhead and other similar types of disturbances constantly in back of the conversations.

From my examinations, it is my concerted belief that the tapes which I checked could not possibly have been altered in any fashion. In order to prove this matter, I attempted to take words out of context on these tapes and place them in different positions from which they occurred and found that in attempting to do so there was an immediate and abrupt change, not only in the voice frequencies but also in the attendant room noise. This change was so much in its characteristics that anyone listening to the tapes would immediately recognize that something had been done to the tapes.

Trusting that this adequately meets your requirements as to the analysis of the tapes.

Very truly yours,

(Signed) ROBERT J. COAR, *Director.*

Senator MUNDT. Mr. Langley, I want to quote to you from a newspaper interview which you handed out and which is printed in the Oregon Journal. You are quoted in that paper as follows:

My view that Elkins has tried to use the grand jury as his beartrap for framing me is shared by at least one other public official, a man of unimpeachable character. That man is Sheriff Terry D. Schrunk. He knows that one of Elkins hirelings has told the grand jury a vicious pack of lies about a payoff in connection with an afterhours joint in the Kenton district which is within the city.

Because of this attempted frame, Schrunk has consented to a lie detector test to show this man to be the liar that he is.

Now, since Mr. Schrunk flunked his lie detector test in Oregon and walked out of his lie detector test in Washington, I wonder if you would like to comment any further in supplementation of your newspaper interview.

Mr. LANGLEY. Would you tell me the date, please?

Senator MUNDT. Of your interview?

Mr. LANGLEY. Yes, sir.

Senator MUNDT. July 25, 1956.

(The witness consulted with his counsel.)

Mr. LANGLEY. I would invoke the fifth amendment for the reason it would open up the whole subject and constitute a waiver of my position.

The CHAIRMAN. What is there about the whole subject that you do not want to talk about?

Mr. LANGLEY. I have told you, Mr. Chairman, I am indicted on a conspiracy charge.

The CHAIRMAN. And you do not want to talk about anything relating to that, is that correct?

Mr. LANGLEY. Anything related to the alleged conspiracy which I am charged with.

Senator MUNDT. Did I understand you this morning to say that you were going to answer all of these questions before your trial and that we would be given a transcript of that hearing?

Mr. LANGLEY. Well, I don't understand how you are using the word "before." Do you mean while I am a witness or before the trial starts?

Senator MUNDT. I mean at your trial, during your trial.

Mr. LANGLEY. I expect to be a witness in my own behalf.

Senator MUNDT. You expect to answer all of these questions at that time? I think that is what you told the committee this morning.

Mr. LANGLEY. I expect to answer the questions asked me.

Senator MUNDT. If you expect to answer them there, how could they incriminate you now any more than they would incriminate you there?

(The witness consulted with his counsel.)

Mr. LANGLEY. Could I have that question again, please?

Senator MUNDT. Yes, sir. If you expect to answer these questions there at your trial, how could they incriminate you here any more than they would there if you gave us honest answers?

(The witness consulted with his counsel.)

Mr. LANGLEY. Well, that is an argumentative question. I don't know whether it will incriminate me more here or there, but the position I have taken is that I am invoking the fifth amendment here, but I will testify in my own behalf at my trial.

Senator MUNDT. That is all.

The CHAIRMAN. Are there any further questions? The chief counsel is occupied with a telephone call at the moment.

Who is "the character"?

Mr. LANGLEY. I would invoke the fifth amendment.

The CHAIRMAN. Who is "the spy"?

Mr. LANGLEY. I would invoke the fifth amendment.

The CHAIRMAN. You do not wish to say who Maloney is, either?

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. Or McLaughlin?

Mr. LANGLEY. The same answer.

Senator MUNDT. Do you know Frank Brewster?

(The witness consulted with his counsel.)

Mr. LANGLEY. Yes.

Senator MUNDT. Will you tell us about some of your contacts with him?

Mr. LANGLEY. I would invoke the fifth amendment.

Senator MUNDT. Did you know the late Mr. Sweeney, John Sweeney?

Mr. LANGLEY. Yes, sir.

Senator MUNDT. Will you tell us about some of your contacts with him?

Mr. LANGLEY. I would invoke the fifth amendment.

Mr. KENNEDY. During these tapes there were discussions that you participated in regarding certain afterhour joints that were going to be allowed to be operated. Did you participate in those conversations?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you receive any moneys for allowing those places to operate?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you allow gambling places to operate?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. That is, for money being given to you.

Was money being given to you in order to allow gambling joints to operate?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. There was a column that appeared within the last 2 weeks regarding an interview that a columnist had with you, Mr. District Attorney, and in it you stated—

Langley says he accepted no money from the teamsters, but they did spend some money on his behalf and handed out literature for him.

Did you accept any money from the teamsters?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you tell this columnist that you did not accept any money from the teamsters?

Mr. LANGLEY. I will invoke the fifth amendment.

Mr. KENNEDY. You will not tell us what your conversation was with him?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you have an interview within the last 2 weeks with a columnist regarding this matter?

(The witness conferred with his counsel.)

Mr. LANGLEY. Would you identify the columnist?

Mr. KENNEDY. Mr. Drew Pearson.

(The witness conferred with his counsel.)

Mr. LANGLEY. Yes; I talked to Mr. Drew Pearson.

Mr. KENNEDY. Did you tell Mr. Pearson that you had accepted no money from the teamsters?

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. You are ordered to answer the question.

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Did you accept any money from the teamsters?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you accept any money from the teamsters?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. It says in this column, it says:

Young Langley's opponent for district attorney, John McCourt, was a liberal Republican who had been strong for labor, had always received labor support. Langley had not. But toward the end of his last election race in October 1954, the teamsters phoned his father to say they had discovered McCourt was backed by Big Jim Elkins, the leader of the gambling world, so they were coming out for Langley. They did.

Now, did the teamsters call your father and tell him that they had received information this Elkins was backing McCourt?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. You refuse to tell the committee whether the teamsters called your father to give him that information?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you tell Mr. Pearson that?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Was it the truth?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Have you read the article that was written by you?

(The witness conferred with his counsel.)

Mr. LANGLEY. Yes.

Mr. KENNEDY. The statements that you are alleged to have made; are those statements true?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. You have in here also that Mr. Tom Maloney was working for you; is that true?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Regarding these tapes, you have made a statement in public that Mr. Elkins brought the tapes to your home and requested \$10,000 for the sale of the tapes; is that true?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did Mr. Elkins come to your house and demand \$10,000?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you make that statement in public?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Will you now make that statement under oath before this committee?

(The witness conferred with his counsel.)

Mr. LANGLEY. What is the question?

Mr. KENNEDY. Will you make the statement under oath before this committee that Mr. Elkins came to your home and asked for \$10,000 for the tapes?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Have you heard these tapes before, before listening—have you heard any tapes that were taken in the apartment of Mr. Tom Maloney prior to hearing them here?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Under what circumstances did you hear the tapes?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did the present mayor, Mr. Terry Schruck, obtain the tapes for you?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you have an arrangement with the present mayor, Mr. Terry Schruck, to obtain those tapes?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you obtain a search warrant to get those tapes?

(The witness conferred with his counsel.)

Mr. LANGLEY. Do you mean, did my office draw the papers for the search warrant?

Mr. KENNEDY. All right.

(The witness conferred with his counsel.)

Mr. KENNEDY. Did it?

(The witness conferred with his counsel.)

Mr. LANGLEY. My office did draw a search warrant for the judge who issued the warrant.

Mr. KENNEDY. Who gave those instructions?

Mr. LANGLEY. What instructions?

Mr. KENNEDY. Instructions to draw the papers for the search warrant.

(The witness conferred with his counsel.)

Mr. LANGLEY. I don't know what you mean.

Mr. KENNEDY. Well, where did it originally come to the attention of your office? To whom in your office did it originally come that these papers should be drawn? Was that to you? You say that your office drew up some papers; is that right?

(The witness conferred with his counsel.)

Mr. LANGLEY. Yes; that is right. My office drew some papers for the judge.

Mr. KENNEDY. Did you give the instructions to draw the papers?

(The witness conferred with his counsel.)

Mr. LANGLEY. Your question is, did I give instructions?

Mr. KENNEDY. Let us start right at the beginning. Explain how the search warrant for the tapes was issued and what part your office played in it. You tell us everything about it.

(The witness conferred with his counsel.)

Mr. LANGLEY. Well, it wasn't a search warrant for the tapes.

Mr. KENNEDY. All right. It was a search warrant to search Mr. Ray Clark's home. Just tell us everything that you know about it, starting when you first got some information about it.

(The witness conferred with his counsel.)

Mr. KENNEDY. I might say in the meantime, Mr. Chairman, that this article that I read and tried to get Mr. District Attorney Langley to comment on is entitled "Senator McClellan Isn't Telling All."

The CHAIRMAN. Senator McClellan is not telling; he is trying to get some witnesses to tell. I cannot be responsible for a headline.

Proceed.

(The witness conferred with his counsel.)

Mr. LANGLEY. Would you state the question again, please?

Mr. KENNEDY. Would you tell us everything that you know about the search warrant being issued for the search of Mr. Ray Clark's home?

Mr. LANGLEY. I will have to decline to answer that on the grounds of the fifth amendment, because it might be a possible link in this alleged conspiracy.

The CHAIRMAN. Well, it may be, but the Chair wishes to ask you this: You said the papers were drafted in your office. Did you give instructions to anyone in your office to draft the papers for the judge to sign, upon which he based the search warrant?

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. All right.

Proceed.

Mr. KENNEDY. Do you know Mr. Brad Williams, of the Oregon Journal?

(The witness conferred with his counsel.)

Mr. LANGLEY. Yes.



Mr. KENNEDY. What was his relationship to the searching of Mr. Ray Clark's home? What did he do? What connection did he have with the searching of Mr. Ray Clark's home?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you talk to Mr. Brad Williams, of the Oregon Journal, about the searching of Mr. Ray Clark's home?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Will you tell the committee what conversations you had that preceded, with Mr. Brad Williams, that preceded the search of Mr. Ray Clark's home?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Were those tapes that were seized at Mr. Ray Clark's home, were they played in the presence of Mr. Brad Williams?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Were those tapes ever turned over to Mr. Clyde Crosby?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you ever obtain copies of the tapes?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Do you have copies of those tapes at the present time?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. You stated one time in an interview on July 24, 1956, that the only reason that the attorney general wasn't bringing Maloney back to Portland, and I quote:

The only reason I can think of why he hasn't been brought back here is because his testimony supports me.

Would you feel that Tom Maloney's testimony supports you?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. He took the fifth amendment before this committee. Do you feel that that supports you?

(The witness conferred with his counsel.)

Mr. LANGLEY. I don't know.

Mr. KENNEDY. Well, do you want to change it:

The only reason that I can think of why he hasn't been brought here is because his testimony supports me.

We gave him a chance to testify before the committee, and he took the fifth amendment. Do you feel that that statement is still true?

(The witness conferred with his counsel.)

Mr. LANGLEY. I don't know one way or another. Your question is argumentative. You will find out when I have my trial in Portland.

The CHAIRMAN. Just a minute. State that question again.

Mr. KENNEDY. Mr. Chairman, Mr. District Attorney Langley stated on July 24, 1956, about Mr. Tom Maloney regarding his return to Portland. He had then left the State of Oregon and they couldn't get him back to Portland. He states—

The only reason that I can think of why he hasn't been brought here is because his testimony supports me.

The CHAIRMAN. If it is argumentative, it is a statement that is argumentative by the witness himself. You simply asked him, Does he feel that that is true now? Is that correct?

Mr. KENNEDY. Yes.

The CHAIRMAN. If there is any argument in it, it is an argument that is in the statement made to the public.

Do you answer or refuse to answer?

(The witness conferred with his counsel.)

Mr. LANGLEY. I don't know whether it would help or not.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Do you feel that his taking the fifth amendment and you taking the fifth amendment, do you feel that you support one another?

Mr. LANGLEY. I don't know.

Mr. KENNEDY. What do you feel about it? Could you tell us that?

Mr. LANGLEY. I haven't given it any consideration.

The CHAIRMAN. All right. He is not feeling about it.

Go ahead.

Senator Goldwater?

Senator GOLDWATER. Mr. Langley, are the teamsters paying for your counsel?

(The witness conferred with his counsel.)

Mr. LANGLEY. Well, Senator, I would like very much to answer that question, but if I could, it will open up the whole subject of this alleged conspiracy. For that reason, I will have to invoke the fifth amendment.

The CHAIRMAN. How would that affect your conspiracy? The Chair does not understand that. I think we want to try to be logical. How could that affect the conspiracy charge, if the teamsters are paying for your attorney?

Mr. LANGLEY. Yesterday, Senator Mundt made the statement in the investigation that the discovery of a check in the book was an important link in this alleged conspiracy if it was true—

The CHAIRMAN. That is an important link in what this committee is seeking to find out.

Mr. LANGLEY. He said it was an important link in the overall conspiracy.

The CHAIRMAN. The conspiracy of the teamsters union; yes, sir.

Mr. LANGLEY. For that reason, I decline.

The CHAIRMAN. I mean not of the union, but of the leaders to control vice in the city. Do you feel that that link, if it is a link, would affect you?

Mr. LANGLEY. I will invoke the fifth amendment, Mr. Chairman.

Senator GOLDWATER. Mr. Langley, do you know of any work that your counsel has done for the Teamsters Council No. 37 that would have a value of \$5,000?

Mr. LANGLEY. I couldn't answer that, Senator.

Senator GOLDWATER. You could not answer that?

Mr. LANGLEY. No.

Senator GOLDWATER. Could you tell us whether or not that \$5,000 might have been paid as a retainer or for services to be extended to you in your present situation?

(The witness conferred with his counsel.)

Mr. LANGLEY. Really, Senator, I would like to answer, but I don't know. I suggest you ask the attorney involved. Subpena him and ask him about it.

Senator GOLDWATER. I was possibly in error. My attorney tells me that this is not Mr. Tanner. I was under the impression that Mr. Tanner was your attorney. I will rephrase the question.

The CHAIRMAN. Mr. Tanner has not appeared here yet.

Senator GOLDWATER. Do you have any knowledge of any work that Mr. Tanner did for council No. 37 that would require the payment of \$5,000 on August 21, 1956?

Mr. LANGLEY. I am not familiar with the matter at all, Senator.

Senator GOLDWATER. Was Mr. Tanner paid this money for any work that would be done in connection with your case?

(The witness conferred with his counsel.)

Mr. LANGLEY. That borders on the waiver again, Senator. I am sorry, I will have to decline to answer that. I am sure, however, that if you would subpoena Mr. Tanner, he would be very pleased to answer your questions and clear up your concern.

The CHAIRMAN. Is there anything further?

Senator MUNDT. Mr. Langley, have you ever been in the King Tower Apartments?

Mr. LANGLEY. I would invoke the fifth amendment.

Senator MUNDT. Do you know Mr. Sheridan?

(The witness conferred with his counsel.)

Senator MUNDT. That is Mr. Thomas Sheridan.

Mr. LANGLEY. Yes; I do.

Senator MUNDT. Do you know him to be a member or a former member of the State liquor commission?

Mr. LANGLEY. Yes.

Senator MUNDT. Did you ever meet with Mr. Sheridan in the apartment of Mr. Tom Maloney, in the King Towers Apartment?

Mr. LANGLEY. I would invoke the fifth amendment.

Senator MUNDT. Do you have a key to Mr. Tom Maloney's apartment in the King Towers Apartments?

Mr. LANGLEY. I would invoke the fifth amendment.

Senator MUNDT. Have you ever been in that apartment?

Mr. LANGLEY. I would invoke the fifth amendment.

Senator MUNDT. We have sworn testimony from Mr. Sheridan that he met you to keep an appointment dealing with these related subjects, and that you met him in the King Tower Apartment under lease to Mr. Tom Maloney. Do you want to deny that?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Going back to these statements that you have made lately, and I guess back during the summer of 1956, that the teamsters never spent any money for you, I would like you to examine this document.

The CHAIRMAN. The Chair directs the clerk to hand to you for your examination and identification, what purports to be a photostatic copy of a document entitled:

Statement of expenditures, general election, November 2, 1954, of Joint Council of Teamsters, Mark Holmes, secretary, in support of William M. Langley, Democrat candidate for district attorney, Multnomah County, \$3,160.88.

I ask you to examine this document and state if you will identify it.

(Document handed to witness.)

(Witness conferred with his counsel.)

Mr. LANGLEY. Well, I can't identify this, Mr. Chairman. It wasn't prepared by me.

The CHAIRMAN. Have you ever seen the document before or the original of it?

(The witness conferred with his counsel.)

Mr. LANGLEY. I will invoke the fifth amendment, Your Honor, or Mr. Chairman.

The CHAIRMAN. Would you say that the report in that document is untrue?

Mr. LANGLEY. Pardon me?

The CHAIRMAN. Do you say that the report in that document of those expenditures is untrue?

Mr. LANGLEY. I am invoking the fifth amendment, Mr. Chairman.

The CHAIRMAN. I believe I understood you.

All right.

Mr. KENNEDY. May I have the document back, please?

Mr. Chairman, did you read the total off? Total for Langley for district attorney was \$3,160.88, of which the Joint Council of Team—

The CHAIRMAN. The document which I just showed you and which you declined to identify shows, under account of receipts, contributions, and expenses, total, Langley for district attorney, \$3,160.88, covering 7 different items of amounts listed.

Do you want to make any comment about it, as to whether you received this aid or did not?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth, Mr. Chairman.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Chairman, here is another document.

It shows the amount of money expended on behalf of William M. Langley, and included in there is the amount that the teamsters union spent for Mr. William Langley.

The CHAIRMAN. The Chair will present to you another statement of expenditures of William Langley for district attorney committee, L. L. Langley, treasurer, in behalf of William M. Langley, Democrat candidate for district attorney, Multnomah County, showing a total of \$3,227.61, and listing from the teamsters union in contributions the amount of \$2,188.40.

Will you examine this document and state whether you identify it, and, if so, what is it?

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. LANGLEY. Mr. Chairman, I can't identify this. My deceased father made this report and filed it, and I have no personal knowledge about it.

The CHAIRMAN. Your deceased father made the report?

Mr. LANGLEY. Yes, sir.

The CHAIRMAN. Do you find his signature on the document?

Mr. LANGLEY. I recognize it.

The CHAIRMAN. You recognize his signature making a report for you, for expenditures and contributions received in your campaign; is that correct?

Mr. LANGLEY. Yes.

The CHAIRMAN. You would then assume it is accurate if your father signed it, would you not?

Mr. LANGLEY. Well, I am sure my father wouldn't file one that he didn't think was accurate.

The CHAIRMAN. That is what I mean.

Thank you very much.

That document where he identifies the signature as that of his father may be made exhibit 55 for reference.

(The document referred to was marked "Exhibit No. 55" for reference and will be found in the appendix on pp. 1089 and 1090.)

Mr. KENNEDY. That was forwarded to us by the elections division, secretary of state, Salem, Oreg., with this letter.

(Letter referred to may be found in the files of the select committee.)

Mr. KENNEDY. In connection with the district attorney's answer as to whether it was accurate, this record shows the teamsters union contributed \$2,188 to Mr. Langley for his campaign, and the teamsters union shows that they contributed \$3,160, so there is a discrepancy of about \$1,000 in these two reports that were filed.

Can you explain the discrepancy?

Mr. LANGLEY. I am sorry, I can't.

Mr. KENNEDY. You have no idea?

Mr. LANGLEY. No.

Mr. KENNEDY. Did you receive any other moneys from the teamsters other than this, than these amounts?

Mr. LANGLEY. I would decline to answer that on the fifth amendment.

Mr. KENNEDY. Specifically, did you receive any money from the Western Conference of Teamsters while you were running for district attorney, or any other time?

Mr. LANGLEY. I decline on the fifth amendment.

Mr. KENNEDY. Mr. Chairman, we have a check paid to the order of William M. Langley, October 26, 1954, for \$500, signed "Frank W. Brewster," and "John Sweeney, Secretary-Treasurer," and endorsed "William Langley" on the back. It does not appear anywhere in the reports that Mr. Langley or any of his committees filed as a campaign expenditure.

The CHAIRMAN. The Chair will have this photostatic copy of a check presented to the witness for his examination and identification.

Mr. KENNEDY. There is no place in the reports that were filed that shows that there was any money that came from the Western Conference of Teamsters to Mr. William Langley.

(Documents handed to witness.)

(The witness conferred with his counsel.)

Mr. LANGLEY. The question, please?

The CHAIRMAN. The question is: The Chair has submitted a document to you for your examination and identification. You have examined the document. Do you identify it?

Mr. LANGLEY. I invoke the fifth amendment, Mr. Chairman.

The CHAIRMAN. Is that your signature on the reverse side as an endorsement?

Mr. LANGLEY. I am sorry, I invoke the fifth amendment.

The CHAIRMAN. As to your own signature?

Mr. LANGLEY. Yes, Mr. Chairman.

The CHAIRMAN. All right.

Mr. KENNEDY. Why did the Western Conference of Teamsters pay you \$500?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you have some arrangement with Mr. Frank Brewster or Mr. John Sweeney for services that you were going to perform for the Western Conference of Teamsters that led them to pay you this \$500?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Can you give any explanation to the committee of why the Western Conference of Teamsters in Seattle, Wash., would be paying you \$500?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Tell me this: Was this a campaign expenditure of yours, Mr. District Attorney?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. If it was a campaign expenditure, can you give us any explanation as to why it was not put on your report to the State of Oregon as a donation that you received for your campaign?

(The witness conferred with his counsel.)

Mr. KENNEDY. Can you give the committee any explanation for that?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Can you tell the committee why they would pay you—Frank Brewster and John Sweeney would be paying a district attorney \$500, or a possible district attorney \$500?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Union dues were used to pay that \$500. Do you have any explanation for it?

Mr. LANGLEY. I invoke the fifth amendment, Counsel.

The CHAIRMAN. Did Tom Maloney manage your campaign?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you pay him any money for managing your campaign?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did he make any contribution to your campaign?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. Tom Maloney was not a citizen of Oregon, was he?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. He was brought down from Seattle, Wash., to manage your campaign: was he not?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. Do you not know that he was brought down, sent down there, rather by Brewster and by Sweeney to take charge of your campaign, help elect you, and that he did actually perform?

Mr. LANGLEY. I invoke the fifth amendment.

The CHAIRMAN. Proceed.

Senator MUNDT. Mr. Langley, I have been looking at the arithmetic of your reports here. The teamsters report spending \$3,160 in your campaign, and all the other contributions total only \$1,040. So out of the \$5,200 you received, \$3,160 was reported by the teamsters themselves as having been spent in your campaign. Can you explain why the teamsters union would be so much interested in your election that 3 out of every 5 dollars spent in your campaign would be spent by them?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Senator MUNDT. That is 42 instead of 52. Three out of that.

Let me ask you this, Mr. Langley. Under the laws of the State of Oregon, does the candidate himself have to file an expense account of his receipts and expenditures when he runs for office?

(The witness conferred with his counsel.)

Mr. LANGLEY. Well, Senator, I am not clear on that. My offhand opinion is that only the campaign committee files the report.

Senator MUNDT. Let me put it to you this way: Did you, as a matter of fact, yourself, file with any public office of record a statement of the receipts and expenditures, as a candidate, that you engaged in?

(The witness conferred with his counsel.)

Senator MUNDT. You would know whether you filed one or not.

Mr. LANGLEY. As far as I know, there is none.

Senator MUNDT. As far as you know, you never filed individually any statement of expenses and receipts?

Mr. LANGLEY. It is my offhand opinion that there is no requirement, and I have no recollection of filing one.

Senator MUNDT. If you have filed one, I would presume as a district attorney you would know in which office it would have to be filed, would you not?

Mr. LANGLEY. Yes. It would be filed with the secretary of state.

Senator MUNDT. It would have to be filed with the secretary of state, even though you are running for a county office?

Mr. LANGLEY. Well, Mr. Chairman—I mean Senator—in Oregon, the district attorney is a State officer, but it is held in districts, and each county is a district. So you are elected to a State office in a county district.

Senator MUNDT. So that if such a statement were filed, we would find it in the secretary of state's office in Salem?

Mr. LANGLEY. In the elections bureau of the secretary of state's office, yes.

Senator MUNDT. Thank you.

The CHAIRMAN. This witness may suspend his testimony for the present. We will present another witness for a moment to identify some documents.

Mr. Calabrese, would you come forward, please?

(Members present at this point: The chairman, Senators Ives, Mundt, and Goldwater.)

## TESTIMONY OF ALPHONSE F. CALABRESE—Resumed

The CHAIRMAN. Mr. Calabrese, you have been previously sworn as a witness during these hearings?

Mr. CALABRESE. I have.

The CHAIRMAN. You will remain under the same oath.

Mr. KENNEDY. Mr. Calabrese, when we were out in Portland, Oreg., we had an interview with Mr. Elkins; is that right?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. And Mr. Elkins at that time told us that after the district attorney's race was finished, that he was told by Mr. Tom Maloney that they brought Mr. William Langley down into California to introduce him to some of the bigwigs down there and to give him a little vacation?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. And Mr. Elkins then told us, and as he has told this committee, that he asked who was going to pay for that trip of Mr. Langley, is that right?

Mr. CALABRESE. That is right.

Mr. KENNEDY. And he said that Mr. Maloney said that the teamsters would take care of his bill?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Did we, after hearing that information, check in San Francisco at the Olympic Hotel to find out whether Mr. William Langley had registered there?

Mr. CALABRESE. Yes. Mr. Adlerman and myself, that is correct.

Mr. KENNEDY. Did you find that Mr. William Langley and family was registered at the Olympic Hotel from November 6 to November 11, 1954?

Mr. CALABRESE. Yes, that is correct.

Mr. KENNEDY. And that the bill there for Mr. William Langley and family was \$75.95?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Did you determine by whom the bill was paid?

Mr. CALABRESE. Yes, we did.

Mr. KENNEDY. And by whom was the bill paid?

Mr. CALABRESE. The bill was paid by the Western Conference of Teamsters, by check No. 7974, dated December—the day is obliterated—1954. It is signed F. W. Brewster and John J. Sweeney.

The CHAIRMAN. The Chair will ask you, do you have a photostatic copy of the check, a photostatic copy of the hotel records, and a photostatic copy of anything else?

Mr. CALABRESE. Yes. A photostatic copy of the Olympic Hotel registration card; a photostatic copy of the statement to the Western Conference of Teamsters by the Olympic Hotel, in the amount of \$75.95, for William Langley, and the Western Conference of Teamsters' check which I previously identified, payable to the order of the Olympic Hotel, signed by Mr. Brewster and Mr. Sweeney.

The CHAIRMAN. Those documents may be made exhibit No. 56A, B, and C, for reference.

(The documents referred to were marked 'Exhibit 56A, 56B, and 56C' for reference and will be found in the appendix on pp. 1091-1093.)

Mr. KENNEDY. After the election was over, did you also check in Seattle to find out if Mr. William Langley had gone there?



Mr. CALABRESE. That is right.

Mr. KENNEDY. Did you check at the Olympic Hotel, Seattle, Wash.?

Mr. CALABRESE. A subpoena was served on that hotel.

Mr. KENNEDY. Going back to the Olympic Hotel in San Francisco, at the same time that Mr. William Langley and family were at the Olympic Hotel in San Francisco, was Mr. Tom Maloney there?

Mr. CALABRESE. Mr. Tom Maloney was registered there from November 5 through 9, 1954. His bill was paid by the Western Conference of Teamsters. Those documents have already been introduced into the record.

(The documents referred to were marked "Exhibits 20A, 20B, and 20C, and will be found in the appendix to pt. 1 on pp. 373-375.)

Mr. KENNEDY. He was there at the same hotel at the same time, and his bills were also paid by the Western Conference of Teamsters?

Mr. CALABRESE. That is true.

Mr. KENNEDY. Now going up to Seattle, Wash., from November 26 to 30, 1954, at the Olympic Hotel, did you find that Mr. William Langley registered at that hotel?

Mr. CALABRESE. Yes, both Mr. Langley and, apparently, his wife.

Mr. KENNEDY. And was that bill paid by the Western Conference of Teamsters?

Mr. CALABRESE. It was.

Mr. KENNEDY. And the bill amounted to \$39.27?

Mr. CALABRESE. That is correct.

Mr. KENNEDY. Could you describe that check?

Mr. CALABRESE. The check is drawn on the Western Conference of Teamsters, made payable to the Olympic Hotel, in the amount of \$227.20. It is dated December 15, 1954, and the number is 7994. It is rather obscure. The check is signed by F. W. Brewster and John J. Sweeney.

The CHAIRMAN. What is the date of it?

Mr. CALABRESE. December 15, 1954.

The CHAIRMAN. That was after the election?

Mr. CALABRESE. That is after the election, that is correct.

Mr. KENNEDY. Included in that \$200-odd dollars, is there an item for \$39.27?

Mr. CALABRESE. That is correct. That is for Mr. Langley and family, and also an item of \$35.86, the bill for Thomas Maloney, who was also at the hotel.

Mr. KENNEDY. So at the same time that William Langley was up at Seattle, Wash., staying at the Olympic Hotel, and having his bills paid by the Western Conference of Teamsters, Mr. Tom Maloney was also at the same hotel and also had his bills paid for by the Western Conference of Teamsters, is that correct?

Mr. CALABRESE. That is correct.

The CHAIRMAN. Have those documents yet been made exhibits?

Mr. KENNEDY. No.

The CHAIRMAN. They may be made exhibit No. 57, the three of them.

Are there three of them?

Mr. CALABRESE. Yes.

The CHAIRMAN. That will be 57-A, B, and C, for reference.

(The documents referred to were marked "Exhibit No. 57A, 57B, and 57C" for reference and will be found in the appendix on pp. 1094-1099.)

MR. KENNEDY. Did you find December 16 and 17, at the Benjamin Franklin Hotel in Seattle, Wash., 1955?

MR. CALABRESE. Mr. Kennedy, we found from a review of the records at the joint council, No. 37, turned over to us last week, an item under the cash expenditures for the month of December 1955, wherein a bill was paid to the Benjamin Franklin Hotel, and after that dash "Langley", December 16 to December 17 in the amount of—the check was for \$15.10.

MR. KENNEDY. How much was that?

MR. CALABRESE. \$15.10.

MR. KENNEDY. Was that for whom?

MR. CALABRESE. That was for, apparently, Mr. Langley's hotel bill at the Benjamin Franklin Hotel.

MR. KENNEDY. Did you also find whether Mr. Tom Maloney was at the Benjamin Franklin Hotel in Seattle at the same time?

MR. CALABRESE. Yes, he was there at the same time.

MR. KENNEDY. Was his bill paid for by the teamsters at that time?

MR. CALABRESE. By joint council No. 37.

MR. KENNEDY. His bill was paid by joint council 37?

MR. CALABRESE. That is right.

(The information referred to appears in exhibit 51, in the appendix, foldin facing p. 1080.)

MR. KENNEDY. Mr. Chairman, the first time that Mr. Calabrese testified, there was a question raised—this last item is not in the record yet.

The CHAIRMAN. That will be made exhibit No. 58.

(The document referred to was marked "Exhibit No. 58" for reference and will be found in the appendix, foldin facing blank p. 1100.)

MR. KENNEDY. There was some question raised about the authenticity of a department of motor vehicles letter that had not been signed. We have had that signed since the last time Mr. Calabrese appeared.

The CHAIRMAN. Did Mr. Calabrese testify to this?

MR. KENNEDY. He testified that this car was registered in the name of Tom Maloney, A. F. of L., Teamsters Building, Northeast Third and Holiday, Portland, Oreg.

The CHAIRMAN. This document may be made exhibit No. 59, for reference.

(The document referred to was marked "Exhibit No. 59" for reference and will be found in the appendix on pp. 1101-1103.)

Senator MUNDT. Mr. Chairman, I have been examining the hotel registration card of the Olympic Hotel, where Mr. William Langley registered in for himself and family. Looking at the signature on the back of the \$500 check given him by Mr. Brewster and Mr. Sweeney, it is quite obvious it is the same signature, with the same peculiarities in handwriting on the back of the check as we find on the hotel registration card.

I think it would be interesting to have the check included in our exhibits so that a comparison can be made.

MR. KENNEDY. I thought it had been made an exhibit.

(At this point, the chairman withdrew from the hearing room.)

Senator MUNDT. I suggest it be made the next exhibit and be included in the record.

Mr. KENNEDY. That would be exhibit No. 60.

(The document referred to was marked "Exhibit No. 60" for reference and will be found in the appendix on p. 1104.)

**TESTIMONY OF WILLIAM M. LANGLEY, ACCOMPANIED BY HIS COUNSEL, RICHARD R. CARNEY—Resumed**

Mr. KENNEDY. Could you give the committee an explanation as to why the Western Conference of Teamsters was paying your bill?

Mr. LANGLEY. Would you repeat the question, please?

Mr. KENNEDY. Could you give the committee an explanation as to why the Western Conference of Teamsters were paying certain of your bills?

Mr. LANGLEY. I didn't hear your first word, whether you said did or could.

Mr. KENNEDY. Could.

Mr. LANGLEY. You said could? I invoke the fifth amendment.

Mr. KENNEDY. Will you give the committee an explanation?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you have any conferences with Mr. John Sweeney when you were in Seattle?

(The witness conferred with his counsel.)

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Did you have any conferences with Mr. Frank Brewster?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. Mr. Elkins has testified that he met you up in Seattle, shortly after the election, and you and Tom Maloney discussed certain houses, certain afterhours joints that could be operated in Portland, and also the question of whether call girl houses could be opened. Did you have such a conference with Mr. Elkins?

Mr. LANGLEY. I invoke the fifth amendment.

Mr. KENNEDY. You, as district attorney, refuse to tell the committee as to whether you discussed the opening of call houses with Mr. Tom Maloney and Jim Elkins in Seattle, Wash.?

(The witness conferred with his counsel.)

Mr. LANGLEY. Mr. Counsel, that is my position, and I have stated my reasons several times, I think.

Mr. KENNEDY. You will not tell the committee anything about that?

Mr. LANGLEY. No, sir.

Mr. KENNEDY. On the grounds that a truthful answer might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. LANGLEY. Well, I don't care to play on words, Mr. Counsel, but it is in view of my situation.

Mr. KENNEDY. Let me ask you this: Do you feel that truthful answers to the questions that you refuse to answer might tend to incriminate you?

Mr. LANGLEY. For the reasons stated, that is my position.

Mr. KENNEDY. You do feel that?

Mr. LANGLEY. I have stated my position.

Mr. KENNEDY. Well, do you feel that truthful answers to the questions that you refuse to answer might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. KENNEDY. For a proper use of the fifth amendment, Mr. District Attorney, you have to feel that a truthful answer might tend to incriminate you. Do you feel that?

Mr. LANGLEY. Well, I don't want to be smart with you, but I have my own counsel here, Mr. Kennedy.

Mr. KENNEDY. O. K.

(The witness conferred with his counsel.)

Mr. LANGLEY. Would you please start again, Mr. Kennedy, and I will try to answer the question.

Mr. KENNEDY. Do you feel that truthful answers to the questions that you have refused to answer before this committee, that truthful answers to those questions might tend to incriminate you?

(The witness conferred with his counsel.)

(At this point, the chairman entered the hearing room.)

Mr. LANGLEY. I have answered that question several times, Mr. Kennedy, and I will say again that it might tend to incriminate me.

Mr. KENNEDY. And your attorney and I agree.

Mr. LANGLEY. I want to say this, that you are both good attorneys.

The CHAIRMAN. Are there any other questions?

Are there any further questions, Senator Mundt?

Senator MUNDT. No.

The CHAIRMAN. The Chair is very happy to make this announcement: with the exception of one more witness, Mr. Frank Brewster, so far as we know now this particular series of scheduled public hearings will close.

In view of the hour, we will not undertake to start with Mr. Brewster today. As far as we know now, he will be the first witness tomorrow, and we hope to conclude this series of hearings tomorrow.

All other witnesses are excused, and the present witness is included.

Thank you very much.

The committee will stand in recess until 10 o'clock tomorrow.

(Members present at the taking of the recess: The chairman, Senators Ives, Mundt, and Goldwater.)

(Whereupon, at 3:40 p. m., the committee recessed to reconvene at 10 a. m., Friday, March 15, 1957.)

# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, MARCH 15, 1957

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Irving M. Ives, Republican, New York; Senator Pat McNamara, Democrat, Michigan; Senator Karl E. Mundt, Republican, South Dakota; Senator Barry Goldwater, Republican, Arizona;

Also present: Robert F. Kennedy, chief counsel to the select committee; Jerome Adlerman, assistant counsel; Alphonse F. Calabrese, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, Mundt, and Goldwater.)

The CHAIRMAN. As the Chair announced yesterday, when we hear the witness scheduled for today and maybe 1 or 2 others, this series of hearings will come to a close.

The Portland aspects of it that have engaged the attention of the committee over the past several days since these hearings began, are practically concluded, subject, of course, to some time in the future.

Maybe in the near future or maybe later, some other testimony will appear and it will be desirable to produce it in public hearings. The public may not realize this, but before public hearings of this nature can take place, and particularly hearings so involved as is this inquiry and the one that has been related to the Portland situation, there is far more work which has to be done in securing the information and screening it and preparing it for public hearings.

We have two men on the staff of the committee who did the major part of that work, Mr. Alphonse Calabrese and Mr. Jerome Adlerman. The Chair wishes to thank them on behalf of the committee and I am sure on behalf of the citizens of this country for the hard work that they have put into this project.

There are others of the staff assigned to other areas now who are doing the same work, preparatory to hearings in those areas, similar to that work which Mr. Calabrese and Mr. Adlerman did in procuring the witnesses and screening the testimony and making ready for the public hearings that we have held.

The next witness, Mr. Kennedy.

Mr. KENNEDY. Mr. Frank W. Brewster.

Mr. MAGEE. Mr. Chairman, can I address the Chair.

The CHAIRMAN. Just a moment. The Chair received a letter from Mr. Brewster's counsel in which he requested during the time he is on the stand—

I request that the photographers, newsmen, and television technicians be instructed not to take pictures or engage in conduct that might otherwise distract or harass Mr. Brewster.

Gentlemen, the committee will order that to be done. There will be no pictures made. I understand that includes television and movies and it means, of course, pictures of the witness.

We have been observing that rule where a witness requested it on the ground that he might be distracted while testifying and so the Chair gives instructions now that the rule be observed and the order of the Chair be observed with respect to Mr. Brewster while he is testifying. That applies to all cameras.

Mr. MAGEE. Mr. Chairman, I merely wanted to ask this: During the course of Mr. Crosby's testimony, the Chair ruled that he would be permitted to put before the committee the documents that he had in his possession which were being copied. I got the impression last night, however, when the chairman made his announcement that Mr. Crosby was not going to be called back, and we do wish that opportunity and also I want to tender Mr. Crosby as a witness who can fully explain the 2 checks of \$5,000 and \$3,000 which the committee dismissed yesterday.

The CHAIRMAN. All right. The Chair will take that into account. I want to proceed with this witness. If he is here, just let him remain here. We will get to him.

Mr. MAGEE. Thank you.

The CHAIRMAN. I am advised that Mr. Crosby has not furnished the material that you desired.

Mr. KENNEDY. You have not furnished the material.

Mr. MAGEE. It has been copied, and we have it, and we would like to submit it as exhibits.

The CHAIRMAN. You cannot submit it as exhibits until the committee has had an opportunity to examine it. That was the purpose of having it copied and providing us with a copy. Are you ready to deliver the material to us?

Mr. MAGEE. I can give it to you now, sir.

The CHAIRMAN. All right. Bring it and present it.

Will you announce what documents you are now submitting to the committee?

Mr. MAGEE. We are submitting to you the 10 copies of the indictments against Mr. Elkins, one of which is a prostitution indictment, which we think the committee should consider. We are submitting six affidavits, all of which put Mr. Elkins directly in the prostitution racket in the city of Portland, and we ask the committee to consider those.

They are all sworn to and under oath, and the parties are all willing to appear before the committee.

The CHAIRMAN. They may be submitted for the committee's examination. Thank you very much.

Come around, Mr. Brewster. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BREWSTER. I do.

### TESTIMONY OF FRANK W. BREWSTER, ACCOMPANIED BY HIS COUNSEL, JERRY N. GRIFFIN AND JOHN K. PICKENS

The CHAIRMAN. Mr. Brewster, state your name and your place of residence and your business or occupation.

Mr. BREWSTER. My name is Frank W. Brewster, my residence is 1901 36th Avenue West, Seattle, Wash. I am chairman of the Western Conference of Teamsters and fifth vice president of the International Brotherhood of Teamsters.

The CHAIRMAN. Mr. Brewster, have you conferred with members of the staff and know generally the line of interrogation expected?

Mr. BREWSTER. Will you repeat that question, please? I didn't understand it.

The CHAIRMAN. Have you conferred with members of the staff regarding the testimony that you are expected to give?

Mr. BREWSTER. I don't believe so.

The CHAIRMAN. You have been present during the course of these hearings?

Mr. BREWSTER. I have not.

Senator MUNDT. You have been a witness before part of this committee on a previous occasion?

Mr. BREWSTER. I was here on January 15, Senator.

The CHAIRMAN. Have you refused to talk to the staff about the testimony you are expected to give?

Mr. GRIFFIN. Mr. Chairman, I am appearing as counsel and my name is Jerry N. Griffin.

The CHAIRMAN. I am trying to reach that. If you will just be patient, I will get to it.

Mr. GRIFFIN. I think I could explain why he hasn't talked to the staff.

The CHAIRMAN. I will ask you first, have you elected to have counsel of your choosing present?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. Counsel may now identify himself for the record.

Mr. GRIFFIN. Mr. Chairman, as I said, my name is Jerry N. Griffin, and this is John K. Pickens, and we are lawyers here in the District of Columbia. I am a member of the Oklahoma bar and Mr. Pickens is of the New York bar.

The reason Mr. Brewster has not talked——

Senator MUNDT. You are covering up the microphone so we cannot hear you.

The CHAIRMAN. Just one moment. I wanted to get the counsel identified. Now, have both counsel been clearly identified for the record? It is hard for me to hear you.

Mr. GRIFFIN. My name is Jerry N. Griffin, 731 Washington Building, and the other counsel is John K. Pickens, who is a member of my firm. We have offices at 731 Washington Building.

The CHAIRMAN. All right, sir. Thank you very much. Now, I asked Mr. Brewster if he had talked to the staff or if he knew the general line of evidence that he was expected to give. Now, you may answer "yes" or "no" or whatever you want to say.

(The witness consulted with his counsel.)

Mr. BREWSTER. I talked to Kennedy and another gentleman prior to this committee being formed.

The CHAIRMAN. Prior to the time this committee was established?

Mr. BREWSTER. This special committee, yes. Since that time, I have not.

The CHAIRMAN. All right. You have been given an opportunity to talk with them. I believe? You have been invited to talk with them and discuss the matters they wanted to interrogate you about?

Mr. BREWSTER. May I ask my counsel, please?

The CHAIRMAN. Yes, you may.

(The witness consulted with his counsel.)

Mr. BREWSTER. On advice of counsel, I did not talk to them.

The CHAIRMAN. But you were invited to and on the advice of counsel you did not talk to them, is that correct?

Mr. BREWSTER. I believe that is correct.

The CHAIRMAN. We will accept it as being correct then, unless you object.

Mr. BREWSTER. O. K.

The CHAIRMAN. Proceed, Mr. Counsel.

Mr. GRIFFIN. Mr. Chairman, I believe that in the letter I submitted to you on March 11 on behalf of the witness, I requested that Mr. Brewster be allowed to read a prepared statement.

The CHAIRMAN. Counsel is correct, and I have it before me. Mr. Brewster, you have asked permission to read a prepared statement, have you?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. That permission will be granted. The statement was filed within the rules of the committee and I believe has been examined by the staff?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. All right, Mr. Brewster, you will be permitted to read it. At some parts of it, members of the committee or counsel may desire to interrupt or ask you questions for clarification or explanation.

All right, you may proceed with your statement.

Mr. BREWSTER. My name is Frank W. Brewster. I was born in 1897 at Seattle, Wash. I attended Queen Ann High School there for two and a half years and then took a 6 months course in Acme Business College.

I became a teamster in 1913 at the age of 16 and started out driving a dray. During World War I, I served in the United States Army from April 1918 to March 1919.

Upon being released from the Army, I went to work on a furniture truck. In early 1920 I was elected recording secretary of local union No. 174. Later, in December of that year, 1920, I was elected business agent of the same local.

Senator MUNDT. Is that a Seattle union?

Mr. BREWSTER. Yes, sir.



I continued as business agent until 1929 when I was elected secretary-treasurer of local 174. I served in this capacity until 1953.

From 1935 to 1952, I was also secretary and treasurer of Teamsters Joint Council No. 28. This council includes all of the local teamsters unions in the State of Washington, with two minor exceptions.

In 1953, upon assuming the chairmanship of the western conference, I relinquished the position of secretary-treasurer of local 174. However, at that time I was elected to serve as president of local 174 (which position is a far less active one than that of secretary-treasurer).

The western conference encompasses the 11 Western States, Alaska and Hawaii, and 3 of the western provinces of Canada. It was organized in 1937 on a voluntary basis and was recognized by constitution of the Teamsters International as an organic body in 1947.

It has a chairman, which office I hold, and a secretary, with a governing body of 33 members, sometimes called the policy committee, who are representatives from the various locals and trade councils in these 11 States.

It is a true labor organization and was formed to coordinate the work of the locals and trade councils, as well as the membership of the teamsters in some 14 different divisions, including automotive, bakery, bevarage, building construction, cannery, chauffeurs, dairy, general hauling, laundry, dry cleaning, log hauling, over-the-road, sugar, and warehouse, among others.

(At this point in the proceedings, Senator McNamara entered the caucus room.)

Mr. BREWSTER. Its purpose is to protect the interests of the workman in these industries and others, to stabilize the trucking industry, and to protect the interests of employers who negotiate with the teamsters in good faith.

There are 8 joint councils and 246 local unions in the conference. The conference is the governing body of the teamsters and it meets annually. The policy committee meets every 2 months or 6 times a year.

The principal activities of the conference are to aid and assist in furthering organization in all of the branches of its jurisdiction, to carry on a constructive program of education for the benefit of our officers and members, to promote sound public relations, to supply research, statistical, legal, and financial aid to the locals and the joint councils, to aid in the establishment, administration, and supervision of adequate pension and health and welfare programs.

I might add parenthetically that while our pension and welfare programs are the finest in the country, the cost of operation and the brokerage fees in connection therewith, are among the lowest in the country. The total membership in these 11 Western States is approximately 375,000.

The conference does not concern itself with local campaigns such as is involved here in connection with the 1954 elections in Portland. Each joint council has a legislative committee. The joint council is composed of the executive boards of the various local unions within its jurisdiction. The councils determine what local and State candidate will be supported.

As far as I am concerned, I have never concerned myself with local politics. There are 246 locals under my supervision, which include

11 States, Alaska, Hawaii, and the western half of Canada. It should seem obvious to anyone that if every member of the western conference spent 24 hours a day doing nothing else, he could not even acquaint himself with each local situation in this great area.

My own policy as to political candidates has always been the same. I believe in giving support to any candidate of good reputation who favors the interests of labor whether he be a Democrat or Republican. But, as I said, this decision is made at the local level, and I have never attempted to influence their choice.

The only time the western conference participates in a local political campaign is when one of our joint councils requests assistance. We will then lend our aid, including financial support, if possible. We, of course, can only contribute to State campaign funds. The western conference has never contributed any funds to a Federal campaign.

The western conference is absolutely opposed to communism in any shape or form. I am personally 100 percent opposed to communism and in my opinion there is not one Communist or communistic sympathizer serving as an officer in the western conference or any affiliate thereof. As an example of our strong convictions in this regard, I refer to the following example:

The teamsters have many members who are employed in operating trucks and heavy equipment in uranium mines, in strip mines, and in other mines. There was good reason to explore the opportunities with the Mine, Mill, and Smelter Workers Union to see if we could not meet on some common ground so that the jurisdiction in this area could be resolved to our mutual satisfaction.

We sat down with representatives of that union and entered into a mutual jurisdictional agreement. Such agreement was conditioned on the fact that the union officials of Smelter Workers Union who were Communists, or communistic sympathizers, would be cleaned out or it would be abrogated. We eventually became convinced they had no intention of cleaning out the Communists and the agreement was abrogated.

The larger part of my duties and responsibilities as chairman of the western conference has been the actual bargaining and negotiating of master contracts and individual collective-bargaining agreements with the owners and operators of the principal trucking lines and other corporations owning truck fleets.

It has always been my position to entertain these people as I have found a friendly relationship avoids unnecessary bickering and other petty conduct on both sides, all of which leads to needless misunderstandings.

I have taken employers and employers' representatives to dinner and otherwise entertained them, including furnishing them with box seats at clubhouses in various racetracks for the principal meets. All of these expenses I have charged off against the western conference or other union funds as I was advised by counsel that these were legitimate business deductions.

I have tried to make it a practice to entertain employers rather than be the recipient of their entertainment. I sincerely believed in that way our management relationship would be better and there would not be any feeling afterward that I owed them any special favors at the bargaining table, if indeed, it had ever existed.

Since this smear campaign by Mr. Elkins and others began with the resulting publicity, I have had some of the owners of the largest trucking and transportation companies in this country call me and tell me that if they were given the opportunity they would like to come to Washington and testify as to their relationship with me and the manner in which I have conducted the affairs of the western conference insofar as the employers are concerned.

I will give the committee a list of these individuals. I do not wish to give it publicly because the committee, for one reason or another, may not call them. I do not wish them to be embarrassed or maligned in the newspapers as I have been.

The CHAIRMAN. Mr. Brewster, you may submit the list to the chief counsel for the committee's inspection at your convenience.

Mr. BREWSTER. Thank you.

The CHAIRMAN. Proceed.

Mr. BREWSTER. Like anyone else, I have made mistakes, but these have been honest mistakes of the type made by officers of corporations and other unions in the ordinary course of business.

The budget of the western conference is met by a per capita tax of 20 cents per month per member. These funds are deposited in two bank accounts, one of which is a general account. The constitution of the western conference provides that the chairman shall countersign all checks drawn on conference funds and approve all bills for services rendered to the conference.

On the average I spend not more than 20 percent of my time in the Seattle headquarters. The rest of the time I am in San Francisco, Los Angeles, Denver, or any other place in the conference area covering 11 States, Alaska, Hawaii, and British Columbia, where my presence is required.

Throughout the period I have been chairman it has been almost physically impossible for me to be present and countersign each check at the time it was drawn. For many years it has been the custom and practice—and it is not a good practice—of signing checks in blank whenever I or the other officer required to sign checks was leaving Seattle for several days in order that the operations of the conference did not come to a standstill.

Senator MUNDT. Do you mean by that, that you have an officer who is authorized to sign your name, or are you talking about somebody else?

Mr. BREWSTER. I do not.

Senator MUNDT. You are talking about the man who countersigns the checks?

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. Might I ask a question there? Does your office employ a checkwriting machine?

Mr. BREWSTER. A checkwriting machine?

Senator GOLDWATER. A check-signing machine.

Mr. BREWSTER. For signatures, we do at the present time. I think we instituted that in the last 6 or 8 months.

Senator GOLDWATER. And the western conference uses that?

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. Does the international office here in Washington use a checkwriting machine, or a check-signing machine?

Mr. BREWSTER. I believe they do.

Senator GOLDWATER. Who in your case would have access to that machine?

Mr. BREWSTER. My secretary.

Senator GOLDWATER. And who, would you know, would have access to it in Mr. Beck's office?

Mr. BREWSTER. I believe the secretary-treasurer, John English.

Senator GOLDWATER. Would any of the secretarial staff have access to either of those machines?

Mr. BREWSTER. I do not believe so, because Mr. English is closer to a full-time job present in the office in Washington and I would say 90 some percent of the time.

Senator GOLDWATER. Thank you.

The CHAIRMAN. You did not name your secretary who has that authority.

Mr. BREWSTER. Ann Nielsen.

The CHAIRMAN. All right.

Mr. BREWSTER. The only way that I know that it can be improved is to require, on checks up to a limited amount, only the signature of the secretary-treasurer or other official who is normally in the office 5 days a week, and to have such official bonded for a very large sum.

Thereafter, a higher official of the union or myself could go over the checks once a month and reconcile them with his accounts.

Contrary to what Elkins and others would have you think, the teamsters, to my knowledge, have never attempted to organize or engage in vice or rackets of any kind. Actually, our endeavors have been in the opposite direction. For example, since 1953 the following are some of the things that the western conference and joint council have done:

The conference has pledged itself to contribute one-half of 1 percent of the 2-percent brokerage fee paid in connection with its welfare fund to the City of Hope Hospital in Los Angeles. In 1953 the organization cooperated with employers in providing trucks and taxicabs and donated the services of its officers and members, estimated at a value of \$50,000 toward moving the Children's Orthopedic Hospital from its old quarters to its new location.

For the past several years, as an organization, it has made the largest contribution toward building the King County Washington Blood Bank. Separate and apart from our individual membership contributions, we have contributed manpower and money for the March of Dimes and the American Red Cross. Our average yearly contribution to United Good Neighbors has amounted to \$12,500.

Scholarships to colleges of the choice of the outstanding high-school students are made to children of members of the teamsters union. During 1956 we sponsored baseball on TV and gave away 500 1-minute spot announcements to 105 service and charity organizations at a cost of \$105 a spot.

We sponsored the televising of the first 3 days of the session of the Legislature of the State of Washington. We donated \$12,000 for spot announcements to the March of Dimes. We support the Boy Scouts and the Girl Scouts and the Green Cross Safety Organization.

I could name countless other civic activities and programs for good government which the Western Conference of Teamsters and the joint council have promoted.

As I stated earlier, I started out as a teamster driving a dray. I have always been very fond of horses and they have been my active hobby for many years. I have owned and bred horses all my adult life. I have had the pleasure of serving as a member, and during 1 period as chairman, of the Washington State Horse Racing Commission under 2 different governors.

Every sport in this country attracts gamblers as well as fans. The racetrack is not an exception, but rather a specific illustration. During my time around the track as an owner, breeder, and commissioner, I have become acquainted with a lot of individuals who I suspected of being gamblers then or who I later found out were.

It was a fact that I just had to accept. A one-man crusade on my part would not have gotten very far. I do not think we have adopted in this country the doctrine of guilt by slight acquaintance. For, if we have, I may be guilty of many things of which I have no personal knowledge.

There have appeared before this select committee a number of witnesses who have attempted to create the impression that certain officials or employees of the teamsters have conspired with certain members of the underworld and with public officials to control and operate rackets in Portland, Oreg.

I welcome the opportunity to answer these charges because, to my knowledge, they are absolutely fantastic and completely untrue. I welcome the opportunity to deny these charges under oath and focus attention upon the character of the testimony given.

First, I want to say this and I say it as sincerely as a man can speak. I have never conspired with anyone at any time or place to engage in any way or control in any manner any racket in the city of Portland, or anywhere else. Nor do I know any official or employee of the teamsters union who has. You will note from my background above that I have long been associated with the teamsters. It has been my life.

The type of testimony presented before this select committee in derogation of the teamsters has been most incredible. It consists mainly of hearsay, rumor, and insidious innuendo. With few exceptions, it has mainly been derived from gangsters and gamblers and various other underworld characters. Yet, unfortunately, this type of testimony can be and has been used to create the impression that the teamsters have engaged in illegal practices in Portland.

As far as I know, nothing could be more untrue, and as an official of the teamsters I welcome the opportunity to appear before the select committee and say so. I might add that I will not invoke the fifth amendment on any question. I will answer all questions fully and fairly as to any matter of which I have personal knowledge. I am proud of my union and my record in it.

The chief witness against the teamsters presented so far seems to be one James B. Elkins. His testimony shows: At the age of 19 or 20 he was convicted of assault with intent to kill and sentenced to 10 or 20 years' imprisonment.

Later in 1938, he was charged and convicted of engaging in the narcotics racket, the lowest of them all. He then told of being in a shooting scrape of some kind. It is common knowledge that he is or has been a racketeer in Portland for a number of years. Further,

Elkins is presently under numerous indictments in Federal and State courts. The credibility of such a man is obviously open to the most serious question.

I think it is most significant that the day Elkins walked into my office, which was the first day I ever saw him and the only time I have ever spoken to him, that I immediately threw him out after telling him what I thought about him.

The record shows this. It is hardly evidence of any conspiracy or collaboration on my part to get in any racket in Portland in which Elkins might have been involved.

I have read the transcript of most all of the testimony before this committee. Practically all of the testimony of this Elkins, insofar as it relates to me, is based upon alleged conversations he says he had with one Thomas E. Maloney and one Joseph P. McLaughlin. I believe he also said he heard Maloney and perhaps McLaughlin also talk to me on the telephone about racketeering activities in Portland.

Elkins is simply not telling the truth. He has either manufactured his fantastic story himself, or someone else has done it for him. Of these three men, Elkins, Maloney, and McLaughlin, I have never spoken to any one of them about political activities or racketeering activities in Portland.

Maloney came to Seattle from San Francisco, as I recall, about 1935 and was a fight manager. Apparently he had known some of the teamsters in San Francisco and when he got to Seattle, he made himself known to Seattle teamsters and that is how I met him.

As I remember, he wasn't making a living in the fight business and about 1939 he came around to me for help—and I want to say this right now—I always have been a soft touch and I've never been able to say "No" to someone in need. Perhaps I can be criticized for this.

Anyway, I got him a job at the Longacres Racetrack and the Playfair Racetrack, both, as they operate at different times. Later, I got him a job as inspector of mutuals in Seattle. I think he held these at one time or another up to 1948 or 1949. Since then, I have seen him on several occasions and only by chance.

One of the characteristics of Maloney is that he will use the name of some influential and responsible person to promote some scheme of his own. The person involved, of course, does not know a thing about it.

As to McLaughlin, I think his own testimony shows that he never was close to me in any way and that I was only a casual acquaintance of his at most. As to his background, I personally know very little. I have never been engaged in any transaction of any kind or character with him at any time or place and I never talked to him about the political situation or racketeering or other activities in Portland.

As to the alleged conspiracy on the part of the teamsters or any official or employee thereof to engage in any racket in Portland in connivance with any public official in that city, I will make the following categorical statements under oath:

1. I know of no conspiracy or plan or effort on the part of the teamsters or any official or employee thereof to engage in any racket in the city of Portland, or elsewhere, in collaboration with any public official or anyone else.

2. I know of no conspiracy or plan or effort on the part of the teamsters or any official or employee thereof to gain control of the

law-enforcement agencies of the city of Portland, the State of Oregon, or of any official of said city or State. Our sole interest there is the same as in every State, that is, to elect officials who are not anti-labor and who will oppose so-called right-to-work laws.

3. I have never authorized Elkins, Maloney, or McLaughlin, directly or indirectly, to represent the teamsters or myself in Portland or anywhere else on any matter.

4. I have never authorized anyone, directly or indirectly, to engage in any racket on behalf of the teamsters or myself in Portland or anywhere else.

5. I know of no conspiracy or plan or effort on the part of the teamsters or any official or employee thereof to place anyone on the State Liquor Commission of Oregon for any purpose.

Prior to the time these fantastic and ridiculous stories were brought to my attention as a result of these proceedings and proceedings in Oregon, I had never even heard or thought of these incredible things.

I think my reputation for honesty and fair dealings is well known in the western conference. Why have not some of the reputable people in that region with whom I have always done business with for years been brought here to tell what they know about me?

One of the things that has disturbed me as much as anything about these hearings has been the implication that John J. Sweeney was in any way involved in anything illegal in Portland. Sweeney is dead. He is not here to defend himself. So any hoodlum who chooses can get up and say John J. Sweeney did this and John J. Sweeney did that, without fear of successful contradiction.

John J. Sweeney was an honest, loyal, hardworking man who devoted his life to better the lot of the workingman and anyone who knew him knows that.

There has been testimony before this select committee about a number of trivial events which, when linked together with the perjury testimony of Elkins, can and have been used to create the impression that I have been involved in alleged illegal activities in Portland.

This is a false and unfortunate impression and I welcome this opportunity to appear here and correct it under oath. One of these events concerns Hy Goldbaum and one Stanley G. Terry, of Portland, Oreg.

My long interest in horses as a stable owner and as an official of the Washington State Horse Racing Commission, has been outlined above. It was in this connection, and only this that I met Hy Goldbaum. Incidentally, Hy has never done any great favor for which I would be obligated to him.

Stanley G. Terry I do not know. To my knowledge I have never even seen him anywhere. I have never spoken to him. My only knowledge of him, except for this one incident I am about to relate, has been gathered from these various proceedings.

With this background, I believe it was some time in January of 1954 I ran into Hy Goldbaum and he asked me if I would speak to an acquaintance or friend of his who was having troubles in Portland. I believe he mentioned Terry's name at the time.

In any event, I vaguely recall telling Goldbaum to have the fellow give me a call. I believe I spoke to Crosby about Terry and told him if Terry would live up to a union contract, I did not know of any

reason why he should not have one. I told Crosby to get in touch with Terry.

In other words, I put this matter back into regular organizational channels where it belonged in the first place. As I pointed out above, there are 246 locals under my general supervision. I could not possibly devote my attention to the details of their day-to-day operations.

In any event, Terry never called me nor gave me a call. I have never talked to him. I have never seen him anywhere to the best of my knowledge. I want to say this as emphatically as I can. I have never asked for or received \$10,000 or any other sum of money in my life from Terry or anyone else to use my influence to get Terry or anyone else a union contract.

Anyone who says I have is simply not telling the truth. That is all there is to this matter as far as I know.

I have already stated what happened to Elkins when he came to my office at the time he referred to in his testimony before this select committee. I would like to go into it in a little more detail because I want this select committee to know why I threw him out of my office.

Prior to the time that Elkins and Goldbaum came to my office, Crosby told me that Elkins had faked tape recordings down in Portland and that he was using them to blackmail Crosby. Crosby told me that Elkins told him if he would not give him \$10,000, he—Elkins—was going to take the records to Seattle to Brewster to see what Brewster would do about it.

At the time Hy Goldbaum called me and made an appointment to bring Elkins to see me, I didn't realize exactly who the man was he was bringing to my office. When Elkins walked in and was introduced, I realized who he was.

I told him that he was a crook and that I heard he had used faked records and recordings to blackmail Crosby. I think he gained the impression rather quickly that I wanted no business of any kind with him or with any character like him.

At this point I would like to refer to any part Maloney may have played in the 1954 political campaigns in Portland. My only knowledge thereof at the time involved John Sweeney.

Around the early part of 1953, Sweeney went to Portland as an international representative of the teamsters union. He also became chairman of the legislative committee of the joint council, which included all of the local unions in the Portland area.

In the latter position, I assume he was thoroughly familiar with whom the teamsters union was supporting in that area during the 1954 elections. I am sure he was, because Sweeney was always intensely interested in politics all of his life.

Due to the unfortunate death of Gordon Lindsay on July 1, 1954, our then secretary and treasurer of the Western Conference, Sweeney came up to Seattle during August of 1954 as acting secretary-treasurer of the Western Conference.

Sweeney was always talking about politics and I suppose because he had recently participated in the Portland primaries he happened to mention casually to me one day that Maloney was engaged in some political activity in Portland. He did not tell me what Maloney was doing, as he knew I never became involved in local politics.

The only thing I recall about this conversation with Sweeney is that I warned him most emphatically to beware of Maloney, as he was



irresponsible. I recalled that Sweeney made some remark to the effect that Maloney was just as harmless as a big Newfoundland dog. I replied in substance—I won't use the actual words—that a dog like that could give him a good big bite.

To my knowledge, he has never received any salary from the teamsters union or been on its payroll. I never authorized Maloney to do anything in Portland. I never spoke to Maloney, directly or indirectly, either in person or over the telephone or communicated with him in any way, about any political activity or activity of any kind he may have been doing in Portland. The whole thing is utterly preposterous.

As to McLaughlin, I do not know of any activity on his part in Portland on behalf of the teamsters during the period in question or any other time. I never authorized McLaughlin to engage in any activity either directly or indirectly.

I never spoke to him personally or over the telephone or communicated with him in any way about engaging in any activity. I have never authorized McLaughlin to do anything anywhere on behalf of the teamsters or myself.

I hope the foregoing is of assistance to this select committee in its evaluation of the untrue charges made before it to the effect that the Western Conference or any affiliate thereof, or any official or officer thereof, or myself, may in any way engage in any alleged illegal political activity or rackets in Portland or the State of Oregon.

I hope it also serves to place in true perspective the purposes and programs of the Western Conference and its affiliates. I wish to thank this select committee for allowing me to present this statement. I wish to assure this committee that the Western Conference and that I personally will continue to cooperate fully in every way possible to aid it in pursuing its legitimate objectives.

Mr. Chairman, can I ask for about a 10-minute recess? I caught a cold and I am kind of getting over it and I am perspiring quite a bit and I would like to go out and get some air.

The CHAIRMAN. Thank you very much for your statement, Mr. Brewster, and we will take a 10-minute recess.

(Brief recess.)

(Members present after the taking of the recess: The Chairman, Senators Ives, McNamara, Mundt, and Goldwater.)

The CHAIRMAN. The committee will come to order. We will have order, please.

All right, Mr. Brewster.

Mr. BREWSTER. I would like to take this opportunity to thank you for letting me read the statement, and also to thank you for letting me take the recess. It helped me.

The CHAIRMAN. We are very glad to do it.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Brewster, the records of the Western Conference of Teamsters, are those records all intact?

Mr. BREWSTER. They are from, I believe, 1954.

Mr. KENNEDY. What happened to the records prior to 1954?

Mr. BREWSTER. The records in 1954, I understand by hearsay—

Mr. KENNEDY. Those are the records of the Western Conference of Teamsters?

Mr. BREWSTER. Yes, sir.

MR. KENNEDY. And you are chairman of the Western Conference of Teamsters?

MR. BREWSTER. Yes, sir.

MR. KENNEDY. Then you would know about what happened to them.

MR. BREWSTER. By hearsay.

MR. KENNEDY. Someone told you?

MR. BREWSTER. Yes, sir.

MR. KENNEDY. From whom did you hear it?

MR. BREWSTER. I heard it from Buddy Graham.

MR. KENNEDY. What was Mr. Buddy Graham's position?

MR. BREWSTER. He was secretary-treasurer of the Western Conference.

The CHAIRMAN. May the Chair interrupt to inquire of the witness. Some members of the television force have advised the Chair that during the recess they spoke to you, Mr. Brewster, and you said you had no objection to television, but just to the snapped pictures.

MR. BREWSTER. I do not want to bar them. It isn't that. But I do not want to be in a position where they detract my thinking, and so forth. I have no objection. The lights are just as rough with them on, I guess, as they are off.

The CHAIRMAN. Do you want the lights on or off? We have turned them off where the witnesses objected. I will leave it to you entirely, but I want to settle this, so it will not be coming up.

MR. BREWSTER. I don't want to bar them. I haven't anything to hide. Only I just don't want to be in a position where some of these things might detract my attention.

The CHAIRMAN. All right. The television may take pictures, then—wait a minute.

Let us get this settled. We want to proceed here. Someone suggested to me that Mr. Brewster said he did not care for the movie cameras. I simply wanted to try to get it in order again without any further interruption.

Do you object—

MR. BREWSTER. Let us try it this morning, anyway.

The CHAIRMAN. With them on or off?

MR. BREWSTER. With them on.

The CHAIRMAN. With them on this morning.

All right, let us proceed.

Do not snap these flashlights in his face. He does not want that, I understand. Is that right?

MR. BREWSTER. Yes, sir.

The CHAIRMAN. Now maybe we understand. Let us proceed.

MR. KENNEDY. Mr. Buddy Graham was secretary-treasurer of the Western Conference of Teamsters?

MR. BREWSTER. Yes.

MR. KENNEDY. And he told you what?

MR. BREWSTER. He told me somewhere in January, I believe it was, 1954, that he had sent the records out to put them someplace and they were mislaid or they were taken out with some things that were taken out of the basement on a request that we got from the fire department to remove some of the things that we had that were a fire hazard. He told me about it, and I told him then to get every bit of papers, working sheets, that he had, and try and draw up new records and start in from there.

Mr. KENNEDY. So he told you this in January 1954?

Mr. BREWSTER. I believe it was.

Mr. KENNEDY. What books and records had been taken out of the basement?

Mr. BREWSTER. He didn't go into detail. I said, "Well, Buddy, check on everything, and get everything in order, and start in again as much as you can."

Mr. KENNEDY. Did you ever try to find out what books and records had been destroyed?

Mr. BREWSTER. I found out afterward that there are certain books and so forth. I am not positive now, because that is about 3 years ago, or a little more. I don't recall at the present time just what they were.

Mr. KENNEDY. How did they happen to be taken out and destroyed? What were the circumstances?

Mr. BREWSTER. Well, that was what the secretary-treasurer was doing with them, to put them in a place that he thought was secure. That was his function at that time.

Mr. KENNEDY. He put them someplace which he thought was secure, and then what happened?

Mr. BREWSTER. Then I believe what happened—I am just surmising, I don't know what happened——

Mr. KENNEDY. You never asked?

Mr. BREWSTER. I never found out altogether, no.

Mr. KENNEDY. Were you not interested in finding out?

Mr. BREWSTER. Sure I was interested, but I never did find out.

Wait a minute. Take it a little easy, will you, Bob?

Mr. KENNEDY. O. K. Fine.

Mr. BREWSTER. You have been putting in words and testifying too long.

Mr. KENNEDY. You tell, then.

Mr. BREWSTER. Certainly, at that time, I was satisfied with the statement that was made and from then on I have let it drop. I don't know just exactly what it was.

Mr. KENNEDY. That is what I am trying to find out.

Mr. BREWSTER. I was satisfied at the time that it was all right.

Mr. KENNEDY. What statement was made?

Mr. BREWSTER. The statement was made that certain records were missing through going out through a cleaning up of our basement by an order of the Fire Department. We had to get those things out, and I believe that they were taken out by somebody in the building.

Mr. KENNEDY. Do you know by whom they were taken out?

Mr. BREWSTER. I think it would be the janitor.

Mr. KENNEDY. He took the records out?

Mr. BREWSTER. I don't think he took them out. I think that he delivered them to the people that pick up the refuse. We have a truck that comes around and picks up paper.

Mr. KENNEDY. I understand.

Mr. BREWSTER. And it was put, I believe, in that truck.

Mr. KENNEDY. Again, I am not——

Mr. BREWSTER. They don't know a record, probably, whether it is a Sunday newspaper or a ledger.

Mr. KENNEDY. What I do not quite understand, Mr. Brewster, is the fact that Mr. Graham took these books and records and decided

to put them in a safe place, and he put them in a place where the janitor then threw them out, as I understand it. I am not trying to testify, but is that what your testimony is?

Mr. BREWSTER. Yes, that is my testimony.

Mr. KENNEDY. Did you ever ask Mr. Graham why he put them in a place where the janitor would feel that they should be thrown out as refuse?

Mr. BREWSTER. Oh, no. Wait a minute.

Mr. KENNEDY. I am sorry.

Mr. BREWSTER. That is where most of the records, what probably the newspaper might call the morgue, that is where most of the records are put in that area.

Mr. KENNEDY. Most of the records are put there?

Mr. BREWSTER. That we are not using daily. At this time——

Mr. KENNEDY. Well, now, why would the janitor come in and take the records, the books and records, that you were using and throw them out, if he would be used to the fact that they were in there?

Mr. BREWSTER. He had orders to get that place cleaned out.

Mr. KENNEDY. And he would take all your books and records, being used to the fact——

Mr. BREWSTER. He took all that was in that room, I understand.

Mr. KENNEDY. And threw them out?

Mr. BREWSTER. And put them in the setup. Maybe you better——

Mr. KENNEDY. No, he is not.

Mr. BREWSTER. Isn't he testifying?

Mr. KENNEDY. No.

Go ahead.

Mr. BREWSTER. Go ahead what? What is it?

Mr. KENNEDY. What I am trying to understand is what the janitor——

Mr. BREWSTER. I do not know.

Go ahead.

Mr. KENNEDY. The janitor, evidently, was used to the fact that these books and records were in this basement. What I am trying to understand is why he would then pick them all up and throw them out or give them out or give them to the man that comes and picks up refuse. Why would he do that? Did you ever find out?

Mr. BREWSTER. I found out through Buddy, and Buddy said that he just had them there, he didn't know why he did it but he just did it. That is all.

Mr. KENNEDY. Was the Internal Revenue Department at that time interested in those books and records?

Mr. BREWSTER. I am not sure.

Mr. KENNEDY. Do you think it is possible that they were at that time beginning an investigation of Mr. Dave Beck and were interested in those records?

Mr. BREWSTER. I am not sure on that matter. I know that they have been interested in me since 1939.

Mr. KENNEDY. I stand corrected. They were interested in both you and Dave Beck.

Now, did they make a request in 1953 for those books and records of the Western Conference of Teamsters?

Mr. BREWSTER. Did they?

Mr. KENNEDY. Yes.

Mr. BREWSTER. Serve a subpoena on who?

Mr. KENNEDY. No. Did they ever make a request for the books and records of the Western Conference of Teamsters?

Mr. BREWSTER. Not at that time.

Mr. KENNEDY. Did they make it in 1954?

Mr. BREWSTER. I think they did.

Mr. KENNEDY. And as a result you had to tell them that all those books and records had been destroyed or had been taken out by the janitor?

Mr. BREWSTER. I believe they were notified.

Mr. KENNEDY. I see.

Now, about this arrangement that you have of two people signing checks. Is it possible for 1 of the 2 people who signs checks to embezzle thousands of dollars under that arrangement?

(The witness conferred with his counsel.)

Mr. BREWSTER. In my opinion, the people involved were bonded to the extent that would cover anything that anybody would—

Mr. KENNEDY. I do not think that is answering the question.

Mr. BREWSTER. You answer it for me.

Mr. KENNEDY. Excuse me?

Mr. BREWSTER. What?

Mr. KENNEDY. Was it possible under the arrangement that you have there in the Western Conference of Teamsters for 1 of the 2 individuals who was signing checks to embezzle thousands of dollars of money of the Western Conference of Teamsters?

Mr. BREWSTER. I believe I have already stated that I didn't think it was a good system.

Mr. KENNEDY. Is it possible? Could you answer the question?

Mr. BREWSTER. I think it might be possible, but not probable.

The CHAIRMAN. Under that system, could officers of the company misappropriate funds and pay for bills and expenditures that were not legitimate union business?

(The witness conferred with his counsel.)

Mr. BREWSTER. I think they possibly could.

The CHAIRMAN. In other words, it was a convenient way, if they desired to do it. The system you had permitted it, enabled them to do it without detection?

Mr. BREWSTER. That wasn't why the system was put in.

The CHAIRMAN. I did not understand you.

Mr. BREWSTER. That isn't why we had the system.

The CHAIRMAN. I did not say that. I am talking about the system, though, not why you put it in.

Mr. BREWSTER. Possibly could, yes.

The CHAIRMAN. Proceed.

Mr. KENNEDY. I would like to ask you, in that connection, I would like to ask you about this check of the Western Conference of Teamsters dated February 28, 1952, paid to the order of the special account, public relations division, for \$5,000, Seattle First National Bank, and signed by Dave Beck and Frank W. Brewster.

Mr. GRIFFIN. Mr. Chairman?

The CHAIRMAN. Just one moment.

The Chair presents to the witness a photostatic copy of a check dated February 28, 1952, in the amount of \$5,000, signed by Dave Beck and Frank W. Brewster, on the Seattle First National Bank.

I ask the witness to examine the check and then identify it as to what it is.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. BREWSTER. Will you ask the question, again, please?

The CHAIRMAN. Yes, sir. The Chair has presented to you a document which purports to be a photostatic copy of a check in the amount of \$5,000 signed by you and Mr. Dave Beck. I do not recall the date of it. It reflects the date. It is before you. I asked you to examine it and identify it as to what it is.

Is it a photostatic copy of a check?

Mr. BREWSTER. At the present time, the only thing that I can identify is my signature to the check.

The CHAIRMAN. Well, can you not identify a photostatic copy of a check?

Mr. BREWSTER. I identify that, but I did not make the check out.

The CHAIRMAN. All right. It is a photostatic copy of a check?

Mr. BREWSTER. It is a photostatic copy.

The CHAIRMAN. Drawn on what bank, signed by whom, and payable to whom?

Mr. BREWSTER. Special account, public relations division, \$5,000, signed by, I presume it is, Dave Beck, it resembles his signature, and it resembles mine. It looks like—I would say it is mine.

The CHAIRMAN. That is your signature?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. Who endorsed the check?

Mr. BREWSTER. It is on the Seattle First National. I don't know who endorsed the check. I don't even know what—

The CHAIRMAN. Does it show an endorsement?

Mr. BREWSTER. Yes, it does.

The CHAIRMAN. Will you identify the endorsement?

Mr. BREWSTER. I cannot.

The CHAIRMAN. You cannot identify the endorsement?

Mr. BREWSTER. No, sir.

The CHAIRMAN. That check will be made exhibit No. 61, for reference.

(The document referred to was marked "Exhibit No. 61," for reference, and will be found in the appendix on p. 1105.)

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Chairman, we have three other checks that I would like to get into the record at this time, all to the public relations division, and I would like to ask Mr. Brewster some questions about them.

The CHAIRMAN. All right.

The Chair presents to you a second check of the Western Conference of Teamsters dated February 15, 1951. It is No. 3173, payable to the public relations division, \$6,000, drawn on the Seattle First National Bank, signed by Dave Beck and F. W. Brewster. I present to you the photostatic copy and ask you to examine it and see if you can identify it.

(Document handed to witness.)

(The witness confers with his counsel.)

Mr. BREWSTER. May I confer again with counsel?

The CHAIRMAN. Yes, sir, you may confer.

(The witness conferred with his counsel.)

The CHAIRMAN. Do you recognize that as a photostatic copy of the check, as the Chair has indicated in his question, and that it bears your signature and the signature of Mr. Beck?

Mr. BREWSTER. Yes, I do, and it was made out, I presume, by the bookkeeper at that time, in 1951.

The CHAIRMAN. The bookkeeper did not sign it, though?

Mr. BREWSTER. No, sir.

The CHAIRMAN. It is signed by you and Mr. Beck, is it not?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. Who is your bookkeeper?

Mr. BREWSTER. Don MacDonald.

The CHAIRMAN. At that time, Don MacDonald?

Mr. BREWSTER. I am pretty sure he was.

The CHAIRMAN. At that time?

Mr. BREWSTER. This looks like his printing, anyway.

The CHAIRMAN. All right. That check will be made exhibit No. 62, for reference.

(The document referred to was marked "Exhibit No. 62," for reference, and will be found in the appendix on p. 1106.)

The CHAIRMAN. May I ask you to examine it again and see what endorsement appears on the check?

(The witness conferred with his counsel.)

Mr. BREWSTER. I can hardly make it out. It says, "Special account," and then there is a stamp. I think it says "Public relations division, joint counsel of teamsters, Los Angeles, Calif."

The CHAIRMAN. What is that check payable for? What is the purpose of it?

Mr. BREWSTER. I really don't know.

The CHAIRMAN. You do not know?

Mr. BREWSTER. No, sir.

The CHAIRMAN. Thank you.

I have made that exhibit No. 62, I believe.

Mr. KENNEDY. What was that organization doing for you at that time?

Mr. BREWSTER. I don't know, other than what the name implies, public relations. Probably television time, maybe a green cross drive, or something like that.

Mr. KENNEDY. Can you—

Mr. BREWSTER. Wait a minute.

The name infers that it is public relations. I know that we had different organizations in the 11 Western States that were set up for public relations, and I believe that that was done in that same manner as we have done in the past, of setting up public relations in different areas.

The CHAIRMAN. Where are the records of this public relations transaction?

Mr. BREWSTER. That would have to be in Los Angeles.

The CHAIRMAN. Where are the records of the teamsters, of the Western Conference of Teamsters, with respect to these checks?

Mr. BREWSTER. I don't know.

The CHAIRMAN. You know they are destroyed, do you not?

Mr. BREWSTER. I wouldn't say destroyed. I know that they are not around.

The CHAIRMAN. Well, if they were put in a trash can for that purpose, I would assume they were destroyed.

The Chair presents to you another check dated August 2, 1951, of the Western Conference of Teamsters, check No. 3667, special account, public relations division, \$5,000, drawn on the same bank, Seattle First National Bank, signed by Dave Beck and F. W. Brewster.

Will you examine this check, Mr. Brewster, and identify it for us, please, this photostatic copy?

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. BREWSTER. What was your question, again, please?

The CHAIRMAN. Can you identify that check? Is that your signature?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. And Mr. Beck's signature?

Mr. BREWSTER. I can identify my signature, and it looks like Dave Beck's.

The CHAIRMAN. Then that is a check that was a part of a transaction of the Western Conference of Teamsters, is that correct?

Mr. BREWSTER. It looks like it is the same account.

The CHAIRMAN. All right. Can you tell anything about the endorsement on the back of that check?

Mr. BREWSTER. The endorsement on the back of the check? It says, "For deposit only" and it went into the public relations division account in Los Angeles, Calif.

The CHAIRMAN. In Los Angeles?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. Do you have the Western Conference of Teamsters records, vouchers, and so forth, supporting that check?

Mr. BREWSTER. No, sir.

The CHAIRMAN. They probably went along with the others, I suppose?

Mr. BREWSTER. They possibly did.

The CHAIRMAN. That check will be made exhibit No. 63.

(The document referred to was marked "Exhibit No. 63" for reference, and will be found in the appendix on p. 1107.)

The CHAIRMAN. The Chair presents to you another check similar to those, a photostatic copy of a check, of the Western Conference of Teamsters, November 21, 1951, check No. 4039, public relations division, \$7,000, drawn on the Seattle First National Bank, signed for the Western Conference of Teamsters by Dave Beck and F. W. Brewster.

Will you examine this photostatic document and identify it for the committee, please, sir?

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. BREWSTER. Mr. Chairman, what was it again?

Mr. Chairman?

The CHAIRMAN. I beg your pardon?

Mr. BREWSTER. What was your question, again?



The CHAIRMAN. Do you identify that photostatic copy of a check?

Mr. BREWSTER. Yes.

The CHAIRMAN. It is a photostatic copy of a check representing a transaction of the Western Conference Teamsters, is it?

Mr. BREWSTER. That is right.

The CHAIRMAN. All right. Can you identify the endorsement on the back of it or give us any information about it?

Mr. BREWSTER. The endorsement? It looks like it is the same type of endorsement, going into a fund in Los Angeles, public relations division, written out by someone, I don't know who. I couldn't identify the writing. It is stamped by the stamp that probably was—

The CHAIRMAN. All right. That check may be made exhibit No. 64. (The document referred to was marked "Exhibit No. 64" for reference and will be found in the appendix on p. 1108.)

The CHAIRMAN. May the Chair have that check, too, please?

Do you know what these four checks total? They were issued from February 15, 1951, to February 28, 1952, 2 in the amount of \$5,000, 1 in the amount of \$6,000, and 1 in the amount of \$7,000. Therefore, it would appear from these checks which you identified that some \$23,000 in that period of time, 1 year and 13 days' time, went out of the Western Conference of Teamsters account into this public relations account, or some public relations division, whatever it is. Is that correct?

Mr. BREWSTER. Did you say 13 days?

The CHAIRMAN. I said 1 year and 13 days. I believe that is accurate.

Mr. BREWSTER. One year and 13 days?

The CHAIRMAN. Yes.

Mr. BREWSTER. I am sorry. I didn't hear the year.

The CHAIRMAN. Yes.

Mr. BREWSTER. Yes.

The CHAIRMAN. That would be correct?

Mr. BREWSTER. Yes.

The CHAIRMAN. Do you have any documents, any files, any records anywhere supporting these expenditures?

Mr. BREWSTER. No. Those expenditures would be done in Los Angeles, not in Seattle.

The CHAIRMAN. Yes, sir. But the teamsters would have some record of why this money was being paid out, would it not? That is the western conference's money. You do not issue checks like that without some records, some documents, voucher, bill, or something upon which to base the expenditure, do you?

Mr. BREWSTER. I believe that there was an account of that type in Los Angeles at that time.

The CHAIRMAN. I am not talking about Los Angeles. I am talking about in the western conference that was paying out the money.

Mr. BREWSTER. Mr. Senator, that went to Los Angeles to set up an account for public relations in Los Angeles.

The CHAIRMAN. I understand. But it went out of the Seattle office, the headquarters of the Western Conference of Teamsters, did it not?

Mr. BREWSTER. That is right.

The CHAIRMAN. Would not that office have some record of it? Would it not keep—

Mr. BREWSTER. They would, probably, if they had all of their books.

The CHAIRMAN. That is right. Would you perhaps have a record in the minutes of the western conference showing why these expenditures were made?

Mr. BREWSTER. I have taken notes, and I will do my best to go through the minutes.

The CHAIRMAN. Do you have the minutes of the western conference during that period of time?

Mr. BREWSTER. I am not positive.

The CHAIRMAN. If you have them, will you supply them to the committee?

Mr. BREWSTER. I certainly will.

The CHAIRMAN. All right. You make every effort to get them, because I think it may be of interest. We want to trace some of these items. Since the other records are not available, any record, any document, you can find, any minutes of meetings or anything else that will help to explain and make this committee understand and the members of the teamsters union understand the validity of these expenditures will be indeed welcome.

Mr. BREWSTER. I will do that.

Mr. KENNEDY. In that connection, I do not believe you have the minutes available of the Western Conference of Teamsters for that period of time.

Mr. BREWSTER. You spent more time in the last 2 weeks than I have there. You probably know more. But I will still look where probably you didn't.

The CHAIRMAN. Just a moment now.

I think Mr. Kennedy has been spending the last 2 weeks here, not out there.

Mr. BREWSTER. I spent the last 2 weeks here.

The CHAIRMAN. Let us get on the track now, and answer the questions.

If you have any explanation——

Mr. BREWSTER. No, I don't know what he said to be a true statement.

The CHAIRMAN. You do not know whether it is true or not?

Mr. BREWSTER. No.

The CHAIRMAN. As chairman or president of the Western Conference of Teamsters, you do not know whether those records are available?

Mr. BREWSTER. I do not.

The CHAIRMAN. You will make certain you will endeavor to find them, and endeavor to supply them to the committee?

Mr. BREWSTER. I will.

The CHAIRMAN. Thank you very much.

Senator Mundt?

Senator MUNDT. Mr. Brewster, I notice that 2 of these checks are drawn to the "Special Account, Public Relations Division," and 2 of them to the "Public Relations Division." Are there two different offices up in Los Angeles, or did these all go to the same office?

Mr. BREWSTER. I would believe that they went to the same office in the same account.

Senator MUNDT. The word "Special," then, has no significance? You just put that in sometimes, and sometimes not?

Mr. BREWSTER. I believe so. I think that that is possible. I don't believe there are two different accounts.

Senator MUNDT. To the best of your knowledge, there is just 1 office in Los Angeles that received all 4 of these checks?

Mr. BREWSTER. Yes, sir.

Senator MUNDT. Is that office a subsidiary of the Western Teamsters? Is it a Western Teamster office?

Mr. BREWSTER. No; it would not be.

Senator MUNDT. What would it be?

Mr. BREWSTER. It would be an office that would be set up by the joint council in that division, and they would have the full authority to issue checks of that kind.

Senator MUNDT. What I am getting at is whether the public-relations division is a teamsters' office. It is not an outside firm, like B. B. D. & O., or some outside public-relations concern. This is a teamsters' office in Los Angeles. Is that not right? It is a transfer of money from one teamster account to another teamster account?

Mr. BREWSTER. It would not be the Western Conference of Teamsters account in Los Angeles. Is that what you mean?

Senator MUNDT. No. I am just asking at this time whether this is another teamster office, whether it is under your jurisdiction or not.

Mr. BREWSTER. It is not under my jurisdiction—

Senator MUNDT. It is not under your jurisdiction?

Mr. BREWSTER. No.

Senator MUNDT. Is it another teamster office?

Mr. BREWSTER. It would be.

Senator MUNDT. Under which jurisdiction would that be?

Mr. BREWSTER. Under the joint council 42, in Los Angeles.

Senator MUNDT. Is that a superior organization to the one that you head, or is your organization over that?

Mr. BREWSTER. You know, it is going to take a long time to explain just how we operate, Senator Mundt.

Senator MUNDT. I am just trying to find out.

Mr. BREWSTER. There is no real superiority insofar as certain functions or certain setups in our makeup from the international down.

Senator MUNDT. But there has to be a head to everything.

Mr. BREWSTER. Let me say this, please—

Senator MUNDT. Go ahead.

Mr. BREWSTER. The joint council of Los Angeles is chartered by the International Brotherhood of Teamsters. They have full autonomy, and only are answerable to the international. They are not answerable to the Western Conference of Teamsters; no, sir.

Senator MUNDT. Do they have the same jurisdiction, the same 11 States that the western conference has?

Mr. BREWSTER. No. They embody the area in Los Angeles and vicinity. Roughly speaking, it is south of the Tehapachis.

Do you know geography out there?

Senator MUNDT. Yes, I do.

Mr. BREWSTER. It is south of the Tehapachis. It don't include Bakersfield. South of that. It embodies the—Los Angeles County is just about as large as the State of Texas.

Senator MUNDT. It is like saying that the Los Angeles office does not have jurisdiction beyond California?

Mr. BREWSTER. That is right.

Senator MUNDT. That is right?

Mr. BREWSTER. That is right.

Senator MUNDT. There has to be a head to all of these things, and I thought from your statement here that you were the head of the whole western conference, that you were the top officer as the first vice president.

Mr. BREWSTER. I would have to have too many heads to be the head.

Senator MUNDT. That is right. But there is nobody over you in that area of teamster operation except Mr. Beck?

Mr. BREWSTER. Wait a minute. Mr. Beck is the head of me there, and I am not a head of the joint council in any manner. I tried to explain that the joint council in every locality has its own autonomy, and I work with those bodies, and they do not work for, in any way for, the Western Conference of Teamsters.

Senator MUNDT. Let us put it this way: Mr. Beck, then, certainly has jurisdiction over that office as the national president of the teamsters?

Mr. BREWSTER. I would say that he would.

Senator MUNDT. That is right.

Where is this office housed, the public relations division, in Los Angeles? Can you give us a street address?

Mr. BREWSTER. 946 Union, I believe it is.

Senator MUNDT. Union Street?

Mr. BREWSTER. South Union Street.

Senator MUNDT. 946?

Mr. BREWSTER. Yes.

Senator MUNDT. That is a teamsters building?

Mr. BREWSTER. That is our joint council headquarters in Los Angeles; yes, sir.

Senator MUNDT. Owned by the teamsters or rented?

Mr. BREWSTER. Owned by a building association of the teamsters.

Senator MUNDT. Also under the general supervision of Mr. Beck as president, not directly but indirectly he would be over that building?

Mr. BREWSTER. If you got right up to the top, yes, sir, that would be it.

Senator MUNDT. Do you know who is the head of that division, the man?

Mr. BREWSTER. I don't know who is the head of that division.

Senator MUNDT. Who was at that time, in 1951, and early 1952?

Mr. BREWSTER. Let me think.

I don't want any more pictures here. It makes a guy look like he is a freak. I am not good looking, but I don't want to look like a freak.

Mr. GRIFFIN. This is off the record, Mr. Chairman.

The CHAIRMAN. Just a moment.

Senator MUNDT. The witness has a legitimate complaint, Mr. Chairman, on that last picture, and I suggest that it not be used.

The CHAIRMAN. It will not be used. The Chair will suggest one more time. There has been a little confusion about the status of this

witness, but I do not want any more pictures made of him while he is testifying, period.

Proceed.

Senator MUNDT. You are talking about flash pictures. The witness does not object to the television or movies. They do not flash in his face.

Mr. BREWSTER. It would probably be the same.

Senator MUNDT. You cannot tell whether they are on or not. At least, I cannot tell.

The CHAIRMAN. The movie may have the very thing and broadcast it all over the country. I do not know. Make up your mind whether you want them or do not want them.

Mr. BREWSTER. Eventually the films will wear out.

The CHAIRMAN. All right. The films can run until they wear out. Proceed.

Senator MUNDT. The question, Mr. Brewster—may I have your attention, Mr. Brewster?

Mr. BREWSTER. What was the question, again, please?

I am sorry.

Senator MUNDT. The question was who was in charge of this public relations division in your Los Angeles office back in 1951?

(The witness conferred with his counsel.)

Mr. BREWSTER. I believe it was Ray Leheney.

Senator MUNDT. What could be his signature appears to be on one of his checks. It could be something else, too, because it is not very clear.

Mr. BREWSTER. Yes. I believe that is it.

Senator MUNDT. What position does he have or did he have at that time with the teamsters?

Mr. BREWSTER. At that time he was head of public relations in Los Angeles.

Senator MUNDT. His title would be head of the——

Mr. BREWSTER. Director, I believe, of public relations.

Senator MUNDT. Director of public relations in the Los Angeles office?

Mr. BREWSTER. Yes, sir.

Senator MUNDT. Would you be able to tell us, Mr. Brewster, whether or not the records of the public relations office of the city of Los Angeles are intact or did that "Keep our office clean" crusade get down to Los Angeles, too?

Mr. BREWSTER. Senator Mundt, I haven't any idea.

Senator MUNDT. You would not know?

Mr. BREWSTER. I wouldn't know. You know. I have some pretty good duties to do without going down and asking "How are the records today?"

Senator MUNDT. I understand that, but these checks are very important to our committee and very important to you. We are simply trying to find out the facts. It would seem to me that since the records in the Seattle office have been destroyed or lost or you do not have them any more, the next logical place to look would be in the office of the public relations division in Los Angeles. As I say, unless they had this same unusual difficulty of not having room for the records so that they were destroyed.

As far as you know, those records have not been destroyed or lost, under the Los Angeles Office?

Mr. BREWSTER. As far as I know, I don't know anything.

Senator MUNDT. Very good.

You want to qualify that by saying "about that"?

May I ask the counsel whether we have tried to subpoena the records from the Los Angeles office?

Mr. KENNEDY. Senator Mundt, we understand also that those records are also not intact, are unavailable.

Senator MUNDT. If you will accept a friendly suggestion, Mr. Brewster, from a country boy out in South Dakota, where we do not have many teamsters or many unions, I would think that with all of this big treasury that you have charge of, it would be wise to hire a little more storage room. This is the third time now where we have found that there was not room to keep the records, so they are lost.

Mr. BREWSTER. For your information, Senator Mundt, I am contemplating building a new building in Seattle, and I am going to put microfilm down there.

Senator MUNDT. I wish we could make that in retrospect.

We have tried to find, Mr. Counsel, the records in Los Angeles, and they are gone, too?

Now, on this public relations account, were they performing some service for you, of the Western Conference of Teamsters?

Mr. BREWSTER. They were performing a service for the area in Los Angeles, yes.

Mr. KENNEDY. Did you get some kind of an accounting from Mr. Lehoney?

Mr. BREWSTER. I wouldn't—in other words, we do it this way: If we allow a certain amount of money into an area, then it is up to that area to keep those accounts of how they spend their money. It isn't up to us.

Mr. KENNEDY. This is \$23,000 in a period of a little over a year. You do not know how that \$23,000 was used?

Mr. BREWSTER. No, sir, I do not.

Mr. KENNEDY. Tell me this: Did you approve of the sending of the \$23,000 to this public relations special account?

Mr. BREWSTER. Yes, I did.

Mr. KENNEDY. You did. You gave your full approval. You knew at the time what is was being used for?

Mr. BREWSTER. I did.

Wait a minute. What was that last?

Mr. KENNEDY. Did you know at the time that you gave your approval, what the money was going to be used for?

Mr. BREWSTER. I knew, at that time it was explained to me, that it was going to be for public relations in the southern California area.

Mr. KENNEDY. Who explained that to you?

Mr. BREWSTER. I believe it was explained at the policy committee.

Mr. KENNEDY. And by whom was it explained?

Mr. BREWSTER. By Mr. Beck.

Mr. KENNEDY. By Mr. Dave Beck?

Mr. BREWSTER. Yes. He was president and chairman at that time.

Mr. KENNEDY. He is the one, then, that made the decision that this money should go down to this special account?

Mr. BREWSTER. I wouldn't say he would be the one that made the decision.

Mr. KENNEDY. He is the one that requested that this money be sent down?

Mr. BREWSTER. I wouldn't say that.

Mr. KENNEDY. You say what he said.

Mr. BREWSTER. All right. I would like to.

Mr. KENNEDY. Thank you.

Mr. BREWSTER. He took it up, I believe, as close as my memory serves me, with the policy committee, and they ordered him to do it.

Mr. KENNEDY. And they what?

Mr. BREWSTER. They ordered him to do it.

Mr. KENNEDY. What do you mean they ordered him to do it?

Mr. BREWSTER. Well, told him to do it, any way that you want to put it. They gave him the permission to do it. Any way you want.

Senator MUNDT. Authorized him?

Mr. BREWSTER. Authorized, yes. Any way.

Mr. KENNEDY. He raised the question in the first instance, had he, Mr. Dave Beck?

Mr. BREWSTER. Most of those things are brought in by the chairman; yes.

I am not positive—wait a minute—excuse me a minute, please—I am not just exactly positive. It sounds reasonable. We have these requests coming in from localities, where they are badly in need of funds to carry on public relations, organizing, and so forth, and a request could come in, and it is just as possible that it did that as any other way, from the area, asking that they get some financial assistance in the vicinity for public relations. Those requests come from delegates on the policy committee of the 11 Western States conference.

Mr. KENNEDY. Did you ever receive an accounting as to how this \$23,000 was spent?

Mr. BREWSTER. No, sir.

Mr. KENNEDY. You have no idea at all how the \$23,000 was spent?

Mr. BREWSTER. No, sir.

Mr. KENNEDY. Could it be possible that the \$23,000, or a large part of it, was used to pay personal bills of Mr. Leheney or of other teamster officials?

Mr. BREWSTER. In my own belief, it never was.

Mr. KENNEDY. You do not believe it was?

Mr. BREWSTER. No, sir.

Mr. KENNEDY. Is it possible that it was?

Mr. BREWSTER. I don't believe it is possible.

Mr. KENNEDY. You do not believe it was possible?

Mr. BREWSTER. No, sir.

Mr. KENNEDY. You would be surprised if that was developed; is that correct?

Mr. BREWSTER. Most shocked.

Senator MUNDT. Mr. Brewster, at this point, may I ask whether the constitution under which you operate, and I think you mentioned that you have a constitution, you certainly have—

Mr. BREWSTER. Yes, sir.

Senator MUNDT (continuing). Does it set up any kind of restrictions or guidelines at all on the manner in which the money of the

union members can be used, or do the officers have unrestricted right to spend it for anything they want to?

Mr. BREWSTER. I wouldn't say the officers. I would say the delegates have.

Senator MUNDT. By that do you mean the policy committee?

Mr. BREWSTER. And also the membership of the western conference and the delegates to the western conference; yes, sir.

Senator MUNDT. Who do you mean by the delegates? Are you talking about a convention, now?

Mr. BREWSTER. About a conference. We cannot call it a convention, because we only have the one convention, and that is in the constitution. It is a conference.

Senator MUNDT. Is it the conference that meets six times a year?

Mr. BREWSTER. No. It is the policy committee.

Senator MUNDT. The policy committee?

Mr. BREWSTER. Yes, sir.

Senator MUNDT. Let me ask you this: Does the policy committee, under your constitution, have unrestricted authority to spend the money of the men who pay the dues to the Teamsters Union for anything in the world that they want to spend it, or are there some guidelines, some restraints, some restrictions somewhere, protecting the fellow who pays the dues?

(The witness conferred with his counsel.)

Senator MUNDT. You have not lost all the constitutions of the union, I am sure.

Mr. BREWSTER. But I think we have some amendments that you haven't got, that haven't been put in.

(The witness conferred with his counsel.)

Mr. BREWSTER. I would like to explain a little further into the workings of the western conference.

Senator MUNDT. Will you answer that particular question and then you may explain it.

Mr. BREWSTER. I can't answer it in the way that you want the answer.

Senator MUNDT. I do not care how you answer it. I am just trying to find out. Maybe you cannot answer it in the way that the dues-paying members want it, but I am not concerned.

Mr. BREWSTER. Well, I am willing to take my chances with that fellow.

Senator MUNDT. All right. You have done pretty well. Just tell me the answer.

Mr. BREWSTER. I don't fear him.

Senator MUNDT. You just tell me the answer.

Mr. BREWSTER. A policy committee functions—say it was probably a board of directors, on any big corporation, and I do not believe that the stockholders always have the right to say how they are going to spend their money to make their business profitable—

Senator MUNDT. I think the stockholders in most corporations that I know anything about would certainly have some kind of protection in the corporate structure as to the general areas in which the money of the stockholders could be spent.

Mr. BREWSTER. We have a general outline.

Senator MUNDT. Is that in the constitution? Is there something in the constitution to safeguard? I am not alleging that this has



been done. I am simply asking a general question about your organization. Is there anything in the constitution to safeguard the dues-paying member against the misuse of his funds for purposes not connected with the union in the event somebody wanted to do that at the policy level? I am not charging that it has been done. I am asking you a question.

Mr. BREWSTER. I think that there is.

Senator MUNDT. Will you read it to me? Or have your attorney read it. I do not care.

Mr. Brewster, may I ask you whether either of these attorneys are connected with the teamsters, so that they might know something about the constitution, or are they just employed from the outside?

Mr. BREWSTER. They are just employed from Washington.

Senator MUNDT. Well, you would know more about the constitution, I suppose, than they do.

All right, you read it, then.

(The witness conferred with his counsel.)

Mr. BREWSTER. The only provision is the countersigning of the checks and so forth, and approval for service of bills rendered, and so forth, but there isn't any control about how we can spend our money.

In other words, if we feel that we would like to take \$50,000 and—what State are you from?

Senator MUNDT. South Dakota. Do not spend it there.

Mr. BREWSTER. And organize South Dakota, we would probably transfer \$50,000 to North Dakota to organize it.

Senator MUNDT. I am glad you switched it to North Dakota.

Mr. BREWSTER. South Dakota.

Senator MUNDT. Then we agree that the policy committee of your organization has unrestricted control over the funds paid in by dues-paying members, that there is nothing in the constitution that sets up the specific areas in which their money can be spent. That is what I am trying to find out. I take it we agree on that.

Mr. BREWSTER. Well, I am not too sure about it.

Let me take—

Senator MUNDT. No. Take another look at the constitution. I want to get it from the constitution.

Mr. BREWSTER. Which one are you speaking of, the Western Conference or the international?

Senator MUNDT. You can give me both.

Mr. BREWSTER. You see, these constitutions work together.

Senator MUNDT. I imagine they are pretty much the same.

Mr. BREWSTER. We cannot supersede the international. What is not in here would be in there. That question has never been asked me, and it would take some time before I could probably find it.

Senator MUNDT. Would you instruct one of your attorneys to continue looking, and then when he finds it, we will come back to you for an answer.

Mr. BREWSTER. I will hold my hand up.

Senator MUNDT. Very good.

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. Mr. Brewster, do you make occasional contributions to the councils that make up your Western Conference?

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. What are those contributions for?

Mr. BREWSTER. They are for mostly organizing.

Senator GOLDWATER. Mostly for organizing purposes.

The other day, yesterday, or the day before, here, the secretary-treasurer of Joint Council of Teamsters No. 37, in Portland, testified to the effect that the Western Conference transferred \$5,000 into their books with the specific request that it be transferred in the form of a check to Mr. K. C. Tanner, of Portland, an attorney. What knowledge can you give us of that transaction?

Mr. BREWSTER. The only knowledge that I have of that transaction was we were being sued down there. We had three court cases, I think. That was back in August—

Senator GOLDWATER. 1956.

Mr. BREWSTER. 1956. Just prior to that, we had cases in court that were of a criminal nature. So it was necessary for us to hire an attorney, other than a labor attorney, to assist the attorney that we had at that time.

I am positive that that did not have anything to do with what the committee is trying to expose at the present time.

Senator GOLDWATER. Did it have anything to do with Mr. Crosby and his trouble involving an indictment for carrying a gun?

Mr. BREWSTER. No. If Crosby was indicted in this charge of picketing, and et cetera, then it included him in that.

Senator GOLDWATER. Did it have anything to do with attorney fees that might be paid for the expunging of a record in Arizona?

Mr. BREWSTER. No; not to my knowledge.. Nothing like that.

Senator GOLDWATER. You testify, then, that this \$5,000 was paid to the joint council for the purpose of, in turn, paying a lawyer to help them with current court cases?

Mr. BREWSTER. That is my information, and that is all that I know about it.

Senator GOLDWATER. Did you make other such deposits or transfers to the joint council for that purpose?

Mr. BREWSTER. I am not positive. The only reason that I know this one so particularly is because you have been talking about it for 2 days.

Senator GOLDWATER. Their records went to Asia, along with other members of the firm, so we have trouble finding out, too. But in the 2 years' records that we have, I do not find any other transfers of that nature, that were immediately written out in the form of checks to another attorney. Did you not have any trouble other than the case you are talking of?

Mr. BREWSTER. Well, we could have had, and it could have been probably written out a little bit different. We have had several secretaries that probably handled it a little bit different.

Senator GOLDWATER. You have secretaries that travel rather extensively?

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. Now, getting into another field just for a moment, and I want to get back to this later, in your testimony, you said, and I quote:

I believe in giving support to any candidate of good reputation who favors the interests of labor, whether he be Democrat or Republican. But, as I said, this decision is made at the local level and I have never attempted to influence their choice.

Did the western conference in the last campaign of 1956 make any contributions to candidates for national office?

Mr. BREWSTER. No, sir; not to my knowledge.

Senator GOLDWATER. Not to your knowledge. Did you publish a pamphlet for one of the senatorial campaigns over the signature of the Western Conference of Teamsters?

Mr. BREWSTER. We did.

Senator GOLDWATER. Do you not consider that political?

Mr. BREWSTER. I thought it was education for our membership. I thought it was a wonderful speech.

Senator GOLDWATER. You did not print any speeches of the opposition candidate, did you?

Mr. BREWSTER. Our membership wouldn't have liked it.

Senator GOLDWATER. Would not have liked it. All the membership would not have liked it?

Mr. BREWSTER. The largest percentage.

Senator GOLDWATER. How much did this pamphlet cost?

Mr. BREWSTER. I don't know. I haven't any idea.

Senator GOLDWATER. Would you take a guess?

Mr. BREWSTER. No; I wouldn't.

Senator GOLDWATER. You say it is educational. In here it states:

You cannot separate your economic interests from your political interests.

Mr. BREWSTER. I think that is educational.

Senator GOLDWATER. You think that is educational.

Well, we might argue about that, so let us look at something else.

You teamsters have felt the pinch of the injunctive abuses of the Taft-Hartley law.

Is that educational or political?

Mr. BREWSTER. I certainly think anything to our membership derogatory to the Taft-Hartley is educational.

Senator GOLDWATER. But if it were a political statement to your membership about the Taft-Hartley, it would not be educational, would it, in your opinion?

Mr. BREWSTER. I think so.

Senator GOLDWATER. Then you say:

You are not going to get anything out of this administration.

Is that educational or political?

Mr. BREWSTER. No; I think it is educational. It is telling them of this situation that they are confronted with. I think giving our people news is education.

Senator GOLDWATER. Mr. Beck disagreed with you.

Mr. BREWSTER. Well, I have disagreed with Mr. Beck many times.

Senator GOLDWATER (reading):

I know of no group in American labor that has suffered more from the present administration than the teamsters.

Is that educational or is it political?

Mr. BREWSTER. It is a statement of fact.

Senator GOLDWATER. Well, Mr. Meany said that you never had it so good.

Mr. BREWSTER. You could probably—I am not answering Mr. Meany, but I could probably answer Mr. Meany. He is my very good friend.

Senator GOLDWATER. You do not think you have had it so good. You think, then, that this is an educational pamphlet put on behalf of a candidate for a national office?

Mr. BREWSTER. Yes; I think so.

Senator GOLDWATER. And you could justify the expenditure of any sum of money that you cared to for so-called educational purposes?

Mr. BREWSTER. Well, I think that we would make a study of it.

Senator GOLDWATER. Did you ask the local level if they wanted to have this published, or did you publish it just on your own whim?

Mr. BREWSTER. I am not positive whether it was taken before the local unions or not. I don't get into that phase of it. But I will say this, that that certainly was adopted by the local unions and the rank-and-file membership in Portland and vicinity.

Senator GOLDWATER. How many of those do you think you printed?

Mr. BREWSTER. Twenty-five or thirty thousand.

Senator GOLDWATER. To cover Oregon?

Mr. BREWSTER. Yes.

Senator GOLDWATER. They have more people—

Mr. BREWSTER. No, I think we have something like 27,000 organized in Portland.

Senator GOLDWATER. And you do not think this is a political expenditure?

Mr. BREWSTER. No, I don't.

Senator GOLDWATER. You do not. Just to close this, and I will get back to this later, during 1954 you made some—when I say you, I refer to the western conference—

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. You made some contributions to give candidates for governor. I noticed that you supported a Republican candidate in 1954 in Oregon.

Mr. BREWSTER. You bet I will.

Senator GOLDWATER. That was \$1,000.

Mr. BREWSTER. Yes.

Senator GOLDWATER. Do you think everything they said about him up to now is true?

Mr. BREWSTER. Who said what about who?

Senator GOLDWATER. We have had some witnesses that cast some pretty bad reflections on former Governor Patterson.

Mr. BREWSTER. In my own personal opinion, I don't think any of those witnesses are telling the truth.

Senator GOLDWATER. You made a contribution here for a McFarland for Governor. Was there a McFarland running in Oregon for Governor in 1954?

Mr. BREWSTER. No. That is in Arizona.

Senator GOLDWATER. Arizona?

Mr. BREWSTER. No. You are from Arizona.

It is across from New Mexico.

Senator GOLDWATER. I wanted to clear up. I did not know whether or not you had a McFarland running up there and we had one running down there, too.

Mr. BREWSTER. No. It is the one you mean. It is your friend.

Senator GOLDWATER. You did not support any other governor candidates in the western part of the United States?

Mr. BREWSTER. Oh, yes, we did.

Senator GOLDWATER. You did?

Mr. BREWSTER. You bet.

Senator GOLDWATER. If you did, I do not see their names on here.

Mr. GRIFFIN. I didn't hear the last question.

Senator GOLDWATER. I said did he support other candidates for governors in Western States, other than the Governor of Oregon and the Governor for the State of Arizona.

Mr. BREWSTER. Yes.

Senator GOLDWATER. If you did, they are not on this record.

Mr. BREWSTER. Their names might not have appeared. It may have gone right to the joint council.

Senator GOLDWATER. How did you make those contributions? Were they requested?

Mr. BREWSTER. Yes.

Senator GOLDWATER. The request came from your locals in the States involved?

Mr. BREWSTER. That is right.

Senator GOLDWATER. And you sent the check, then, directly to the committees, not to the locals?

Mr. BREWSTER. To the joint councils we usually send. It wasn't to the locals, no. It was to the joint councils.

Senator GOLDWATER. You say you did not send them directly to the campaign committees of these people involved?

Mr. BREWSTER. In some instance we probably did.

Senator GOLDWATER. In this particular case, there was a check for \$4,000 paid out for the McFarland Governor Committee. I was naturally interested in that. I wondered how far you went in supporting gubernatorial candidates across the West.

Mr. BREWSTER. We go quite a ways.

Senator GOLDWATER. You do?

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. Even in States where you do not have much of a representation of teamsters?

Mr. BREWSTER. Sure. That is where they pick on us the most.

Senator GOLDWATER. In Oregon, you gave \$1,000 to Patterson. That is the stronghold of the teamsters. In Arizona, you gave \$4,000, and you do not have a big membership down there.

Mr. BREWSTER. I don't think the membership makes the difference.

Senator GOLDWATER. You do not?

Mr. BREWSTER. No. I don't. I do not. I am very interested in, and probably a lot of people are interested the other way, in the right-to-work clause.

Senator GOLDWATER. That is it? Any State that has a right-to-work law, you feel that you should go in and try to change it?

Mr. BREWSTER. Change it. Yes, I think so.

Senator GOLDWATER. Against the wishes of the people?

Mr. BREWSTER. No, not against the wishes of the people so much. I think we should educate the people to make their own decisions, but we should probably do that so that the people could be educated to that point. That is what public relations is, Senator.

Senator GOLDWATER. I like to think that the people of my State are quite well educated.

Mr. BREWSTER. I think they are on the average for the western part of the country.

Senator GOLDWATER. Well, we have a right-to-work law.

If they are on the average, then they are on a pretty high plane, I would say.

Mr. BREWSTER. I think so.

Senator GOLDWATER. I am glad to hear you say that.

Now, when you go to a gubernatorial candidate who is in a right-to-work State, do you ask him to be against the right to work?

Mr. BREWSTER. Well, we ask him his views on the right to work; yes.

Senator GOLDWATER. Would you give him money if he said, "I am all for the right to work."?

Mr. BREWSTER. I should say I wouldn't.

Senator GOLDWATER. You would not. So when you go to a candidate and you have money in your pocket to give him, you are not going to give it to him unless he makes a statement to you to the effect that he is against the right to work?

Mr. BREWSTER. That isn't the only qualification.

Senator GOLDWATER. Well, that would be a major qualification?

Mr. BREWSTER. That would be an important qualification. But there are a lot of other qualifications. We have trucking laws, we have roads, we have everything else.

Senator GOLDWATER. Are you satisfied that you had those commitments out of both of those gubernatorial candidates, Paul Patterson and McFarland?

Mr. BREWSTER. Yes.

Senator GOLDWATER. That they were against the right-to-work?

Mr. BREWSTER. Yes.

Senator GOLDWATER. That is all I have, Mr. Chairman.

Senator MUNDT. It would seem to me, if that is the policy—

The CHAIRMAN. The Chair would like to recess as soon as we can.

Senator MUNDT. This will take but a moment—that that is the policy of the teamsters as far as politics are concerned, you must also contribute to the legislative candidates in these States; would you not? They are the ones that pass the work laws. Do you apply the same general patterns to legislators as you do to governors?

Mr. BREWSTER. Repeat that again.

Senator MUNDT. Do you apply that same general formula that you just enunciated about governors to legislators, candidates for the legislature?

Mr. BREWSTER. I think it would be that.

Senator MUNDT. Even though your teamsters may be just a minority group in that particular State?

Mr. BREWSTER. Well, to me they are a majority group.

Senator MUNDT. Yes, but not in every State. They may be in Multnomah County, but not in every State.

Mr. BREWSTER. I haven't been in your State, yet. I don't think they amount to much there.

Senator MUNDT. Do not hurry. Take your time. But we will be there to meet you when you come.

You made this statement in your prepared statement, and I do not think Senator Goldwater read it: You said,

We, of course, can only contribute to State campaign funds. The Western Conference has never contributed any funds to a Federal campaign.

He read from a political folder supporting a candidate for the Senate in Oregon in 1956. Would that not be a Federal campaign? That was published over the prefecture of the teamsters union and had your name under it.

Mr. BREWSTER. I think it was just for education purposes.

Senator MUNDT. You do not consider that. In other words, when you say

The Western Conference has never contributed any funds to a Federal campaign,

you leave a loophole for publications of that kind, because you call them education?

Mr. BREWSTER. Well, I think we have a right to tell our membership. I think we have that perfect right to tell our membership about candidates, for or against.

Senator MUNDT. I am not questioning it. I am simply trying to interpret your statement, when you say categorically—

The Western Conference has never contributed any funds to a Federal campaign—

you obviously did to the candidacy of a Senator in Oregon in 1956; is that right?

Mr. BREWSTER. That is right. But I still didn't contribute.

Senator MUNDT. All right. I just wanted to straighten that out.

The CHAIRMAN. The Chair wishes to make this announcement before we recess for the lunch hour. As has been published in the press, there has been some correspondence and contacts from time to time between Mr. Dave Beck and this committee.

Last Monday, when he returned to this country, he sent a message to the chairman of the committee that he wanted to have a little physical checkup with his doctor, a routine checkup, I believe he said, and then confer with his attorneys who were handling a tax case for him, a tax matter for him. Then he would let me know what records he might be able to make available.

(At this point, Senator Ives withdrew from the hearing room.)

The CHAIRMAN. Prior thereto, the Chair, more than a month ago, advised Mr. Beck when he said he would like to cooperate with the committee, that we would be glad to have him do so, and that he could begin by making available to us his personal financial records.

(At this point, Senator McNamara withdrew from the hearing room.)

The CHAIRMAN. I have heard nothing further since Monday.

This matter now is progressing to the point where the committee would like to begin giving some attention to his problems, and to the matters that the committee is interested in with which he is associated. I have today sent Mr. Beck this wire:

You are requested to furnish to this committee all your personal financial books maintained by you and by others on your behalf for the years 1949 through 1955 pertaining to any loans or advances from the International Brotherhood of Teamsters or any unit thereof, and all your personal financial books and records maintained by you and by others on your behalf for the years 1949 through 1955, pertaining to any financial transactions that you have had with companies, corporations, or individuals having contracts or financial dealings with the International Brotherhood of Teamsters or any unit thereof. Please advise today by return wire when these records will be forthcoming.

The Chair is going to undertake to ascertain whether the records will be made available in the spirit of cooperation, as the Chair was assured by letter from Mr. Beck that he wanted to do. If they are not made available upon request, as in accordance with this telegram, then the committee will conclude that it will be necessary for it to issue the proper processes to get those records before it.

Senator MUNDT. Mr. Chairman.

Mr. Brewster, we will have about 2 hours off for lunch. Will you have your 2 attorneys make a study of those 2 constitutions during that period of time, so that when we resume you can answer my question about whether or not there is anything in there about this money matter?

Mr. BREWSTER. Yes, we will try and do that. We will be glad to do that.

Senator MUNDT. Thank you.

The CHAIRMAN. The committee will stand in recess until 2:30.

(Whereupon, at 12:15 p. m., the committee recessed, to reconvene at 2:30 p. m., the same day.)

(Members present at the taking of the recess: The Chairman, Senators Mundt and Goldwater.)

#### AFTERNOON SESSION

(The hearing resumed at 2:30 p. m., Senator John L. McClellan, chairman, presiding.)

The CHAIRMAN. The committee will be in order.

(Present at the convening of the hearing were Senators McClellan, Ives, Mundt, and Goldwater.)

The CHAIRMAN. The Chair has been advised that Senator Neuberger, who yesterday or earlier requested an opportunity to testify before this committee, may have to leave town this afternoon or tomorrow and will not be available at the close of this witness' testimony.

Therefore, we are going to interrupt the testimony of Mr. Brewster to accord to our colleague, Senator Neuberger, of Oregon, an opportunity to testify at this time.

Senator, will you come around, please, sir?

Senator, will you be sworn, please?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Senator NEUBERGER. I do, sir.

The CHAIRMAN. I may say we ordinarily do not place a Senator under oath when he testifies before a committee, but the nature of this inquiry is such that we felt that the testimony should be sworn to.

#### TESTIMONY OF HON. RICHARD L. NEUBERGER, A UNITED STATES SENATOR FROM THE STATE OF OREGON

The CHAIRMAN. We usually ask this question: Please state your name, place of residence, and state your occupation.

Senator NEUBERGER. My name is Richard L. Neuberger. I am junior United States Senator from the State of Oregon, temporarily living in Washington, D. C.



I appreciate very much the opportunity to come here today, Mr. Chairman. I have been thinking for the past few weeks that I should come here and give you some very brief testimony, and my feeling was heightened in this resolve by a remark made during the hearing yesterday when one of the members of the committee said that, "If I lived there," meaning Portland, Oreg., "I would be flying the flag at half-mast."

I have asked my wife, Maureen, to come with me today because she participated in some of the political events which I would like to describe to you and place in the record in this rather brief testimony which I now will read.

I think there are copies available and I hope they will be made available to members of the committee. A member of my staff has copies of my written testimony.

The CHAIRMAN. I will ask the members of the staff, has the statement been made available for staff's inspection?

Senator MUNDT. The press seems to have them, but the committee does not have them. I wonder if we could borrow one from one of the newspapermen?

Senator NEUBERGER. I regret the distribution was not made correctly, Senator Mundt.

The CHAIRMAN. Under the rules of the committee, a statement to be read is supposed to be submitted 24 hours in advance. The Chair will say as far as he is concerned, however, certainly in appreciation of the workload of the United States Senators, and the Senator not having anticipated he would appear until later, the Chair is willing to waive the requirement under the rule in this instance, unless there is objection on the part of any member of the committee.

The Chair hears none and the rule is waived.

Proceed, Senator.

Senator NEUBERGER. Thank you for giving me this opportunity to testify at the conclusion of your hearings involving Portland, Oreg.

For the past several weeks, your investigation has centered around my hometown. I was born and raised in Portland—went to school there—and have my home there now. My family still lives in Portland. I entered politics by representing Multnomah County, which is largely Portland, in the Oregon State Legislature.

So did Mrs. Neuberger. Portland is also the largest community in the State which I now help to represent in the United States Senate. I have been concerned about the unflattering and damaging impression in which my community must appear to the Nation in the light of the rather limited aspects of Portland brought out in these hearings.

I have come here to defend the reputation of my hometown, but not in any criticism of those who have exposed certain events in Portland's recent past. I believe in full disclosure of wrongdoing, regardless of where it occurs or who perpetrates it.

I think it was Horace Greeley who said:

What the good Lord lets happen, I'll put in the paper.

That is a good motto for newspapers and for congressional investigations. However, I fear that the emphasis in the news of the past few weeks on alleged racketeering in Portland has given an unfortunate and distorted impression as to what kind of community Portland actually is.

Thus, my objective today is to make three points toward a wider perspective on the situation in Portland, when the committee comes to issue its report on these hearings.

First, Mr. Chairman, I want the record to show some of the more representative aspects of Portland as a community. A few facts will demonstrate that Portland is, in reality, a city of ethical, responsible, and law-abiding inhabitants. Portland has long been justly known as a good residential city.

Portland has 129 public or private elementary schools and high schools, 12 colleges, 4 theological schools, and numerous business colleges and trade schools. A large portion of the city's income is diverted to education and Portland is justly proud of its new academic buildings, and the fact that teachers' salaries are well above the national average. I regard the Portland Public Library as superior to the Library of Congress in its informative services.

Portland contains over 300 churches, cathedrals, synagogues, temples, and religious organizations of all faiths.

In the 1956 general election, approximately 85 percent of Portland's registered voters visited the polls. Perhaps Portland's high sense of civic responsibility is due to the fact that its citizens have an important stake in the community. Sixty-four percent of Portland's homes are owned by the residents, as contrasted with only 55 percent nationally.

High standards of public health are maintained by the city. Twenty hospitals provide modern medical care. The venereal-disease rate for the city of Portland is today considerably lower than the national average.

Portland supports a symphony orchestra, a junior symphony orchestra and a symphonic choir. The Portland Art Museum houses an outstanding collection of paintings, sculpture and regional artifacts. The Portland Civic Theater annually produces the best of Broadway performed by talented local actors and singers.

Fifty-five parks covering 1,600 acres are located within the city. Portland residents are now undertaking the construction of a new zoological park which will be among the finest in the entire world; the new buildings are being erected at far below normal costs because both labor and industry are offering their services and materials either for nothing, or at less than going rates.

Second, Mr. Chairman, I would like to point out that before you can have unscrupulous labor officials—or unscrupulous businessmen, or anybody else participating in rackets and vice—you must first have rackets and vice to participate in.

Racketeering by labor officials shocks us all, because we expect from the leaders of labor an altruism which we associate with the memories of early trade union pioneers and martyrs who unselfishly devoted their lives to fighting for the rights of working men and women. Your committee will perform a service if it assists labor in eliminating from its ranks any criminal elements which may lurk there.

Yet, I doubt if racketeering in labor organizations can be separated from the condition of law and order as a whole, in a community and in the Nation. There would be no criminal element in labor unions unless opportunity for crime existed in the Nation. There would have been no racketeering by teamster officials in Portland, had not racketeering already gained a foothold in that city.

We all have reason to be concerned about the standards of law enforcement in this country, as compared with more favorable records in several other modern democratic nations, and it is against this background that we must view Portland's record.

I condemn racketeering by teamsters. I condemn racketeering by the enemies of teamsters. I condemn lawlessness by teamsters. I condemn lawlessness by the enemies of teamsters. These things admit of no division or compromise. There cannot be good racketeering and bad racketeering. All are bad.

The conditions which hamper control of crime and vice include the familiar shortcomings of overlapping county and city jurisdictions in metropolitan areas, underpaid police personnel and prosecutors, diffusion of responsibility among too many elected officials, and the public's tendency toward inattention as long as conditions remain tolerable.

I believe that I can comment on some of these needs for reform from experience. As members of the State legislature, Mrs. Neuberger and I fought to bring our State police system under civil service and to rid it of a disturbing spoils system. We fought to bring about consolidation of county and city law-enforcement agencies, in order that crime might be prevented more efficiently and more economically in Multnomah County.

From the testimony before you, Mr. Chairman, illegal gambling has been said to play a prominent role in the racketeering about which you are concerned. Oregon is one of only a few States which permits parimutuel dog-racing. Some of the people most alarmed about racketeering over some pinball machines have been strong defenders of this legalized system of dog-race gambling, on which some \$14,526,878 were wagered in Portland in 1955. One can only wonder if a strong urge to gamble, legally or illegally, is not encouraged by this huge State-authorized gambling operation.

Under Oregon law, millions of dollars may legally be gambled at the dog races, but not 10 cents on a pinball machine. This double standard has been defended by some the State's leading political figures for many years, and it has been a corroding force.

Mrs. Neuberger and I fought against parimutuel dog-race gambling, as we did for police reform and for streamlining of local government, but, alas, these efforts failed to win the support of a majority of our colleagues in the legislature.

Reform in this area is a local responsibility, not that of the Senate, yet it deserves recognition in any realistic appraisal of ties between rackets and any particular segment of society.

And this leads me to my third point.

Third, Mr. Chairman, I want to fill in some gaps in the recent history of crime and law enforcement in Portland as it has appeared from the testimony before this committee. No discussion of this history would be complete unless some attention were devoted to the period of 1948-52.

The record of that period shows that, even with those built-in shortcomings of our traditional local governments, a basically good community, and Portland is a basically good community, can overcome crime and vice so that there is nothing to attract racketeers from within labor or from anywhere else.

From 1948 to 1952 Portland had a courageous and honest mayor, Mrs. Dorothy McCullough Lee, who is now the Chairman of the Federal Subversive Activities Control Board. And I might add, parenthetically, that I think the Senate just last week confirmed without opposition the nomination of Mrs. Lee by President Eisenhower, who transferred her from Federal Parole Board to be Chairman of the Subversive Activities Control Board.

It was my privilege to speak very briefly in support of her nomination on the Senate floor. Mrs. Lee is a person of conviction and of integrity. She had run for office on a platform pledged to uphold and enforce the law. She enforced the law. She drove gamblers and vice out of the city. She even closed down the slot machines in the press club, which resulted, if I am not mistaken, in the bankruptcy of that organization.

In some quarters, Mayor Lee was ridiculed for her efforts. She was derisively nicknamed "Dotty-Do-Good." A campaign of abuse was set in motion against her, based on the notion that a town wholly closed to vice and gambling was somehow bad for business. This baseless charge became an issue in the municipal campaign of 1952 in Portland.

Mrs. Neuberger and I felt so strongly about Mayor Lee's effective stand against rackets that, although Mrs. Lee was not of our political party, we supported her actively for another nonpartisan term in office in the city hall.

You will find the story of Portland's woman mayor, who successfully licked vice and crime in Portland, told in an article I wrote for Coronet magazine for June 1952, at the time of Mrs. Lee's campaign for reelection.

I might add that Mrs. Lee did not have the support of everyone who has now pointed with indignation at this or that element in the picture of local vice which has been painted before your committee. Yet, the record should show that the process which has culminated in some of the disturbing events aired before your committee began with the defeat of Dorothy McCullough Lee for reelection as mayor in 1952.

Mr. Chairman, I believe I am safe in telling you, categorically, that if Mrs. Lee had been reelected mayor of Portland in 1952, our city would never have figured in these hearings, for there then would have been no rackets for teamsters or anyone else to fight over, or to "muscle in on," as the vernacular goes.

The fateful decision was taken by Portland's voters in November of 1952. Alas, they decided wrong, with respect to this aspect of life in our community.

As a result, the chain of events was set in motion which has finally developed into these hearings in Washington. I do not believe that your committee would want to close the record on the Oregon phase of your hearings, without having the record contain this reference to the good standards of law-enforcement and control of vice and crime maintained by Portland from 1948 to 1952.

That is why I have come here to pay tribute to former Mayor Dorothy McCullough Lee today. Let me make two other brief comments in concluding my remarks on the subject of these hearings, Mr. Chairman.

I fear that many persons have gained the impression that lawlessness and collusion were rampant in the State of Oregon without

countermeasures by local officials. I would like to point out that many of the charges aired before this committee have been the subject of the scrutiny by a grand jury in the State of Oregon for many months. To date, 34 indictments have been returned.

The grand jury is again in session, and it is likely that further local action to discourage law violators will ensue.

Furthermore, I hope that the committee will make it possible to add to the record any testimony which may be presented from sources in Oregon for the purpose of balancing the impressions which have been created so far, and of repairing any damage which may have been done to the good reputation of my State and city and of some of past and present public officials.

For example, immediately after this committee heard some of the testimony involving actions of the late Governor of Oregon, a number of men closely associated with the action in question disputed, in statements to Oregon newspapers, the implications of this testimony.

These men include a leading attorney and the executive secretary of the Oregon State Civil Service Commission. To my knowledge, their comments are not, however, a part of the record of this committee.

The Governor in question, who is now dead, was a Republican. He and I often debated vigorously in the State senate, when we both served there. Yet if charges are made against him, I believe his family and his friends deserve the opportunity to have this record include such evidence as may be offered to refute them or their implications.

Similarly, I have been informed that evidence exists to contradict the charges of alleged bribe taking against the mayor of Portland. I cannot comment on this evidence, not having seen or examined it personally. But with a public official's entire future reputation at stake, can the committee do any less than hear every possible aspect of the case?

It is my hope that if there are reliable and responsible persons in Oregon who have such information to present to this committee which will shed light on the reputations of the late Gov. Paul Patterson or of Portland's Mayor Terry Schrunk, these people will have full opportunity to appear to give this evidence to your committee.

I pass no judgment on testimony already given. I merely urge that both sides be heard fully.

I appreciate very much the opportunity to appear before this committee. I think all of us share the goal of exposing and eliminating crime and wrongdoing wherever they may appear. I thank you very much.

**THE CHAIRMAN.** Thank you very much, Senator Neuberger. I wish to compliment you and commend you for having come before the committee to make that statement. I had no idea what you were going to say and just exactly what aspects of the hearing you were interested in.

I can appreciate, however, your concern about your hometown and your State when some evidence such as has been presented here might cause those who do not reflect upon it in its proper perspective to fail to evaluate it in the light of what this committee is seeking to do. I am sure that Portland, Oreg., the citizenship there, compares favorably with the citizenship in any other community in this Nation.

I want to say to you and to the people of Portland and to the State of Oregon that this committee is in no way trying to cast any reflections upon the fine citizenship of that community.

We have a duty to perform here and unfortunately it does appear from some of the evidence that some of these elements to which you have referred in your statement and with whom this committee is charged with the duty to look into, have seized upon possibly an opportunity or sought to make an opportunity in that community to engage in racketeering.

Now, this committee is not going to undertake to clean up all crime in every city in this country. It cannot do that. That is not its function. It is only as racketeering, crime, and improper practices are related to the labor-management field, that this committee has jurisdiction or ability.

Just as you pointed out in your statement, however, there can be no racketeering unless there are rackets. You cannot invest in vice and neither can you racketeer in vice unless vice exists. In the city of Portland in most respects in connection with this hearing, this happens to be incidental. It was not the committee that sought out this community to begin with. Disclosures had already been made there that attracted attention by reason of the number of indictments that had been found and by reason of the effort that obviously was being made by the good citizens of the community to take your law enforcement status back to that which you spoke of that obtained under the mayorship or administration of Mayor Lee.

So the committee does not want to injure Portland. If the committee's efforts, however, contribute toward breaking up any racketeering that may have developed and begun to thrive since Mayor Lee, the committee hopes that in doing so if it succeeds, it will be doing a favor and a service to Portland.

Now, we have had suggestions that we go back several years to find out what the conditions were that prevailed there. According to your statement during her administration from 1948 to 1952, you did have law enforcement and you did have good order. If something has gone wrong, since, the people cannot always anticipate.

They vote the people for office believing in their integrity and sometimes the people are betrayed. If there has been a betrayal on the part of some officials possibly, and if there has been a betrayal of the union members who belong to the teamsters union, if there has been a betrayal of them by their officials, then this committee is interested in exposing it with a view, if necessary, and if it is indicated that it is required for the Congress to enact such legislation as may correct or help at least to improve conditions.

Personally, I wish to congratulate you for your appearance. I would do the same thing for my fine city in my State. At the same time, I would do as you suggest, to support an investigation that will possibly contribute something to correcting any unsatisfactory condition that may now prevail.

Are there any questions by any member?

Senator IVES. I would like to commend Senator Neuberger on his statement. I want to point out, however, that I for one, never had any doubt whatever about the type of people that live in Portland, Oreg. I happen to have some friends in that part of the country

and I have a vast respect for the people of Portland and for the people of Oregon, and nothing has occurred in this investigation that has caused me in any way, shape, or manner to lose that respect.

Senator NEUBERGER. Thank you, Senator Ives, and I want to thank you, Mr. Chairman, for your very characteristically fair statement.

Senator GOLDWATER. Senator Neuberger, in the course of your statement before the committee, you raise the suggestion that somebody might be allowed to come here and speak in defense of Governor Patterson who is now dead.

I was rather shocked to hear some of the so-called disclosures that were made against a man that I had always held in rather high regard. Would you seriously recommend to this committee that such a defense be allowed either in writing or by personal appearances of somebody who could do it?

Senator NEUBERGER. I think you understand, Senator Goldwater, it is not within my prerogative to advise the committee what to do. However, I was impressed by this one fact:

Shortly after some rather damaging testimony concerning the reputation of the late Governor Patterson was given before the committee, stories appeared in the press out in Oregon in which some aspects of these allegations were denied by prominent attorney and by an official of the State civil service commission.

It just seemed to me in fairness to his memory and to his family, who still live in Oregon, that at the very least depositions or statements from those people, if they have contrary evidence—and I must again emphasize I cannot pass upon that—should be, at least, a part of the record.

Senator GOLDWATER. I am glad to hear you say that, because I have seen, I think, 2 editorials of 2 different Oregon papers defending the record of Governor Patterson and defending his memory.

I am glad to see that you made that suggestion in your comments and I am hopeful that during the course of these hearings some place, such a refutation might be made.

Senator NEUBERGER. Thank you very much, Senator.

The CHAIRMAN. Are there any other questions?

Senator MUNDT. Mr. Chairman, I would like to say that I, too, congratulate Senator Neuberger in coming to the defense of his hometown and home State. That is a senatorial impulse we all have, and I am sure every Senator would feel inclined to do the same when he feels that the people of his State or his city have been unfairly criticized.

Certainly, this committee has no desire to attribute to the people of Oregon anything but the best of good governmental intentions.

You indirectly referred to a statement that I made yesterday and I want to ask you a few questions in that connection. I had a proviso in my statement. I said:

If I lived in a city in which the mayor had been accused by eyewitnesses of certain nefarious crimes, and the mayor had flunked a lie detector test delivered by the authorities of his own State and then came to the Federal Government where he had requested that a lie detector test be given by the Secret Service and walked out midway in that test, and that if I lived in a county where the district attorney took the fifth amendment 100 times in questions related to problems on which he had direct information, then I would indeed feel ashamed and urge that the flags be hung at half mast because somebody had not measured up to this public duty.

That was, in substance, my statement. So I would like to ask you now, Senator Neuberger, whether you are here to defend Mayor Schrunk and the position he took in connection with this committee and whether you feel with me that he acted something less than the way a mayor should when he comes to represent the great city of Portland with its wonderful association of high-minded citizens and its fine churches and schools and libraries.

Senator NEUBERGER. I said in my testimony, Senator Mundt, that I pass no judgment on the testimony already given. All that I know of these hearings is what I have read in the newspapers. It is quite obvious that I am not in a position to pass any judgment either on the testimony already given before your committee, either as to its veracity or as to its reliability more than I am qualified to answer categorically the statement just put to me by Senator Goldwater about certain contrary evidence alleged to be in the possession of people who defended the late Governor Patterson.

I would like to explain why I took some exception to your statement, if I may, sir.

Senator MUNDT. You surely may.

Senator NEUBERGER. I am certainly glad to have you submit the qualifying references which you made. However, with the exception of religious symbols, the proudest manifestation that any community has is the American flag.

There have been corrupt officials in the past, in many communities. All we have to do is go back and read Lincoln Stevens and Brad Whitlock and Woodrow Wilson and many others to know this has occurred throughout the entire modern history of our country as an industrial nation.

You and I regret that, but it has occurred. There have even been Members of the Congress of the United States who have not only been indicted but been convicted of certain crimes. But I doubt if the statement has been made that the flag should be flown at half-mast in those cities or those congressional districts.

Naturally, being a lifelong resident of Oregon and having been born there and having been born in Portland and having lived there, I was a little distressed about the statement.

Senator MUNDT. I am not so sure but what it might be a good precedent to establish. When honor dies it might be just as well to have the flag at half-mast in designation of that as when the body dies. If honor has died in a public official and been exposed, perhaps it might be a way to awake even the public conscience of the people if flags were at half-mast. I will not debate the propriety of that. I simply wanted you to know why I had done that.

Senator NEUBERGER. I appreciate your explanation of the statement, sir.

Senator MUNDT. Our committee, I think, has been a little bit more diligent than you have given us credit for. You said:

Further, I hope that the committee will make it possible to add to the record any testimony which may be presented from sources in Oregon for the purpose of balancing the impressions which have been created so far.

When the mayor of your city spoke before us, I said that I was reluctant to accept the testimony against him, that I was predisposed to accept the testimony of a mayor of a fine city like Portland as



against the testimony of some of the people who had leveled the criticism and produced the evidence against him.

So I asked him, after he had indicated that the lie-detector test he had taken in Oregon had been fixed or framed whether he might want us to arrange a fair lie-detector test to give him an honest break.

He said, "Yes," and in a spirit of helpfulness we tried to arrange that test. We went to considerable pains and difficulties to set it up. And then he walked out during it. So that we have done our best, sir, to give the mayor of your city of Portland, every opportunity available to us to produce evidence in his own defense. And when he did not have evidence in his own defense against members of his own city patrol who had testified that they had seen him picking up a package with bribe money in it, we did the only thing left to us at that time which was to say if he wanted to take a lie-detector test we would set it up.

Can you think of anything further we could do to be fair to the mayor of the city of Portland?

Senator NEUBERGER. I cannot pass upon the details of the so-called lie-detector test, Senator. I do remember reading in the press, where I say I have obtained my information about the hearings thus far, because the record has not been available to a wide number of Senators. I think I do remember reading in the press that a distinguished member of your committee, who is a former judge in his State, if I am not mistaken, had made the remarks that a so-called lie-detector test was not admissible in courts.

I myself am not a lawyer but if I am not mistaken, just from memory, I think the Senator of North Carolina did say that.

Senator MUNDT. Your memory is much better than your responsiveness to my questions. My question was, can you think of anything else that this committee could do to be helpful to the mayor of the city of Portland to enable him to present his position before the committee?

Senator NEUBERGER. All I can say is what I said in my statement, that if there is any evidence to the contrary of the allegations made against him, which is available in our community, that I just hope it will be made part of the record.

I said that both with respect to the mayor and with respect to the late Governor Patterson. It seems to me those are both reasonable statements.

Senator MUNDT. We tried to do that and we even let him submit affidavits. When the affidavits were examined, they were countermanded by the people who said that the affidavit was wrong.

I do not want you to think we are trying to malign the mayor of the city of Portland. If you could suggest anything that this committee can do, any witness with material evidence, any better device than a lie-detector test for whatever it is worth, I would like to have you suggest it.

Senator NEUBERGER. You are putting words in my mouth. I did not say that the committee was maligning anybody. I just said that I hoped that the committee would permit all possible aspects of this, whether it concerns the late Governor Patterson or the present mayor in our State, to be presented.

Senator MUNDT. I was as distressed as you were, Senator Neuberger, when the Democratic State chairman of the State of Oregon,

Mr. Howard Morgan, came in and made these attacks on the late Governor of the State of Oregon, a Governor whom I have never met and about whom I know nothing.

He came in and said he was the State chairman and he had been of the Democratic Party of the State of Oregon. He made some pretty direct accusations against the honesty and integrity of the Governor.

If you can think of any witnesses who could offset that, we would be glad to have them.

Senator NEUBERGER. It is my impression, again from reading the press, that Mr. Morgan was not the only witness before your committee who made allegations that might have been damaging to the late Governor Patterson.

I believe there were 1 or 2 others. In answer to Senator Goldwater's question, I mentioned that with respect to one episode that came before your committee, I do not recall who mentioned it, there was a rather prominent lawyer in our State and an official of the State civil service commission who did give interviews to the press in Portland which would tend to contradict and refute some of that testimony.

I merely suggest at the very least their statements should be a part of the record, in all fairness.

Senator MUNDT. I am sure the committee would be happy to have him appear or have him make an affidavit. We do not get all of the news appearing in the Portland press. But as far as I can recall, Mr. Howard Morgan is the witness who appeared to be of the best reputation for honesty and responsibility who made any accusations against the former Governor here.

We have had some accusations made against him by witnesses of a different character. Mr. Howard Morgan impressed me as a man of responsibility.

Senator NEUBERGER. He is a very fine man and a very honest man from my knowledge of him.

Senator MUNDT. He was the man who made that charge, as far as it registered with me. There might have been some made by some of these other witnesses.

Now, then, in pursuance of what you suggested we do, hoping the committee will make it possible to add to the record any testimony which may be presented from sources in Oregon, may I say that we not only gave the mayor every opportunity to call in witnesses to present affidavits and to take a lie-detector test. But in simple justice and fairness we called in the district attorney of Multnomah County who took the fifth amendment 100 times.

Would you, Senator, believe that that adds to the fair reputation of the people of Multnomah County and the city of Portland when its district attorney presently holding office takes recourse to the fifth amendment that many times?

Senator NEUBERGER. Of course not. I share your distress about some of the things that have occurred. I have said so in my statement, I think, a good many times. However, I still believe that the general reputation of the community deserves some defense and there should be a general overall picture of the type of community it is.

I think the record should contain some substantial reference to the outstanding record for law enforcement which was made by Mrs. Lee, and I think many good people in our community today regret the decision they made in 1952 when Mrs. Lee was voted out of office.

One reason I wanted Mrs. Neuberger here with me was this: She was virtually one of the principal campaigners for Mrs. Lee. We both remember when she was campaigning for Mrs. Lee, how many people in our community refused to support Mrs. Lee because they said that a town that was shut down with regard to crime and racketeering was bad for business, and to open up a little would be good for business.

That is one reason that I think the record of this major hearing conducted by the United States Senate should show the type of influences which induced our people in 1952 to take what I regard, and I think many other people do now, as a wrong decision in the civic history of Portland.

Senator MUNDT. By whom was she defeated?

Senator NEUBERGER. She was defeated by Mr. Fred L. Peterson, who became mayor and served as mayor until his death last November. He served for 4 years.

Senator MUNDT. Do you recall whether Mr. Peterson was supported by the teamsters union?

Senator NEUBERGER. I do not know. I am frank to say I do not know in that campaign whether Mr. Peterson was supported by the teamsters union or not. I am trying now to speak from memory, and I hope you understand that. That is 5 years ago.

Senator MUNDT. Counsel tells me, Senator, that he was.

Senator NEUBERGER. What did you say?

Senator MUNDT. Counsel Kennedy tells me he understands Mr. Peterson was supported by the teamsters union.

Senator NEUBERGER. I did not know. I would like to complete my statement.

As I remember, there was a very bitter fight in the Portland central labor council where all trade unions in the area are represented. My recollection tells me that a decision to endorse Mrs. Lee by the united labor was turned down by a very narrow margin. Labor, as a whole, made no endorsement in that campaign. That is my memory again, and it may not be correct.

Senator MUNDT. One of the bits of evidence we have had before our committee would confirm what you have in mind, in connection with your city contests, that on occasion the teamsters union had broken away from the general labor council and that the evidence leads us to believe that when they have broken away, they have broken away in the direction of supporting the lawless element that you and Mrs. Neuberger tried to prevent getting in to control of the city.

This other question has not too much pertinence, but I am just curious about something you said here about dog racing. Do you classify parimutuel horse racing and dog racing at different levels, and is there something that makes one of them vicious and the other one good? I am a little curious about that. We have both in South Dakota and I just wanted to know.

Senator NEUBERGER. Let me say that I think that there is a difference. There is a difference in degree in my opinion between dog racing and horse racing, to this extent:

Dog racing to me is just a great big roulette wheel. Horse racing is at least a spectacle which can afford persons some thrill and excitement of the sport involved. Furthermore, in the city of Portland, the

dog racing was held for a good many years right in the heart of the city in the civic stadium.

It was where working people, people of very limited means, and people who perhaps could not pay all of their bills, could get at it very easily. I think that Portland had one of the biggest dog race handles for many years in respect to the size of the city, of almost any place in the United States.

If you have this dog racing in the center of the city for 2 or 3 months that is legal, inevitably you stimulate a desire and frenzy in some people to gamble.

Then, "bang" the dog races which are legal are closed. It seems to me inevitably that a problem is created for the officials in charge of law enforcement, then, to prevent so-called illegal gambling on some little pinball machine or punchboard in the corner grocery store, after you have had dog racing in the civic stadium.

Now, this is not the fault of the people of the city of Portland. It has been the fault of the legislature of the State of Oregon that has authorized this dog racing, but which has only existed in the city of Portland.

But, in my opinion, it has made a major law-enforcement problem for any mayor or other law-enforcement officials who wanted to shut off illegal gambling.

Senator MUNDT. Is it legalized only for Portland?

Senator NEUBERGER. It is legalized in this way, that it is up to the city council, if I am not mistaken to then authorize it under the State Enabling Act.

Senator MUNDT. Sort of a local option?

Senator NEUBERGER. I believe that is true and, again that is from memory.

Senator MUNDT. Strictly from the standpoint of the gambling feature, it would seem to me that the opportunities for gambling in horse racing and dog racing under pari-mutuel racing must be about the same.

Senator NEUBERGER. There is no question about that. However, the horse racing we have had in our State and in the city of Portland, because of the size of the area necessarily involved for horse racing, has been a long way from the city. A far smaller total handle has been involved.

Senator MUNDT. I think that you make a very good point, when you say dog racing is right in the internal part of the city and in your local stadium where people perhaps of very modest means might be able to go to a dog race and squander their money and they could not go out to a horse racetrack.

Senator NEUBERGER. People in collection agencies and people who run stores that sell on the installment plan have told me in Portland that when the dog races are in operation, their collections on installments become much more difficult and many people just go through default and the property is replevined.

Senator MUNDT. Would you agree that the opportunities for gamblers to muscle into a situation would be equally good with pari-mutuel dog racing or pari-mutuel horse racing?

Senator NEUBERGER. I would agree on that.

Senator MUNDT. I hope you will leave the committee room, Senator, feeling assured that the Senator from South Dakota, and I am sure

his colleagues, have only the highest regard for the people of the city of Portland.

I have frequently talked to your good citizens in the wonderful, fine banquet hall in Multnomah Hotel, while giving something less than what you would qualify as a Democratic speech. I have found the people to be wonderful folks.

Senator NEUBERGER. I appreciate your saying that.

Senator GOLDWATER. There is just something I had forgotten. We have had one witness who has spoken out on behalf of Mr. Patterson and his reputation and that is the witness who is currently before us, Mr. Brewster.

Now, some might not consider that a pat on the back, but nevertheless, Mr. Brewster did in answer to a question of mine speak for the honesty and character of the former Governor Patterson.

Senator NEUBERGER. Thank you very much. I had not known about that.

The CHAIRMAN. Thank you very much, Senator Neuberger. We are glad to have Mrs. Neuberger visit with you.

Senator NEUBERGER. Thank you very much.

The CHAIRMAN. Before you go, the Chair is going to make one statement, however, and I do not know whether you care to comment on it.

Now, it is impossible for this committee to issue subpoenas—I say “impossible”; it is impracticable and in my judgment it would be improper to issue a subpoena for a witness every time someone says, “So and so is something and you can get him if you will.”

What this staff is doing under the direction of the committee is this: Whenever these things occur and a name is suggested or someone knows this or knows that, we are undertaking to check with that party as quickly and promptly as we can in most instances.

We are working day and night as you know. We are checking on some affidavits that have just been presented here this morning for our consideration. It is one of the strangest things that occurs to me, when a witness complains we do not put affidavits in the record or get these witnesses.

The folks who are complaining these things are the very ones who are saying that Elkins is not worthy of belief because of his character and because of the business he has been engaged in.

But when they come up here and want us to take an affidavit from somebody that they acknowledge is a prostitute or a crook or something, to offset some other testimony, it does not have a very strong appeal to this chairman unless those witnesses will actually verify it under oath.

We have that problem and I give you 3 illustrations: I recalled these 3 since you have been testifying. Mr. Crosby testified in 2 instances, he mentioned 2 other people and denied something, that it could not have happened and they did not do it. As far as I know they were reputable people.

Mr. Sheridan was one of them and a Mr. Givens another one. We immediately got them on the telephone and brought them here the next day from out there and they completely repudiated what Mr. Crosby had said.

Another one was Mayor Schrunk, who testified that a Mr. Sutter would refute the testimony of three eyewitnesses who were present

and claimed they saw him pick up the envelope that contained the money. We finally secured Mr. Sutter's affidavit and I believe it was provided by the mayor through his efforts and I let it go in the record.

When we had received this affidavit we found that Mr. Sutter had previously testified before the grand jury in line with what the other three had said, directly that he saw the sheriff pick up the envelope.

Now, in the affidavit he says that he saw the envelope picked up but he could not say the sheriff was the one that picked it up.

Well, now, I do not feel like spending the taxpayer's money on extravagant expenditures to go out and get in testimony that has no more probative force than that. I want to be fair to him. I am the last one who wants to see anybody innocent suffer. But I do know sometimes when you are dealing with certain elements you have to have the courage and the convictions and the discretion to weigh their evidence and evaluate it on the basis of the corroborating circumstances that are available.

Senator NEUBERGER. I appreciate the difficulties under which you are working.

The CHAIRMAN. We are laboring under difficulties, Mr. Senator. This committee does not want anything but the truth. But do you know how we are getting it? In most instances we are just having to bring it out in a struggle and about the only thing I can think of that is comparable is trying to pull the wisdom tooth out of the jawbone of an ass.

That is the way we are having to do it. I am going to continue and this committee is going to continue to try to get the truth and also try to keep from being imposed upon by certain elements that I do not think deserve much credit for their conduct.

Senator NEUBERGER. I appreciate your willingness and kindness to let me put a few of these things in the record today, just to show that there may be a brief historical background of some of the recent events in our community.

I am grateful to you and your colleagues for allowing me to impose on your good time.

The CHAIRMAN. You have not been an imposition. You have been welcome and appreciated and I think you have done exactly what I think you should do and you are to be commended for it.

Senator MUNDT. In line with the statement you made while Senator Neuberger is still in the chair, I have been greatly concerned about one thing that you mentioned in your testimony.

Up until the State Democratic chairman, Mr. Howard Morgan, whom I had never seen before, made these rather vicious, derogatory statements, about the late Governor Patterson, I had always thought that Governor Patterson, whom I have never seen or met, was a highly respected citizen and a good governor.

I had made some notes and I did not question Mr. Morgan about that at the time because it was sort of put in inferentially at first and that was not the direct reason he testified. But I do feel, Mr. Chairman, that since his name has been slandered and the man is deceased, he probably has a family out in Oregon, and especially in view of the tribute that Senator Neuberger has paid to his memory, that to the best of his knowledge at least, his record has been good, and right, and proper, I think we should have our staff member in the State of Oregon go to Mr. Howard Morgan and seek an affidavit from him

in which he would either produce the evidence derogatory to Mr. Patterson, or else make a retraction so that the good name of the former Governor can be cleared.

I think that our committee is a little bit guilty in letting a dead man's memory be smeared without trying to investigate it further. But it came indirectly and I am very happy that you did bring this thing into focus and either Mr. Morgan has some information which may throw some further light on this whole charge of corrupt influences in the State of Oregon, or maybe he will decide on reflection that he spoke hastily and thoughtlessly.

I can say this, Mr. Chairman: That I have had several calls and letters from friends of mine in the city of Portland who have been very incensed about Mr. Morgan's statement. They have called it pure political propaganda and political bunkham, and they have been a little bit critical of our committee for letting it stand.

Certainly, it was clearly outside the information of anything we had, but since it is back in focus, I think the least we can do is to ask our representative of this staff in Oregon to go to Mr. Morgan and in terms of a South Dakota cowboy, ask him to "put up or shut up."

Senator NEUBERGER. Senator, I think in all fairness, however, that the record should show, and again I speak only from having read about it in the press, that Mr. Morgan was not the only person who appeared before your committee and made certain allegations concerning the late Governor Patterson.

Senator MUNDT. I think that is true, but I think he would be the only one whose reputation is unchallenged and who we would assume would be speaking accurately, and honestly, and impartially.

Senator NEUBERGER. Well, I would say this, however, in fairness to Mr. Morgan, that some of the statements made by the other witness with respect to matters that had no relation to Governor Patterson, the committee has accepted.

So, I think in fairness to Mr. Morgan, you should not single him out.

Senator MUNDT. If you would care to stipulate any of those, we will give them the same treatment.

Senator NEUBERGER. What do you mean?

Senator MUNDT. Whatever you mean.

Senator NEUBERGER. It is my recollection, and again I am just trying to remember what I read in the papers, that among the persons who made certain references which were critical of the late Governor Patterson, was Mr. Elkins.

Am I right or wrong in that respect?

Senator MUNDT. You are right, but I said, and I think that you will not deny, that I place him in a little different category from the State Democratic chairman of the State of Oregon, Mr. Morgan.

Senator NEUBERGER. Well, however, it would seem to me that if you are going to question Mr. Morgan's statements, that perhaps the statements made by Mr. Elkins concerning Governor Patterson might likewise be questioned by you. They were both put in the record.

Senator MUNDT. We have cross-examined Mr. Elkins at great length on that. If you do not agree with me that there is a difference in the background of the two, you could assume their reliability.

Senator NEUBERGER. There is a difference, of course, and my knowledge of Mr. Morgan is that he is a very reputable and reliable citizen of integrity.

Senator MUNDT. Would you agree with me that a statement derogatory to the late Governor Patterson from Mr. Morgan would carry a great deal more weight in the city of Portland and in the State of Oregon than the same remarks out of the mouth of Mr. Elkins?

Senator NEUBERGER. I would say this, that I do not see how you as a member of the committee can pick and choose with respect to Mr. Elkins' remarks.

Senator MUNDT. We have not. We have challenged him, and we have questioned him, and we have had him before us for many, many days to ask him a great many questions about that background and that connection and all of his connections with all of the officials, and the gangsters and the union members and everything else. If you can think of any questions that we have not asked Mr. Elkins, I will give you my assurance now as one Senator to another, we will be mighty happy to ask him.

Senator NEUBERGER. Let me read again the paragraph in which I referred to this, so that we get down to the specific example.

I read in the press that Mr. Elkins testified before the committee concerning an episode which involved Governor Patterson and Mr. Sheridan, I believe a suspended employee of the State liquor commission. This had absolutely no relation, as I understand it, to any testimony by Mr. Howard Morgan. Then a few days after that, I may be mistaken, I read in the press in the city of Portland a statement questioning Mr. Elkins' charges concerning Mr. Sheridan of the liquor commission, a statement questioning that from a leading attorney in Portland. I think it is Phil Joss, who had been a member of the civil service commission, and from the executive secretary of the Oregon State Civil Service Commission.

That was the specific episode which I had reference to in the third or fourth paragraph on page 5 of my testimony.

Senator MUNDT. This is the paragraph that attracted my attention. You said:

For example, immediately after this committee heard some of the testimony involving actions of the late Governor of Oregon.

It was that phrase which brought to my mind a question as to where I heard about it. I remember the testimony of Mr. Howard Morgan.

You have refreshed my memory, and I also remember now that Mr. Elkins mentioned it. But he had been before us for many, many days.

Mr. Morgan was before us for just 1 day, and it came from what I considered to be a responsible source, and a present public official in the State of Oregon, and it made a greater impression with me, as I am sure it would have with you, than had I heard it from Mr. Elkins.

Senator GOLDWATER. Just to get this on a little better level, it is my recollection, as I try to recall Mr. Morgan's testimony, that he was the first one who came in here and categorically described actions of the former Governor Patterson, and if my memory serves me correct, it had to do with the teamsters apparent control of the Governor in relationship to the liquor control board, or whatever you call it. It is true that Mr. Elkins had made and has made reference to the reputation of Governor Patterson, but he has not done it as specifically and as categorically as Mr. Morgan sat in the witness chair and did.

I felt, and I did not want to inject this into it, that it was a rather vicious statement. In fact, I thought it was entirely uncalled for, in



view of the fact that its only ultimate interpretation could be one involving politics, I did want to make it clear that while Mr. Elkins has mentioned the supposed unreliability of the former Governor, Mr. Morgan was the first one to come here and make a specific issue out of it in which he left doubts in my mind, and I believe I discussed it with you earlier this week.

I had always regarded the Governor in a very high light, from what I have heard of him.

Senator NEUBERGER. All I can say, again, is that the specific paragraph on that page, in which I refer to the disputed statements made by this attorney and the secretary of the State civil service commission, applied to the so-called Sheridan episode. I am not clear in my mind, not having read the transcript, or having been here, whether that Sheridan episode was brought before your committee by Mr. Morgan or whether it was by Mr. Elkins. I just do not know.

Senator MUNDT. Mr. Sheridan, I believe, was a member of the State liquor commission?

Senator NEUBERGER. I wish the counsel who has followed this closely could advise me, because I do not know who mentioned this episode. I really do not.

The CHAIRMAN. That is correct, and Mr. Sheridan has testified.

I mentioned a while ago he was brought here on the issue between Mr. Clyde Crosby and Mr. Elkins as to whether Mr. Elkins introduced Mr. Sheridan to Clyde Crosby in connection with assisting him in getting reinstated on the liquor commission. Mr. Crosby denied Mr. Elkins had introduced them, or that Mr. Sheridan and Mr. Elkins had met with him in his office. Also, in his testimony, Mr. Crosby referred to Mr. Givens on another point at issue in conflict with the testimony.

We were able to get in touch with the two immediately by telephone and get them here, and both of them supported Mr. Elkins, the testimony Mr. Elkins had given, and refuted what Mr. Crosby said about it.

As to Governor Patterson, there is some question raised here about getting other witnesses. Let the Chair say now that it has been his purpose all the time, as soon as we can get through with the witnesses we have here, to have a meeting of the committee and evaluate the situation as to where we stand as of now, and let any member of the committee make suggestions, and the committee decide what other testimony then it needed.

I said there would probably be some loose ends to pick up when we got through at some future date. But on all of these matters, the Chair may assure members of the committee, and all of those interested, that they will all be weighed as soon as we can get through with this series of hearings, and undertake to bring in those witnesses that the committee feels are necessary to make it a proper and correct record of these proceedings.

Senator NEUBERGER. Mr. Chairman, just so the record will be accurate, can I ask the counsel a question for information purposes?

The CHAIRMAN. Yes, indeed.

Senator NEUBERGER. The incident I had reference to was what I read in the press about the so-called Sheridan episode regarding, I think, his reinstatement, and it was questioned in public statements made in Oregon by Mr. Phil Joss, I believe, and by Mr. Terry. I think that those are the names.

Mr. KENNEDY. I understand that is true.

Senator NEUBERGER. Was that episode related to your committee and brought before your committee by Mr. Morgan or Mr. Elkins? That is what I am not clear on.

Mr. KENNEDY. Mr. Elkins testified that he had brought Mr. Sheridan to see Mr. Crosby, and that ultimately Governor Patterson put Mr. Sheridan back into the employ of the liquor commission after he had had a civil service hearing. After he made that statement, I understand it was refuted in the papers, that Mr. Elkins had arranged for Mr. Sheridan to meet Mr. Crosby and that that was the way that Mr. Sheridan got back as an employee.

Mr. Crosby, when he testified before the committee, denied it emphatically, and said that was untrue. We then brought Mr. Sheridan back from the west coast, and he appeared before the committee, and he testified this was true.

So I think that if there was anybody that would know about the incident, it would have been Mr. Sheridan.

I think that that part was clarified.

I think Mr. Morgan said that the investigation by Langley and Patterson of the liquor commission in 1954 was not a genuine investigation, and I think that there has been evidence that has come before the grand jury in Portland, Oreg., in 1956, to show that that was true.

Senator NEUBERGER. In fairness to Mr. Morgan, I think the record should show that it was not Mr. Morgan who brought the matter before your committee which was disputed by the secretary of the civil service commission. That is the only thing I felt.

Senator MUNDT. Mr. Chairman, since we are into this, let us get all the way into it. I think I still have the notes in my office that I took at the time Mr. Morgan testified, when he brought into the discussion the name of Governor Patterson in connection with the liquor control commission and, in fact, he gave quite a story about an attorney general by the name of Thornton whom he said he was trying to urge to do something about the liquor commission activities in the State of Oregon, and that Governor Patterson was stopping him, was impeding him, and declining to appoint the attorneys necessary to do the job in that connection.

Mr. Chairman, I, therefore, renew my request that we ask our representative in Oregon to talk to Mr. Morgan and ask him for an affidavit detailing this information, which our committee did not elicit from him at the time, or, if he chooses to put some other light on it in the nature of retraction, he should be permitted to do that. I think when a Member of the Senate comes to us, and complains, and he certainly did properly, about the implications which have been attached to the deceased Governor of the State of Oregon out of the testimony of Mr. Elkins and Mr. Morgan, we should do everything we can to clarify the record.

We have done that insofar as Mr. Elkins is concerned by questioning him at great length.

But we did not question Mr. Morgan. Consequently, so we can get something before us in executive session to weigh, I suggest we seek that kind of affidavit.

Senator NEUBERGER. I would just like to say, inasmuch as you brought in the name of two people whom I know, we have a very fine attorney general in the State of Oregon, whose record for law enforcement is excellent, whose reputation for integrity is excellent, and

Mr. Howard Morgan's reputation for integrity and honesty is likewise excellent.

The CHAIRMAN. The Chair will instruct the staff to get in touch with Mr. Morgan and see if they can get an affidavit which will clarify the record in any way. After it is received, if it is received, it will be weighed in executive session, and the committee will determine whether to place it in the record, or whether to recall Mr. Morgan for interrogation.

Thank you again, sir.

Senator NEUBERGER. Thank you, Mr. Chairman.

The CHAIRMAN. Come forward, Mr. Brewster.

(Members present at this point: The chairman, Senators Ives, Mundt, and Goldwater.)

### TESTIMONY OF FRANK W. BREWSTER, ACCOMPANIED BY HIS COUNSEL, JERRY N. GRIFFIN AND JOHN K. PICKENS—Resumed

The CHAIRMAN. I believe everyone remembers the orders of the Chair. The witness does not want pictures snapping in his face while he is testifying.

Senator Goldwater, you may proceed.

Senator GOLDWATER. Mr. Brewster, I have just a few quick questions I would like to ask regarding your income in 1955. What was your salary from the western conference?

Mr. BREWSTER. \$25,000.

Senator GOLDWATER. And did you have an additional amount for expenses?

Mr. BREWSTER. Whatever expenses I incurred.

Senator GOLDWATER. The total would be about \$32,500? Some \$6,000?

Mr. BREWSTER. I wouldn't know. I couldn't answer that question.

Senator GOLDWATER. From the partnership of Beck & Brewster, how much did you receive in that year; do you know?

Mr. BREWSTER. I am just guessing.

Senator GOLDWATER. Let me ask this. I have the figures—

Mr. BREWSTER. Around \$4,000.

Senator GOLDWATER. Around \$3,100?

Mr. BREWSTER. Probably that is it.

Senator GOLDWATER. That partnership is a gas station?

Mr. BREWSTER. Yes, sir, it is. We have had it for —

Senator GOLDWATER. And from your stables, the Needham Stables?

Mr. BREWSTER. Needmore Stables.

Senator GOLDWATER. You do?

Mr. BREWSTER. Of everything.

Senator GOLDWATER. About \$790, roughly, income from that?

Mr. BREWSTER. If you have the figures, I presume they are right. I haven't them.

Senator GOLDWATER. And then from stock dividends, would you say that your income was around \$875?

Mr. BREWSTER. I think possibly that is right. If you have it, I wouldn't—

Senator GOLDWATER. It is pretty hard for a man to remember details of his income.

Mr. BREWSTER. Yes, sir, I haven't any of the data.

Senator GOLDWATER. I merely want to get this established so that when I go into further questioning, I will not have to trouble you with minute details.

Mr. BREWSTER. Yes, sir.

Senator GOLDWATER. Your income from interest in that year was around \$2,000, that is, from bonds and other investments that would produce interest income?

Mr. BREWSTER. I think you have interest that you paid out confused with interest that I got in.

Senator GOLDWATER. No, that is not that.

Mr. BREWSTER. I can't give you any information.

Senator GOLDWATER. Then sales of miscellaneous stocks and bonds, and income of about \$500?

Mr. BREWSTER. I think that is right.

Senator GOLDWATER. Your total income, before deductions, was about \$39,000, or maybe \$40,000, around \$39,000 or \$40,000?

Mr. BREWSTER. That could possibly be.

Senator GOLDWATER. Then you reported a loss on your stable that year of a little in excess of \$1,000?

Mr. BREWSTER. You are asking me questions that I do not know anything about.

Senator GOLDWATER. Stables are costly things.

Mr. BREWSTER. Sometimes they are more costly than others.

Senator GOLDWATER. You get on pretty good if it was just \$1,000.

Then your other deductions, which would include some alimony, would total around \$17,000? I do not have the details of those.

Let me go further. I believe your total deductions that year would be around \$18,000, leaving you a net income of around \$22,000. Would that be approximately correct?

Mr. BREWSTER. I haven't the least idea, Senator.

(The witness conferred with his counsel.)

Mr. BREWSTER. I am trying to follow you, and I wish I could, but I don't really know. If you have the figures, I wouldn't refute them. I would think they are right, if you got them from the income-tax department.

Senator GOLDWATER. I am not far wrong, am I, in assuming that your net income on which you reported was about \$22,000 in 1955?

Mr. BREWSTER. Yes, sir, that is possible. I am not sure.

Senator GOLDWATER. You would not want to argue with those?

Mr. BREWSTER. No, sir, either way.

Senator GOLDWATER. You cannot argue with the Federal income tax.

Mr. BREWSTER. I am not trying to. I am not trying to argue with you, Senator.

Senator GOLDWATER. I just wanted to establish that, Mr. Counsel. That is all I have.

(At this point, the chairman withdrew from the hearing room.)

Senator IVES. Senator Mundt?

Senator MUNDT. I wonder if we can conclude the business of the morning, Mr. Brewster, as to whether your attorney could find anything in the constitution.

Mr. BREWSTER. It is not of too much help, I think.

Senator MUNDT. Do the best you can.

Mr. BREWSTER. I will do the best I can with the tools that I have.

Senator MUNDT. Very good.

(At this point, the chairman entered the hearing room.)

Senator MUNDT. When you do it, Mr. Brewster, you said you had two constitutions.

Mr. BREWSTER. Yes. I am referring first to the constitution of the conference.

Senator MUNDT. Of the conference. That is the——

Mr. BREWSTER. The western conference.

Senator MUNDT. The one that you head.

Mr. BREWSTER. Yes, sir.

Senator MUNDT. Go ahead.

Mr. BREWSTER. Section 4,

The secretary-treasurer shall prepare a financial statement for the meeting of the conference. The secretary-treasurer shall send the credentials of the organization not less than 60 days—

That is just in holding a meeting—

The executive board and duties and powers. Such powers, duties and authority as are not otherwise delegated to the officers of the conference, shall be exercised, acted upon, and determined by the executive board.

The executive board, may I explain, is what we term as our policy committee. We have changed the wording of the executive board.

The chairman shall have the power to call an executive board meeting whenever he deems it necessary. A majority of the members of the executive board may call a board meeting upon written request to the chairman. Should any urgent matter arise that requires approval of the executive board, the chairman may poll the members of the board by telegram or telephone. Such action taken by the board shall have the same effect as if the board was in formal session.

Senator MUNDT. Now are you going to switch organizations?

Mr. BREWSTER. Yes.

Senator MUNDT. Before we leave that, is that all there is there now to safeguard the dues-paying member against the misuse of his funds, assuming—and I am not making any allegations—assuming that the top level should fall into improper hands? That is the only protection he has?

Mr. BREWSTER. That is about it.

Senator MUNDT. All right.

Now would you read the other constitution?

Mr. BREWSTER. Now from the international, which refers to conferences:

Experience has demonstrated that conferences are beneficial to the international union and its affiliates and should, therefore, be recognized as organic bodies within the international union. Therefore, conferences shall be organized on such geographical areas or trade divisions as the general executive board may direct; that they shall be at all times subject to the supervision and control of the international union; they shall function under the rules and bylaws laid down by the general executive board. The international union constitution shall supersede bylaws in the event of conflict.

That is all.

Senator MUNDT. Is that all you can find there?

Mr. BREWSTER. Yes, sir.

Senator MUNDT. That is all you can find to safeguard the individual union member?

Mr. BREWSTER. Of the local union; yes, sir.

Senator MUNDT. Do you think it might be well to have in the union constitutions, generally, a little more specific delineation of the safeguards that a union member could expect for his money?

MR. BREWSTER. Can I consult my attorney?

Senator MUNDT. Yes.

(The witness conferred with his counsel.)

MR. BREWSTER. At the present time, we have to stay within the objects of our so-called constitution of the western conference. But long before this committee was in session—in fact, Senator Goldwater asked me the question about the signature of checks, and I tried to offset some by the type or the way the checks are signed today. I have had our attorney already start. I have appointed a constitution committee. It is meeting monthly. By June I would like to send you a copy of the revised constitution.

Senator MUNDT. Thank you very much. That is encouraging.

My questions are more or less impersonal at the time. But you will recall you said this morning that you were planning on coming out to South Dakota. I was afraid that if you had your way, there might be a lot of Republican Senators out of a job and I might take up teamstering. If I take up teamstering, I imagine, to be much of a success, I would have to belong to the union, and I would wonder what kind of safeguards I would have.

MR. BREWSTER. Senator Mundt, I personally vote for Republicans, and I recommend to my people to vote for Republicans. I introduced at a rally just before the election Congressman Pelly and that was the first time that I ever met him in my life. But I recommended to the group, and over the air to the people that were listening, that in my opinion he was the best man suited for the job in that district. I was one of few of labor that went that way.

Senator MUNDT. I was basing my observations on the critical pamphlet we had before us this morning.

MR. BREWSTER. I think you and I could get along in your territory.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I would like to ask the witness a few questions about, first, the constitution he has been discussing.

Is that constitution from which you have been quoting the ordinary type of constitution which unions have? Is it a regular union constitution, such as generally used or employed by organized labor and unions in organized labor? Can you tell me that?

MR. BREWSTER. Senator Ives, I cannot tell you that. Do you mean other unions—

Senator IVES. Unions generally. That is what I am talking about.

MR. BREWSTER. Unions generally? I wouldn't know.

Senator IVES. There are certain parts of it that sound rather familiar to me. That is why I am wondering.

MR. BREWSTER. I think in the first place it calls for a lot of revisions from the national down to the local group.

Senator IVES. I think you are right—I think it does, definitely. But I think, on the other hand, you will find, generally speaking, that the language you have there is similar to that now being used by most unions.

MR. BREWSTER. You are possibly right. I know, even in contracts, they copy one contract over to another that they present to the employer.

Senator IVES. In other words, the rank and file of union members are trusting their officials. They do not try to hold you down, or do not try to bind you; they trust you.

Mr. BREWSTER. That is true.

Senator IVES. So it is up to you to live up to that trust, is it not?

Mr. BREWSTER. That is right.

Senator IVES. One of the things you are supposed to do under that trust is to make annual reports to the Labor Department, the Secretary of Labor. Do you do that? That is under Taft-Hartley.

Mr. BREWSTER. In western conference, I don't think I have.

Senator IVES. Why do you not? I think every segment, every layer, has to.

Mr. BREWSTER. I don't believe that is so.

Senator IVES. Are you sure about that?

Mr. BREWSTER. I have been advised by counsel that that isn't mandatory. I don't think it is spelled out there.

Senator IVES. Only your international is the one that is supposed to file it; is that right?

Mr. BREWSTER. No, sir.

Senator IVES. Who is?

Mr. BREWSTER. Internationals and local unions.

Senator IVES. Just locals and internationals?

Mr. BREWSTER. International, local unions, and joint councils.

Senator IVES. I am advised by counsel, and I know something about it myself, that every segment has to report. I think you have had poor advice on that.

Mr. BREWSTER. Can I ask you a question? Anybody, regardless of their affiliations and functions, whether they use Taft-Hartley or not?

Senator IVES. Where you are using union dues, in any way, shape, or manner, I think you have to make a report under the Taft-Hartley. That was the intent of Taft-Hartley. And I assume that is the way it is being administered. The whole idea was so that there would not be any misappropriation of funds, if it is possible to stop it that way, and I do not think it is.

I think what is occurring here in this testimony we are getting shows that we are going to have to tighten things up. I think you will agree on that, if you listened to all of it, or have read any of it. You certainly have no objection to tightening things up, have you?

Mr. BREWSTER. You bet I have not.

Senator IVES. I am glad to hear that.

All right, Mr. Counsel.

Mr. KENNEDY. In connection with that tightening things up, I would like to ask you a question about this public relations fund, going back to that. You say that you have no idea of how that money was used, is that correct?

Mr. BREWSTER. That is correct.

Mr. KENNEDY. They made no accounting to you about the use of that money?

Mr. BREWSTER. They did not.

Mr. KENNEDY. We had a check here for \$7,000, dated November 21, 1951, that went to the public relations division, which was signed by Dave Back and Frank W. Brewster. The records of the public relations division of the bank show that that money was deposited

on the 28th of November of 1951, and that the money was withdrawn on the 30th of November 1951.

Can you give any explanation, if you sent that money down there to the public relations division, any explanation why it was withdrawn within 2 days?

Mr. BREWSTER. None whatsoever.

Mr. KENNEDY. Do you know how that money, that \$7,000, was used?

Mr. BREWSTER. I do not.

Mr. KENNEDY. Did you ever hear how that money was used?

Mr. BREWSTER. Never have.

Mr. KENNEDY. Have you ever had any discussion about how that money was used?

Mr. BREWSTER. No.

Mr. KENNEDY. You never made any inquiry to find out how any of that money was used?

Mr. BREWSTER. This is the first time I heard of it. How can I inquire?

Mr. KENNEDY. You never heard about it before?

Mr. BREWSTER. I never heard about it before.

Mr. KENNEDY. Did you ever hear about the fact that the moneys going to that public relations division were being misused?

Mr. BREWSTER. No.

Mr. KENNEDY. Nathan W. Shefferman of 433 Briar Place, was he doing any work for the Western Conference of Teamsters?

Mr. BREWSTER. I don't know whether he was or not. I have heard that he was at different intervals, and I also heard that he bought the furnishings and so forth for a building. It is all hearsay.

Wait a minute. Will you let me finish it, please?

Mr. KENNEDY. All right, Mr. Brewster.

Mr. BREWSTER. I don't know where I even heard it, and I don't know who told me, but I just heard that he did furnish our building.

Mr. KENNEDY. Well, your building was not built in 1951, was it?

Mr. BREWSTER. That building was not; no. The building that I refer to here was not. But that is—

Mr. KENNEDY. During 1951, Mr. Nathan W. Shefferman was the public relations man for the Sears & Roebuck, was he not?

Mr. BREWSTER. I believe that is what he called himself.

Mr. KENNEDY. The records show that that \$7,000 check was deposited on the 28th of November 1951, was withdrawn on the 30th of November 1951, and then was deposited in Mr. Nathan W. Shefferman's account, \$7,000. It was deposited on November 29, 1951.

Can you give any explanation as to why the Western Conference of Teamsters' \$7,000 came down to the public relations account, went into the public relations account, stayed 2 days there and then was withdrawn and deposited in Nathan W. Shefferman's account?

Mr. BREWSTER. I think I explained this morning that I had no knowledge of the account in Los Angeles whatsoever.

Mr. KENNEDY. This is \$7,000. You signed the check.

Mr. BREWSTER. Yes; but it—wait a minute. I know what I did, signing the check, but I didn't have anything to do with drawing the check out. My name is not on that check.

Mr. KENNEDY. What I am trying to find out is when you deposited \$7,000 of union members' dues, and sent it down to the public relations



division, I would think that you would have an interest as to how that money was being used.

Mr. BREWSTER. I trusted the people in Los Angeles.

Mr. KENNEDY. Now we have this \$5,000 check, August 2, 1951. It is a \$5,000 check, August 2, 1951, signed by Dave Beck and Frank W. Brewster, paid to the order of the special account, public relations division. It was deposited in that public relations division special account on the 9th of August, \$5,000 deposited on the 9th of August. On the 10th of August that money was withdrawn. Can you give any explanation as to why that money was withdrawn?

Mr. BREWSTER. No, sir; I cannot, because I wasn't down there. I wasn't a party to withdrawing the money.

Mr. KENNEDY. This check went into the account of Nathan W. Shefferman on the 8th of August, and was charged out on the 10th of August. It was charged out on the public relations account on the 10th of August. Do you have any explanation for that?

(The witness conferred with his counsel.)

Mr. BREWSTER. I didn't have anything to do with making the check out.

Mr. KENNEDY. Do you know why Mr. Nathan W. Shefferman would receive those moneys?

Mr. BREWSTER. I do not.

Mr. KENNEDY. Do you know what work he was doing for the public relations division at that time in Los Angeles?

Mr. BREWSTER. I do not.

Mr. KENNEDY. Did any money come out of the Western Conference of Teamsters to Mr. Shefferman?

Mr. BREWSTER. There might have been some. I know since 1952 there has not.

Mr. KENNEDY. Was there any moneys prior to 1952?

Mr. BREWSTER. 1952? There could have been some.

Mr. KENNEDY. Was Mr. Shefferman doing any work for the teamsters at that time?

Mr. BREWSTER. He would come out to the conference as a labor-management authority and make a speech at our conference, up until I became chairman. I had heard all of his speeches so many times that when I became chairman, I didn't see any need of having another. And he could have been paid for his expenses and probably some salary for attending those conferences that we held annually.

Mr. KENNEDY. Who was responsible for inviting him to the conferences?

Mr. BREWSTER. The chairman, the same as I was responsible for not inviting him.

Mr. KENNEDY. Who was the chairman at the time?

Mr. BREWSTER. Dave Beck.

Mr. KENNEDY. Was he a close friend of Dave Beck?

Mr. BREWSTER. That I would not be a judge of.

Mr. KENNEDY. You never learned that or were told that?

Mr. BREWSTER. I don't know what is a close friend. I don't know how you weigh those.

Mr. KENNEDY. Here is a check of November 20, 1952, for \$2,068.27, signed by Dave Beck and Frank W. Brewster, paid to the order of Nathan Shefferman. What were you doing paying him \$2,068.27?

Mr. GRIFFIN. Mr. Chairman, before we go any further, we would like to look at those.

The CHAIRMAN. All right.

The Chair presents to you what appears to be a photostatic copy of a check dated November 20, 1952, Western Conference of Teamsters, signed Dave Beck and F. W. Brewster, on the Seattle First National Bank, check No. 5321. The Chair presents the check to you and asks you to examine it and see if you identify it, recognize it, and explain it.

(Document handed to witness.)

(The witness conferred with his counsel.)

Mr. BREWSTER. Is this microfilm?

The CHAIRMAN. Sir, I do not know. Can you identify it, what it is?

Mr. KENNEDY. Microfilm.

The CHAIRMAN. Microfilm, the counsel says.

Mr. BREWSTER. The only way that I can answer this—

The CHAIRMAN. Does that appear to be your signature?

Mr. BREWSTER. That is my signature.

The CHAIRMAN. You recognize, too, the signature of Mr. Beck?

Mr. BREWSTER. It looks like Mr. Beck's signature.

The CHAIRMAN. That will be made exhibit No. 65, for reference.

(The document referred to was marked "Exhibit No. 65" for reference and will be found in the appendix on p. 1109.)

Mr. BREWSTER. As I explained before, when I leave town I sign checks, and to my knowledge, to the best of my knowledge, that name Nathan Shefferman was not on there when I signed the check.

Mr. KENNEDY. Do you mean you signed the checks in blank?

Mr. BREWSTER. I do. I have already said that many times.

Mr. KENNEDY. And Mr. Dave Beck then could fill the name in to anybody he wished, and you would not know about it?

Mr. BREWSTER. He could sign the name in; yes.

Senator MUNDT. Let me ask you, Mr. Brewster. Do you and Dave Beck both sign checks in blank so that there will be checks signed by both of you without the name of the individual who is to receive the money being written in, or does just one of you sign it in blank?

Mr. BREWSTER. No, sir, Senator, either one or the other.

Senator MUNDT. You do not sign both at once?

Mr. BREWSTER. Not both sign at once; no, sir.

Senator MUNDT. So either one or the other of you know that man's name before his signature was attached?

Mr. BREWSTER. That is right.

Senator MUNDT. And you say in this case it was not you?

Mr. BREWSTER. It was not me to the best of my knowledge.

The CHAIRMAN. You signed most of the checks in blank, did you?

Mr. BREWSTER. I wouldn't say that I would sign most of the checks in blank, but I signed a lot of checks in blank, if I would be gone for a week to 10 days, so that we could continue on doing business, making payrolls and so forth.

The CHAIRMAN. Mr. Brewster, these checks are union dues; are they not? They are derived from the source of union dues?

Mr. BREWSTER. The source comes from union dues; yes, sir.

The CHAIRMAN. And you, at the head of this western conference, covering 11 States, now are unable to account for these checks, what they were for; is that correct?

Mr. BREWSTER. That is correct, on this particular period.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Chairman, on this \$7,000 check which was also made an exhibit this morning, it went into the public relations division special account on November 28, and the same amount was withdrawn on November 30, 1951.

I presume that you do not know what happened to that money either?

(The check referred to was marked "Exhibit 64" and will be found in the appendix on p. 1108.)

Mr. BREWSTER. I have already explained that, Mr. Kennedy.

Mr. KENNEDY. Was Mr. John Sweeney—was he signing checks in blank also, so that you could use them as you saw fit?

Mr. BREWSTER. That would be done when Mr. Sweeney went out of town, and when I would go out of town I would sign them in blank so that he could make them out.

Mr. KENNEDY. Has any of the money of the western conference been used to pay any of your personal bills, Mr. Brewster?

Mr. BREWSTER. Not to my knowledge.

Mr. KENNEDY. Could it have been done without your knowledge?

Mr. BREWSTER. I don't think so.

Mr. KENNEDY. So that your answer is no money—

Mr. BREWSTER. No; my answer is not that I remember, and not to my knowledge.

Mr. KENNEDY. But you would have to sign the checks, would you not?

Mr. BREWSTER. I would have to sign the checks, and they could have been made out, even by Mr. Sweeney telling the bookkeeper to make out a certain check.

Mr. KENNEDY. You mean it would be Mr. Sweeney's fault if your personal bills were paid with western conference funds, is that right?

Mr. BREWSTER. I don't know whose fault it would be. It would probably be—

The CHAIRMAN. Who has the responsibility, Mr. Brewster?

Mr. BREWSTER. I think the most of the responsibility is vested in the chairman, myself.

The CHAIRMAN. All right.

Mr. KENNEDY. And these are all union members' dues that you were using?

Mr. BREWSTER. That is the same question that you asked.

Mr. KENNEDY. Is that right?

Mr. BREWSTER. Yes.

Mr. KENNEDY. Did you ever pay for the transportation of Mr. Mel Eisen, a race horse jockey, or a race horse trainer?

Mr. BREWSTER. Yes, sir; I did.

Mr. KENNEDY. For what reason was that, western conference moneys used to pay for the transportation of Mel Eisen?

Mr. BREWSTER. He could not get the reservation out and I told my secretary to get those two reservations and I intended to see that I would pay for them later.

Mr. KENNEDY. During what period of time was that, that you did that?

(The witness conferred with his counsel.)

Mr. BREWSTER. I do not recall how long ago it was.

Mr. KENNEDY. Did it happen on more than one occasion?

Mr. BREWSTER. It might have happened on more than one.

Mr. KENNEDY. That the Western Conference of Teamsters was paying for the transportation of Mel Eisen?

Mr. BREWSTER. That is possible.

Mr. KENNEDY. And what about Mr. Richard Cavallero, a racehorse jockey? Did the Western Conference of Teamsters pay for his transportation?

Mr. BREWSTER. At one time. They were together, and that is the one that I referred to at first.

Mr. KENNEDY. Could that have happened on more than one occasion?

Mr. BREWSTER. It might possibly have happened, but not any more than one more, or something like that. I don't remember that it ever happened before.

Mr. KENNEDY. Do you feel that that is a proper use for union funds, for union dues to be used to pay—

Mr. BREWSTER. I felt—

Mr. KENNEDY. Could you wait until I finish—transportation of a racehorse trainer and a jockey?

Mr. BREWSTER. With the intent to pay it back; yes.

Mr. KENNEDY. Did you pay it back?

Mr. BREWSTER. I haven't as to date.

The CHAIRMAN. What was that?

Mr. BREWSTER. I have not paid it back yet.

The CHAIRMAN. Have you any record in the teamsters conference showing that you owe the teamsters conference that money?

Mr. BREWSTER. No, sir; but I am making an audit to see.

The CHAIRMAN. You are making what?

Mr. BREWSTER. An audit to see.

The CHAIRMAN. An audit?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. How can you audit when the records are gone?

Mr. BREWSTER. This happened, Mr. Senator, when the records were not gone.

The CHAIRMAN. You have the records?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. How long ago has it been?

Mr. BREWSTER. It has been in the last—well, since I was chairman, which was 1953.

The CHAIRMAN. It has been since 1953 some time?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. Can you fix the date any nearer than that?

Mr. BREWSTER. No, sir; I cannot.

The CHAIRMAN. You have never troubled to pay it back?

Mr. BREWSTER. No; but I intend to.

The CHAIRMAN. Do you think you will now?

(The witness conferred with his counsel.)

Mr. BREWSTER. I have already made arrangements—

The CHAIRMAN. To pay it back?

Mr. BREWSTER. Wait a minute, please—to have a man come in, and I hired him last October, and his job finishes up the 1st of April, and I intend to have him check every detailed report of any expenditures that there is of every record that we have to see if there has been any

money that has been expended in that manner, either carelessly or otherwise. I will make a full account of it, and I will so turn it over to the committee.

The CHAIRMAN. This is a little strange. It has taken from last October until now to check up to find out how much you owe the teamsters conference?

Mr. BREWSTER. No, sir; it hasn't, because I haven't been able to hire the man that I wanted to put on the job to make a thorough audit.

Mr. KENNEDY. We would be glad to do it for you.

Mr. BREWSTER. If you will give us the records back, we will be glad to do it ourselves.

The CHAIRMAN. Let me ask you this, Mr. Brewster. You occupy a pretty high position of trust—

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. In the labor union movement, and certainly for the teamsters union.

Do you think that sort of conduct on your part is such as to recommend you to the esteem and confidence of the men who work, who pay the dues?

Mr. BREWSTER. I wouldn't say it was too good.

The CHAIRMAN. I would not think so, either.

Proceed, Mr. Counsel.

Mr. KENNEDY. Other than for transportation of the trainer and the jockey, did you pay for any of their hotel bills?

First, let me ask you: On how many occasions do you think that you paid for the transportation of Mr. Eisen?

Mr. BREWSTER. I don't think that there is over that one, and I don't know of an other, offhand.

Mr. KENNEDY. Your Rita Marie Prasch says:

During the time I worked for the Western Conference of Teamsters— and this is in an affidavit that was put into the record—

I was instructed on a few occasions to arrange for transportation for Mel Eisen.

Will you assist us by telling us on how many occasions Mel Eisen was transported at union expense?

Mr. BREWSTER. I don't recall any others.

Mr. KENNEDY. You just recall one?

Mr. BREWSTER. Yes, sir.

Mr. KENNEDY. And for Richard Cavallero—

Mr. BREWSTER. At the same time.

Mr. KENNEDY. A racehorse jockey, you can only remember one time for that, too?

Mr. BREWSTER. That is right.

Mr. KENNEDY. How is the auditor going to be able to tell about how many times Mel Eisen was transported at union expense, if it was on your travel card?

Mr. BREWSTER. I believe auditors probably can tell, if they have the records. I will say this, that since 1952 all the records are intact. That is for certain. Or, rather, 1954.

Mr. KENNEDY. This happened back in 1953, as I understood what you said.

Mr. BREWSTER. I said it was in 1953?

Mr. KENNEDY. I think that is what you said.

Mr. BREWSTER. No; I didn't say that. I said—wait a minute. I think I said that since I have been on, since I went on in 1953. I think I made that statement. I didn't make a statement that this was back in there. Rita Prasch did not work in 1953 for the union at all.

Mr. KENNEDY. What was the name of the girl before Rita Prasch?

Mr. BREWSTER. Rita Prasch? It was Ann Nielson.

Mr. KENNEDY. Ann Nielson?

Mr. BREWSTER. Yes, sir.

Mr. KENNEDY. Was she ever ordered to buy any tickets?

Mr. BREWSTER. I don't remember any.

Mr. KENNEDY. You do not remember any?

Mr. BREWSTER. No, sir.

Mr. KENNEDY. Is it possible that she was?

Mr. BREWSTER. I wouldn't say that it was.

Mr. KENNEDY. What about hotel bills? Have you ever used western conference funds to pay the hotel bills of any racehorse jockeys or trainers?

Mr. BREWSTER. I do not recollect any.

Mr. KENNEDY. Do you think it is possible that you would have?

Mr. BREWSTER. It is possible, with the same understanding that I would pick the check up later.

Mr. KENNEDY. You would pick the check up. Did you ever pay back to the Western Conference of Teamsters?

Mr. BREWSTER. I haven't; no, sir.

Mr. KENNEDY. How is the auditor going to find these things?

Mr. BREWSTER. Probably the same way you did.

Mr. KENNEDY. What if you have it listed under "Organizational expenses," for instance?

Mr. BREWSTER. If I had that, it would have been listed under there. I wouldn't put the name down.

The CHAIRMAN. Who is going to pay for this auditor?

Mr. BREWSTER. I am.

The CHAIRMAN. Not the teamsters union?

Mr. BREWSTER. No, sir.

The CHAIRMAN. I think that will be refreshing news.

All right. Go ahead.

Mr. KENNEDY. You say that you are looking for an auditor?

Mr. BREWSTER. No. I have already hired an auditor.

Mr. KENNEDY. And he is just getting ready to go to work?

Mr. BREWSTER. Yes, as soon as I can get the records back.

Mr. KENNEDY. What is his name?

Mr. BREWSTER. I wish to withhold it, because he has a job now of importance, and his job isn't up.

Mr. KENNEDY. Would you submit it to us in executive session or submit it to us—

Mr. BREWSTER. I will submit it to you when he goes to work.

Mr. KENNEDY. You have not hired him yet?

Mr. BREWSTER. I would rather not submit it in executive session. I don't think that is—

The CHAIRMAN. Let the Chair get straight on this a moment. You have the name of someone who is connected with this in what way?

Mr. KENNEDY. It was the name of the auditor. It is not that important.

The CHAIRMAN. The name of the auditor that he was going to employ.

And you have not yet employed him?

Mr. BREWSTER. That is right.

The CHAIRMAN. All right.

Mr. BREWSTER. Can I say further on this auditor, for this particular work I am going to pay for, but he is going on the payroll of the western conference to make thorough audits in the entire 11 Western States, and we are going to amend that by the constitution so that he will have the authority to do that from the constitution in June.

The CHAIRMAN. I may have misunderstood you. I thought you ordered this audit or arranged for it last October?

Mr. BREWSTER. That is right.

The CHAIRMAN. About 6 months later, nearly, is it not?

Mr. BREWSTER. His job did not expire until then.

The CHAIRMAN. I do not quite understand. I thought you told me that you arranged for this audit last October.

Mr. BREWSTER. I arranged for an auditor to come to work on April 1, Senator.

The CHAIRMAN. You arranged last October for an auditor to start work April 1?

Mr. BREWSTER. Yes.

The CHAIRMAN. That is all I asked. I am trying to understand.

Mr. BREWSTER. Yes, that is right.

The CHAIRMAN. He is going to do the general audits of all of the conference, of the Western Teamsters Conference books, covering the 11 States?

Mr. BREWSTER. Yes, sir. He is going to see that they are audited. He can't do it all himself, no, sir. But he is going to be head of a division that I am going to create and develop in our constitution in the 11 Western States.

The CHAIRMAN. He is going to do that later.

Well, let me see. How are we going to determine what part of that audit you should pay for and find out how much you owe, and how much the teamsters will pay for?

Mr. BREWSTER. By the actual time he will put in looking for what he is looking for for me.

The CHAIRMAN. You may have some formula by which you could determine it, but it still seems a little strange to me that you have to have an audit made to find out how much you owe the teamsters conference for bills dating back some years. If that is the way the record is, and you want to leave it that way, of course, the Chair will not pursue it any further.

Senator Goldwater?

Senator GOLDWATER. Mr. Brewster, this is just an observation, and you might consider it a suggestion from an interested bystander. When you are having this audit made, would it be improper to determine what the individual union members dues would be if the money went to purely union functions and not to personal notes, turf clubs, jockeys, public relation firms, Cadillacs, and political contributions? In other words, instead of \$5 a quarter, approximately, or \$63 a year, being assessed from these workers who are members

of the teamsters union, what could you run that union for if the money just went for purely union functions?

Mr. BREWSTER. Well, when you break it down and take the political situation involved, it would probably be pretty hard to estimate. I don't think it would cut it down too much. I don't think that local unions—or, I mean, an organization of this type—could function with the control that they couldn't do hardly anything.

Senator GOLDWATER. I am not talking about that. I am talking about the fact—well, not the fact. I would like to know what portion of \$5.25 goes to things that are not in any way at all related to the operation of a union, like horse tracks and jockeys, Cadillacs, public relations firms, political contributions that are a little bit on the high side. In other words, what can these teamsters of your expect to pay in dues after this audit is made and they know honestly what is going to get them better wages and better working conditions, which is the basic function of a union?

Mr. BREWSTER. I do not believe that they would be cut any, but that money would be diverted for, probably, radio time, television, and public welfare, or in some other way. I do not believe that the dues are too high.

Senator GOLDWATER. You will have to admit, though, that there is some reason for having the existence in the minds of your members the idea that maybe their dues are too high, that they are buying an awful lot of frosting for the cake they are getting?

Mr. BREWSTER. All of the dues have been increased by the membership voting on them.

Senator GOLDWATER. I know that. I know that the membership as a whole is not too pleased about it. But just as a suggestion, in the course of making your audit, I think your members would be very interested in knowing what goes for pure labor union purposes, and what goes for the extraneous purposes that we have been disclosing and will disclose in the course of these hearings.

Mr. BREWSTER. Senator Goldwater, I think if we just cut organizations down to where some people would like to have them cut down, we wouldn't amount to too much. I have never, myself, at least in my thoughts and in my mind, tried to connive and contribute anything for myself. I wind up, and I will give you a financial statement when this is finished, and show you that I am not anywhere near a wealthy man. I believe that the wages, working conditions, health and welfare that we have built up in the 11 Western States, has been a bargain for what dues the membership paid for those results.

Senator GOLDWATER. I think that the membership will agree with you. I think that the general public would agree with you, if these disclosures had not been made. The records show, which you do not deny, that there are personal notes that are not paid, that some of this money has gone to jockey clubs, to horse clubs, and to horse breeder associations. I cannot relate that, for instance, to higher wages and better working conditions.

I recognize in your statement the indictment that is being returned against some of the members of this committee and others who are interested primarily in what the working man gets for his union dues, not what the union officials get out of those dues. We are not trying to destroy unions, or weaken unions. We are trying to make them strong-



er by eliminating these kinds of malpractices that are going on in some, and I am happy to say a few, of the unions of this country.

Mr. BREWSTER. These things, some of them that you allude to, Senator Goldwater, are not for personal use. They are to build up good public relations with the people that I work with. Refer to seats and jockey clubs, and so forth. People that I know like to go there, and they know that I own horses and they ask for tickets and a seat. The Cadillac cars that you refer to, I have let employers use them as much or more than I have.

Senator GOLDWATER. We are not here to criticize or defend or condemn employers. We are here to find out what has been going on in your unions.

The profit from some of these horse ventures, for instance, would that take care of the tickets that these people seem to have to have in order for you to get higher wages and better working conditions for your men?

Mr. BREWSTER. I don't think that it will be—I think that what you are talking about is infinitesimal. I think it is very, very small.

Senator GOLDWATER. The figures I have seen this morning, and I do not think we have begun to stick our nose under the carpet, they are not small in my judgment of big and small. In fact, they are pretty doggone big.

I would be interested in finding out if an organization that I belonged to, for the pure purposes of bettering the lot of the merchant, suddenly produced records that showed that the president, the vice president, and the officials, are in the horse business, and they are spending money for extraneous subjects not related to the betterment of the merchants of this country. I think that is exactly what you have been doing.

My suggestion is not to come to some conclusion regarding union dues that will weaken your position at the bargaining table, but to come to some conclusion for the benefit of your workers that will indicate that you can do the same job for them you have been doing, and still live without incurring the good will of horses and jockeys and other characters that live in the Western States.

That is my whole interest in this.

I suggest to you that in the course of your audit you come up with some figure that represents what you have been doing with this money on the one side that is over and above and outside the bounds of proper actions in relationship to labor management, and what you have actually applied to the bargaining table. I think your members are entitled to know.

Senator IVES. Mr. Chairman?

The CHAIRMAN. Senator Ives.

Senator IVES. I would like to point out to Mr. Brewster, since talking to him about the Taft-Hartley Act and the requirements for filing expenditure accounts, I have checked the act, and I find that you do have to file that account, not only for the locals, but for all the intermediate organizations, including your western conference and all the rest, because the money comes from dues.

I refer you to the Supreme Court decision on that, *NLRB v. Highland Park Manufacturing Company* in 1951.

I think your people might want to look it up.

I cannot for the life of me understand where you are going to get this information that you are going to need for filing purposes.

Mr. BREWSTER. Will you give me that case number, again, please?  
Senator IVES. Pardon?

Mr. BREWSTER. Would you give me the case number again?

Senator IVES. *NLRB v. Highland Park Manufacturing Company* (1951) 19 Labor Cases 6,327, 341, U. S. 322).

How in the blazes name are you going to get this information?

Presumably, your records, from what you told us previously today, have been destroyed, or at least some of the most necessary ones have disappeared.

Mr. BREWSTER. I am going to make a very good attempt, as good as I possibly can.

Senator IVES. That is all.

Mr. KENNEDY. Could you tell us what instructions you are going to give your auditor, what he is supposed to be looking for?

Mr. BREWSTER. No; I can't. He will probably ask me some.

Mr. KENNEDY. What are you getting the auditor for?

Mr. BREWSTER. If he does, maybe I can help him. I don't know. He is an auditor, and I am not.

Mr. KENNEDY. What is it that you are looking for? What is it that you want to retain him—

Mr. BREWSTER. I am looking to see if in manner, shape, or form, there has been any of this money that has been diverted to me that should not have been diverted to me, and it could go back where it belongs.

Mr. KENNEDY. Why have you been diverting money?

Mr. BREWSTER. It hasn't been—don't put it in the way I have been diverting it. It has been mishandled in the way that it was charged to the wrong account.

The CHAIRMAN. Just one moment now.

Mr. BREWSTER. Well, I had—

The CHAIRMAN. Just one moment now. I thought you were going to have a general audit of all of the records of the conference for the benefit of the conference itself, and then you were only going to pay such part as you just now referred to, to look up and see how much you owe.

Mr. BREWSTER. That is what I stated.

The CHAIRMAN. Is that the only purpose of this audit, to find out how much you owe the teamsters union?

Mr. BREWSTER. Oh, no.

The CHAIRMAN. What is the other purpose?

Mr. BREWSTER. The other purpose is just general, and that will have to be—before they could do this, Senator, I don't think you are following—

The CHAIRMAN. I have not been able to, exactly.

Go ahead.

Mr. BREWSTER. I am recommending, through recommendations of our constitution, to have them changed, and then I will have information that I can present to see that this individual that I have hired will continue on setting up a form of keeping track of moneys in all areas in the 11 Western States.

The CHAIRMAN. Let me understand you again. I am trying to follow you. Do you mean that you are going to have to have the constitution changed before you can do that?

Mr. BREWSTER. Yes; I am.

The CHAIRMAN. Well, I am asking.

Mr. BREWSTER. Yes, sir. I said that. I have no right, and I will also have to go a little further, to change the international constitution to get that authority in the 11 Western States.

The CHAIRMAN. You do not expect to get that change made by April 1; do you?

Mr. BREWSTER. Not that part of it; no, sir. But it isn't long between April and June.

That isn't funny.

Mr. KENNEDY. I was not laughing at you. It was just the statement.

The CHAIRMAN. Let me see if I understand it. You cannot get this audit started until after the constitution is changed; is that true?

Mr. BREWSTER. I cannot get it started, as far as the rest of the areas are concerned, until the constitution is changed; no, sir.

The CHAIRMAN. Now, where can you start without the constitution being changed?

Mr. BREWSTER. At the western conference of teamsters.

The CHAIRMAN. Well, the western conference of teamsters covers some 11 States; does it not?

Mr. BREWSTER. No, sir. It is just one fund. It is just one activity.

The CHAIRMAN. I understood that the western conference of teamsters covers or embraces some 11 States.

Mr. BREWSTER. It embraces some, but the financial part of it has nothing to do—

The CHAIRMAN. The financial part of it is all under your control right there in your office; is it not?

Mr. BREWSTER. It is under control of the western conference of teamsters itself.

The CHAIRMAN. It is all there in your office, is it not; your headquarters?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. You have the authority to hire an auditor now; have you not?

Mr. BREWSTER. I am talking about two different things.

The CHAIRMAN. You must be. Here you have been owing some money here, and apparently it came out of the dues of union members, diverted to your use, to pay your jockeys' travel, and pay the hotel bills of your jockeys, and others. I do not think the union gets any money out of your profits or horse racing. Does it?

Mr. BREWSTER. No, sir.

The CHAIRMAN. Well, they are helping to pay the expenses of it; they have been.

I am trying to get at when are you going to get an audit to determine about how much you owe the union. When are you going to get that started?

Mr. BREWSTER. The 1st of April.

The CHAIRMAN. You are going to get that one started the 1st of April?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. What is the other thing you are talking about you are going to get started?

Mr. BREWSTER. Next following that, the western conference books generally are going to be audited.

The CHAIRMAN. If you get the constitution changed?

Mr. BREWSTER. No, sir.

The CHAIRMAN. You are going ahead in that without a change in the constitution?

Mr. BREWSTER. That is right.

The CHAIRMAN. What is the change in the constitution? How is that going to have any impact upon these audits?

(The witness conferred with his counsel.)

Mr. BREWSTER. There are local unions and joint councils.

The CHAIRMAN. You want the authority to go audit the local unions, too?

Mr. BREWSTER. And joint councils; yes, sir.

The CHAIRMAN. And joint councils?

Mr. BREWSTER. Yes, sir.

The CHAIRMAN. All right.

Mr. BREWSTER. I think that that would be at least an improvement on what we have today.

The CHAIRMAN. I am of the opinion that it would be, and heartily agree with you.

All right, Mr. Kennedy.

Senator MUNDT. Could I understand, Mr. Brewster, that up until now there have been no audits taken of these funds under your jurisdiction, and in the local unions that auditing is looked at with a jaundiced eye, so you would need a constitutional amendment to make it possible?

Mr. BREWSTER. There have been internal audits by trustees of local unions and joint councils.

Senator MUNDT. You are proposing now some kind of an independent audit agency; is that it?

Mr. BREWSTER. In some instances, yes, and in some instances, no. There have been in some areas that they do it and some areas that they do not do it. They take the international audit, and they take the audit of their trustees, and present it to the membership. I do not believe it is sufficient.

The CHAIRMAN. Will you yield to me a moment?

Senator MUNDT. Yes.

The CHAIRMAN. I would like to read from the constitution of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, section 9:

The general president shall employ an expert public accountant to audit the books of the general secretary-treasurer on the 1st of April, July, October, and January.

That is the international.

This is also the international; this is as of August 15, 1957. What is the date of the first one?

Mr. GRIFFIN. Mr. Chairman, what article and what page are you reading from, please, sir?

The CHAIRMAN. I was reading from page—

Mr. KENNEDY. Do you have any extra copies of the constitution?

Mr. GRIFFIN. No, sir.

Mr. KENNEDY. Do you know where we can get them?

Mr. GRIFFIN. I do not.

The CHAIRMAN. I read from page 21, section 9.

Mr. GRIFFIN. Thank you, Senator.

The CHAIRMAN. Let me ask you this question: Do you maintain that you do not have authority now, the international does not have authority, to audit the books of any local or any conference or any joint council?

(The witness conferred with his counsel.)

Mr. BREWSTER. Can I explain it a little bit?

The CHAIRMAN. Yes, sir.

Mr. BREWSTER. I was secretary-treasurer of a local union for many years. I felt that up until 1953 that the audit of the international was a complete audit of the books and records. I think you will find since 1953 that the auditor since has audited the books for per capita tax, initiation fee, et cetera, of what the international is owed, period.

The CHAIRMAN. He does not audit the expenditures?

Mr. BREWSTER. No, sir.

The CHAIRMAN. You do not have that authority now under the international constitution to audit the expenditures?

Mr. BREWSTER. I believe they have the authority, but I am just telling you of what has been done.

The CHAIRMAN. All right.

Mr. BREWSTER. Not the western conference. The international.

The CHAIRMAN. All right. They do have the authority to audit, the international does, but you are saying that it has not been the practice to do it?

Mr. BREWSTER. That is right. The western conference does not have that authority.

The CHAIRMAN. What does the western conference constitution say about audits?

Mr. BREWSTER. The books of the local unions?

The CHAIRMAN. No; to have an audit made of its own books?

Mr. BREWSTER. It says that there shall be an audit.

The CHAIRMAN. You can hire public-relations people to promote the good of the organization. Under the same constitution, can you not hire an independent auditor to check and see if your funds are being properly expended and your records properly kept?

Mr. BREWSTER. I believe so.

The CHAIRMAN. I think you could. So you do not need a change in the constitution to do it; do you?

Mr. BREWSTER. I am broadening the thing, to not only confine it to the western conference. That seems to be the only thing that is probably on the agenda today. But this is going further than that. It is going into joint councils, local unions, et cetera. If I can be of some assistance, I would like to do it. If the committee does not want me to, that it all right, too.

The CHAIRMAN. The international can do it now.

Mr. BREWSTER. The international has not done it and the international has—I do not know what protection or what legal advice they got, but I know this—that in the last 4 years the only way that an auditor signs is that the books have been audited for per capita tax, initiation fee, and any other money that the international has coming.

The CHAIRMAN. You are leaving the impression here that they only audit to see if they got all of the money out of the union's paying members that they should have gotten out of them.

Mr. BREWSTER. Out of the local unions.

The CHAIRMAN. Yes. But you are not auditing to see what is being done with the money; is that correct?

Mr. BREWSTER. I think it could be construed that way.

Mr. KENNEDY. So I understand what this auditor is going to do to you personally; what are you going to tell him? Are you going to tell him—

I want you to find out every time I diverted union funds—  
or what?

Mr. BREWSTER. I don't like the word—

Mr. KENNEDY. You used it, Mr. Brewster.

Mr. BREWSTER. Well, will you refrain from doing it? On every slip that I make, are you going to keep it up?

Mr. KENNEDY. Well, slip back.

Mr. BREWSTER. You know I am not an attorney. I am a layman.

Mr. KENNEDY. What did you do—

Mr. BREWSTER. I was a truckdriver by birth.

Mr. KENNEDY. How do you want to describe what you did with union funds?

Mr. BREWSTER. I am going to ask the auditor to go into every phase of anything, as far as he is concerned, that he believes would not be an expense of the western conference. That probably wouldn't just include Frank Brewster.

Mr. KENNEDY. How is he going to determine that?

Mr. BREWSTER. Well, auditors, I believe, know how to do that. I know that you have got auditors around and doing these things.

Mr. KENNEDY. For instance, what if you have \$500 listed on your books as organizational expenses, and actually somebody has stuck that in their pocket, and it was 3 years ago?

Mr. BREWSTER. I am certainly going to be able to explain that.

Mr. KENNEDY. How can you explain? What is this auditor going to be looking for?

Mr. BREWSTER. The auditor and I will come out that that will be explained.

Mr. KENNEDY. Are you going to go sit down with him and explain every item?

Mr. BREWSTER. I am going to have him audit the books, and then he is going to ask me all of the questions, probably as many or more than you are asking me today, and I am going to work with him. I will have the books in front of me, and refresh my memory, and so forth, and see if I cannot get somewhere.

Mr. KENNEDY. You wouldn't be able to have an audit for prior to 1954.

Mr. BREWSTER. That is right.

Mr. KENNEDY. What are you going to do to repay the union for the money that you—whatever words you want to use—prior to 1954?

Mr. BREWSTER. I don't think that there is any.

Mr. KENNEDY. Did you just start in 1954?

Mr. BREWSTER. Did I just start?

Mr. KENNEDY. Did you just start using the money to pay your own personal bills or pay your jockey or your trainer; did you just start that in 1954?

Mr. BREWSTER. That is a very, very small amount, and I don't even know what you are talking about.

Mr. KENNEDY. How much money is involved?

Mr. BREWSTER. I really don't know. I don't think it is very much.

Mr. KENNEDY. How do you know it is small?

Mr. BREWSTER. Because I don't think that it has been abused too much.

Mr. KENNEDY. Are you going to have him check back, for instance, into these transactions in 1951 where this money went down into the public-relations account and then came out of it?

Mr. BREWSTER. No, sir; I am not, because I don't think that I had anything to do with that.

Mr. KENNEDY. You signed the check that sent the money down there?

Mr. BREWSTER. Yes, sir; I did.

Mr. KENNEDY. Well, that was—

Mr. BREWSTER. Wait a minute again. That went into another fund, and, absolutely, I had no control, no conception, of that fund, and it hasn't been the practice, and I don't think it will be, to keep on checking to see just exactly what they did.

Mr. KENNEDY. Let me ask you this: Was it possible, and is it possible, for a high union official to set up a fictitious organization and keep sending money down to this fictitious teamster organization and then take the money out of there and use it for his own personal benefit?

Mr. BREWSTER. I have never heard of it.

Mr. KENNEDY. Could you tell us what happened? Dave Beck suggested this organization be set up, the public-relations council.

Mr. BREWSTER. I didn't say that Dave Beck did. I said it was possible that he could have, or possible that the Los Angeles area could have asked for it.

Mr. KENNEDY. You said he appeared at the meeting and made a suggestion that this public-relations council be set up. That is what you said, and you said that you went along with him.

Mr. BREWSTER. I said, to my recollection, or it could have been—let me finish it—it could have been that the request came in from the Los Angeles area that they needed some publicity down there and to ask the western conference for money to carry it on.

Mr. KENNEDY. Dave Beck was the one that proposed this at the meeting. That is what you stated this morning.

Mr. BREWSTER. I said to the best of my knowledge, I remembered that part of it, but it could have been the other way.

Mr. KENNEDY. Let me see if this is what happens: A public-relations account is set up, and money is then sent to that public-relations account, on checks signed by you and Dave Beck, and within 2 or 3 days that money is withdrawn and sent to Nate Shefferman, who is a friend of Dave Beck's. You give us any explanation of that that you can. That is thousands and thousands of dollars of union members' dues.

Are you going to have your auditor look that over?

Mr. BREWSTER. Haven't I already testified on that?

Mr. KENNEDY. Are you going to have your auditor look that over?

Mr. BREWSTER. Am I going to testify on that over again?

Mr. KENNEDY. Just tell me this: Are you going to have your auditor look that over?

Mr. BREWSTER. Please, I don't want to argue. I think I testified how that happened.

The CHAIRMAN. Mr. Brewster, you have been asked a question: Are you going to have your auditor look into these checks that went to that public-relations fund totaling thousands of dollars? You can answer whether you are going to or not going to. That is all he asked.

Mr. BREWSTER. I said "No." I said that that would probably come under the category of the organizing in that area there.

Mr. KENNEDY. The answer to the question is that you are not going to have the auditor look into that matter?

Mr. BREWSTER. No. I have answered it already. No.

Mr. KENNEDY. You are not?

Mr. BREWSTER. No.

Mr. KENNEDY. Don't you think it would be of interest to the members of the teamsters union who have paid moneys into the Western Conference of Teamsters to find out if that was a proper use of money?

Mr. BREWSTER. I told you that we did not have the authority.

Mr. KENNEDY. But get the authority. You don't want to get the authority?

Mr. BREWSTER. When we get the authority—let me say this: Some people might think that this is a one-man organization.

Mr. KENNEDY. Yes.

Mr. BREWSTER. Possibly you do. But I have a board of 33 people and they will judge what is going to be done, and they will also appoint themselves and ballot themselves, and elect, a finance committee; that is what I am going to set up. If they feel in their own judgment that that is one of the things they should look into, they absolutely will, and I think they probably will look into everything.

Mr. KENNEDY. So you think it is possible they will look into that?

Mr. BREWSTER. It is possible.

(At this point, Senator Goldwater left the hearing room.)

Mr. KENNEDY. If that money was used to pay any teamster official's bills, will you try to get that money returned from him?

Mr. BREWSTER. I most certainly will.

Mr. KENNEDY. And you will take action against him?

Mr. BREWSTER. Absolutely.

Mr. KENNEDY. If it is brought out at this hearing that that money was used to pay any teamster official's bills, you will take action against that teamster official?

Mr. BREWSTER. To get the money back?

Mr. KENNEDY. Yes.

Mr. BREWSTER. Yes, sir.

Mr. KENNEDY. You will. Now, just in connection with Mr. Shefferman, do you know why they would send money to Chicago to a public-relations man working for Sears, Roebuck, in Chicago, a public-relations counsel in Los Angeles?

Mr. BREWSTER. You are asking me to speculate.

Mr. KENNEDY. Doesn't it interest you?

Mr. BREWSTER. Yes, it does, but not from the point of speculation.



MR. KENNEDY. Tell me this: Doesn't it interest you so much that you are going to try to find out about that in the next few days, to find out if that money was misused?

MR. BREWSTER. I don't think that is possible in the next few days. (The witness conferred with his counsel.)

MR. BREWSTER. I don't think—I have some of my own stuff to fix up in the next 2 or 3 days.

SENATOR IVES. Mr. Chairman—

THE CHAIRMAN. Senator Ives.

SENATOR IVES. I would like to ask Mr. Brewster a few questions in line with the previous question we had over reporting.

Does the Western Conference negotiate any contracts or do any collective bargaining of any kind?

MR. BREWSTER. Senator Ives, not in the category of absolutely negotiating. They assist.

SENATOR IVES. They are in kind of a twilight zone; are they not?

MR. BREWSTER. I don't think so. I think they are quite a bright spot.

SENATOR IVES. What I mean is that their role is sort of a neither here nor there. You say they assist, but they do not.

MR. BREWSTER. Let me put it this way: If we are called in by local unions, which we are, all the time, to aid and assist—in other words, we might have some employers that I know personally, and if I can come down and talk to them and get a couple of them off to one side, and if they are not very far apart, I can bring them together.

That is what I term as "aiding and assisting." We do that very, very often. I believe we have a minimum—

SENATOR IVES. They do participate, then, in collective bargaining?

MR. BREWSTER. Well, from the standpoint of getting people together.

Well, possibly you have a point there. Both sides, even if I suggested something, could tell me that it wasn't any of my business, and I couldn't make it my business.

SENATOR IVES. I understand. I wanted to find out what their role was in that field.

The next question is what is the role with respect to that particular field where the joint council is concerned?

MR. BREWSTER. The joint council over a local union?

SENATOR IVES. Do they do any bargaining of any kind? Do they have anything to do with contracts of any kind?

MR. BREWSTER. They are practically in the same thing.

SENATOR IVES. They sit in and advise and help them; is that right?

MR. BREWSTER. That is right.

SENATOR IVES. In other words, they are a party to it?

MR. BREWSTER. Well, they are, in some degree, I imagine.

SENATOR IVES. The reason I am saying this is because I was not satisfied with the ruling I found here on this legal question which I gave you. I checked with the Labor Department in the meantime to find out how they have been construing it. They have reached the conclusion temporarily, I understand, that you are not required, that is, your conference is not required, nor is the joint council, as I understand it, to make financial accountings to the Labor Department, but it is in a twilight zone that they are not sure about.

They do not know where they are. That is why I am asking you about this negotiating. If you are negotiating contracts, if you are in

that field of collective bargaining, presumably you should be reporting for any part of it. But I think you probably are in the clear on that.

I do not want to leave any false impression around here. Your statement itself says that you negotiate, and you admit that.

Mr. BREWSTER. I thought somebody was going to ask me that.

In fact, I have no authority to say that this would be it or anything like that. It is on a local level, and all I do is aid and assist, and I believe that we have stopped strikes after strikes by that.

(At this point, Senator Goldwater returned to the hearing.)

Senator IVES. But you do act in the field of collective bargaining. That is what I am trying to bring out.

Mr. BREWSTER. I think to a degree.

Senator IVES. You are a party to it?

Mr. BREWSTER. I think so.

Senator IVES. And as such, you should be reporting, whether the Labor Department construes it that way or not?

Mr. BREWSTER. That would probably be the safest.

Senator IVES. I think you should. I say, from the records, I do not see how you can get out of making a report. But that is neither here nor there.

Mr. Chairman, I want to make a suggestion for the committee to consider. We have hit a field here which is something which has to do with the finances of labor organizations, from local unions on up, and the dues that are paid. It is a question of policy itself.

I think before we come to any conclusion ourselves with regard to this matter, we ought to have somebody up here representing the Labor Department to find out what the policy is and what they propose. I understand 6 or 7 conferences do file reports already.

There is some question as to whether you should or not. In my judgment, because you are a part of collective bargaining, you should, but that does not mean that you have violated anything because you have not, apparently.

Mr. Chairman, I think we ought to have the Secretary of Labor himself, and anybody else he wants to bring with him, up here with us to find out exactly what the law requires. I think the Chairman of the NLRB also should be here.

I think again and again we are going to run into this matter as our hearings progress, not only with this labor organization, but with others that may come before us. I think we should find out where we are.

The CHAIRMAN. Senator Ives, the Chair will certainly, at any time the committee wants to, hear from the Secretary of Labor and from the Chairman of the National Labor Relations Board.

We will have a meeting and have them testify before the committee. The Chair may say, however—and I am not detracting from the authority of this committee; I think this committee definitely has the authority—that comes primarily, under the regular rules of the Senate, within the jurisdiction of the Government Operations Committee.

It was on that basis that the Government Operations Committee undertook to interrogate this witness and other witnesses quite some time ago, at which time this witness challenged the jurisdiction of the committee and we were not able to go into it as fully as we hoped. But we did ask the Secretary of Labor and the Chairman of the

National Labor Relations Board for reports, at which time they pointed out some of these difficulties to us.

Senator IVES. Mr. Chairman, may I speak on that point? I think it also applies to the Committee on Labor and Public Welfare, too. That is why we are a combined group here in the select committee dealing with this subject. I think that is why properly it might come before us.

The CHAIRMAN. It can. There is no question about it. It can come before us. Are there further questions?

Mr. KENNEDY. Mr. Chairman, I couldn't possibly finish. We have too many things to discuss.

The CHAIRMAN. It is impossible to finish with this witness' testimony this afternoon, and I am advised that it would be impossible to finish by noon tomorrow. We have been working pretty hard this week. If we cannot finish by noon tomorrow, I see no reason in coming back here tomorrow. So when the committee recesses we will recess until 2 o'clock Monday afternoon. The present witness will be back at that time.

Counsel Kennedy has a statement he wants to make.

We are not in recess yet, so let us have order, please. The Chair was just announcing what the plans are when we do recess.

Senator MUNDT. I simply want to read into the record at this point section 3 of the authority of the select committee in line with the discussions we have had with Senator Ives:

The select committee shall report to the Senate by January 21, 1958, inclusive, and shall, if deemed appropriate, include in its report specific legislative recommendations.

So, in a way, the Senate did give us a mandate to make legislative recommendations.

Mr. GRIFFIN. Mr. Chairman, you have been very kind and considerate. Mr. Brewster needs to go to the west coast on business. He has been here for some period of time. Couldn't we put this hearing over until Tuesday morning?

The CHAIRMAN. All right, if it is an accommodation to the witness, and you request it.

Mr. BREWSTER. I would appreciate it very much.

The CHAIRMAN. Just a moment, then. Shall we have a meeting on Monday or should we go over to Tuesday?

All right; the Chair will change his announcement, since the witness requested it, and it is an accommodation to him. We will resume with this witness next Tuesday at 10 o'clock. Before we recess Counsel Kennedy has a statement to make.

Mr. KENNEDY. Mr. Chairman, Mr. Crosby's attorney had some affidavits that he wished to place in the record. That question is still before the committee.

During the noon hour we examined the affidavits. I made one telephone call to a Government employee and found that in one of the affidavits it was completely false and untrue, the statement that was made there. The affidavits in many cases, in several cases, are made by prostitutes. The affidavits refer to other prostitutes or statements or hearsay statements from other prostitutes.

In a number of cases, those prostitutes that are supposed to have made the statements are dead.

Mr. Chairman, we would like to have the opportunity of talking to the people, the individuals, who have made these affidavits, and interview them, as we have done in the past on any affidavits that are submitted.

Our first study and perusal of them shows, at least in one case, they are absolutely false and untrue. We have asked Mr. Crosby for the addresses of these people that filled out the affidavits.

The first one I notice here is listed as Kathleen Weeks, in care of the custody of the Portland police. I would like to point out that Kathleen Weeks, a prostitute, appeared on television the other night.

I would like to say also on this question that these affidavits are supposed to be regarding Mr. Elkins being interested in prostitution. We had Helen Hardy, who appeared before this committee, and who had a house of prostitution in Portland for many years, who said that she never heard of Mr. Elkins being interested in prostitution. Ann Thompson, who is another madam from Seattle, and who is well known in the trade, also testified that she never heard of Mr. Elkins being interested in prostitution.

The CHAIRMAN. The Chair might make this observation.

I want the staff to pursue further the veracity and validity of these affidavits by making contacts with the affiants themselves, if possible to do so, and interrogate them. The matter of whether they will be admitted in the record will still be pending before the committee.

The Chair would like to point out that it is not all important in this hearing whether Mr. Elkins ever engaged in the vice racket or prostitution. He has admitted about everything else in the book, so I do not see that even if he did, it is going to detract very much from the testimony that he has given, where it is actually corroborated by other witnesses.

I am not going to waste a lot of Government money running down a bunch of trash like that to any great extent. Wherever we can quickly ascertain about it, we will take some action to do it, in order to determine whether these affidavits, any of them, or any part of them, should go into the record.

I am not going to let this committee, and I know my colleagues on the committee agree with me, be deterred and sidetracked and running off into every little question about whether a man did this sometime or did that sometime. We are going to keep it on the track and drive toward our goal of finding out the truth in the charge of responsibility that the resolution establishing the committee has authorized and directed the committee to do.

Mr. KENNEDY. Mr. Chairman, could I also say on that that in the study we have made, we have found no evidence in the 3 or 4 months we have been on this case to show that Mr. Elkins has engaged in prostitution or that he is now presently or has been in the last few years in narcotics.

The CHAIRMAN. Mr. Elkins has admitted his character, everything but those two things, and even if you add those to them, I do not think it would be very devastating.

The committee will stand in recess until 10 o'clock Tuesday morning.

(Present at time of adjournment: The chairman and Senators Ives, Mundt, and Goldwater.)

(Whereupon, at 5 p. m., the select committee recessed, to reconvene at 10 a. m., Tuesday, March 19, 1957.)

# APPENDIX

## EXHIBITS

### EXHIBIT No. 46A



Mr. John Sweeney, Secretary-Director  
Western Conference of Teamsters  
Seattle, Washington

Dear Sir and Brother:

The following amounts have been paid out by the  
No. 27 to Western Conference representatives  
at Salem, Oregon.

PICKETS (4) at \$30 a week  
Tom Maloney Phone Bill  
Hal Abelsen Expenses advanced  
George Purvis Expenses for Airfare  
Health & Welfare  
Airfare  
Gas & Car Expenses  
Hotel  
Walter W. Smith Salary  
Health & Welfare  
Expenses  
Car Allowance  
Salary

U.

SEASIDE TEAMSTERS No. 17  
KING COUNTY TEAMSTERS No. 18  
PORTLAND GENERAL TEAMSTERS No. 182  
PORTLAND WASHINGTON No. 266  
SALMON TEAMSTERS No. 228  
MILWAUKEE TEAMSTERS No. 221  
MILWAUKEE LOCAL UNION No. 221  
TACOMA TEAMSTERS No. 281

DERRY NO 8 LOCAL EMPLOYEES No. 101  
BEND TEAMSTERS No. 171  
BEGON TEAMSTERS No. 114  
LEWIS & CLARK LOCAL No. 114  
SALMON & GENERAL LOCAL No. 114  
VANCOUVER TEAMSTERS No. 114  
ASTORIA TEAMSTERS No. 149

SEASIDE LOCAL UNION No. 114  
SALMON LOCAL UNION No. 114  
PORTLAND LOCAL UNION No. 114  
PORTLAND LOCAL UNION No. 114  
PORTLAND LOCAL UNION No. 114  
PORTLAND LOCAL UNION No. 114  
PORTLAND LOCAL UNION No. 114

EXHIBIT No. 46B

WESTERN CONFERENCE OF TEAMSTERS

I. B. of T. C. W. and P. of A.

19-111  
1131

Seattle 9, Wash. MAY 4 1955 No. 8428

PAY to the order of

JOINT COUNCIL # 37

\$3426.57

The sum of \$3426 and 57 cts

SIXTH AND DEBAY BRANCH

SEATTLE-FIRST NATIONAL BANK

SEATTLE, WASHINGTON

WESTERN CONFERENCE OF TEAMSTERS

*Donald Mc Donald* President  
*W. R. ...* Secretary

CREATED TO ACCOUNT OF

*W. R. ...*

May 6, 1955

Mr. R. R. Mikesell, Secretary  
Joint Council of Teamsters No. 37  
1020 W. E. 3rd Avenue  
Portland 12, Oregon

Dear Sir and Brothers:

Enclosed please find Western Conference of Teamsters  
Check No. 8428 in the amount of \$3,426.57, representing  
reimbursement for amounts paid by Joint Council 37 to  
Western Conference representatives and pickets at Salem.

Fraternally yours,

DONALD MC DONALD

enc.

1955

EXHIBIT No. 47

Contribution to  
Campaign Fund -  
Holmes for Governor

CITIZENS BRANCH  
UNITED STATES NATIONAL BANK

August 10, 1935

\$ 2,000.00

PAID TO ORDER \$2000 and 00/100

Lyle C. Crosby  
Cashier

UNIT COUNCIL OF TEAMSTERS NO. 3  
Special Account  
1020 N. Third Ave.  
Portland, Ore.

*Earl Adams*  
*Clarence G.*  
*L. H. Adams*  
*Earl Adams & Assoc.*











EXHIBIT No. 50

OLYMPIC HOTEL

THOMAS A. GILDEASLEVE, Manager

NE 66339 Y

TYPE IN

APPLY

Q

*Tom Maloney*  
 Name  
*3711 East 2nd*  
 Street and Number  
*Spokane, Wash.*  
 City and State  
 Firm or Business Address

ACCOUNT NUMBER

67996

Departure

12/18

MALONEY TOM

These Rooms will be occupied

at *[Signature]*  
Cashier

Guests are hereby notified that the Olympic Hotel will not be responsible for Valuables, Money, Jewelry, Clothing, etc., unless the same are deposited in the safe

2	1	0	0
3	0	0	0
3	0	4	1
2	7	2	0
4	4	1	0
2	4	1	0
1	7	0	0
2	0	1	3

2-11

2 P M

4 R 1 P M

EXHIBIT No. 50—Continued

THE OLYMPIC CLUB  
 1715 4th Ave. S.W.  
 SEATTLE, WASH. 48101  
 12/10/54



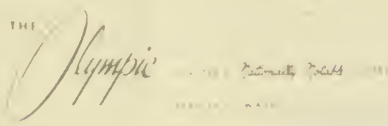
N 67996

OLYMPIC HOTEL  
 SEATTLE, Washington

DATE	EXPLANATION	CHARGES	CREDITS	BAL DUE
	REST ROOM DIST	• 2.05		• 2.05
	REST ROOM DISK	• 7.00		
	REST ROOM DISC. TAX	• 0.21		
	REST ROOM PHONE	• 0.60		• 9.86
	REST ROOM DIST	• 1.45		• 11.31
	REST ROOM DIST	• 1.25		• 12.56
	REST ROOM DISK	De 4.74		• 17.30
	REST ROOM DISK	• 7.00		
	REST ROOM DISC. TAX	• 0.21		
	REST ROOM PHONE	• 4.20		• 28.71
	REST ROOM PHONE	• 0.18		• 28.89

PLEASE PAY THIS BILL WHEN RECEIVED  
 PLEASE RETURN TO THE OFFICE

EXHIBIT No. 50—Continued



WESTERN CONF TEAMSTERS  
 552 DENNY WAY  
 SEATTLE WASH

	3,779	DE 1934	WA	66,603	8556		22720 *
							31276 *
12.76	3,877	DE 1934	WA	67,996	2886		34162 *
41.62		DE 1934	WA			22720	11442 *

THE OLYMPIC NATIONAL BANK

EXHIBIT No. 50—Continued

COPY

308 PALMETT Twp 7 00  
TV 300 on 12/17  
B 67996 66779 12/18 ML  
3711 EAST 200

FROM: [Redacted]

TO: [Redacted]

DATE: [Redacted]

BY: [Redacted]

RECEIVED  
N 67996  
FRI  
CLYMER FCIL  
SEATTLE, Washington

MEMO	DATE	EXPLANATION	HOURS	BAL DUE	PICK UP	ROOM NO.
	1	DEC 17 55	LDIST	• 2.05	• 2.05	LL -508
	2	DEC 17 55	ROOM ****	• 7.00		AA - •
	3	DEC 17 55	MISC. **** TAX	• 0.21		AA - •
	4	DEC 17 55	PHONE ****	• 0.60	• 9.86	• 9.86 AA - •
	5	DEC 18 55	LDIST	• 1.45	• 11.31	• 11.31 K -508
	6	DEC 18 55	LDIST	• 1.25	• 12.56	• 12.56 LL -508
	7	DEC 18 55	RESYN	D- 4.74	• 17.30	• 17.30 LL -508
	8	DEC 18 55	ROOM ****	• 7.00		AA - •
	9	DEC 18 55	MISC. **** TAX	• 0.21		AA - •
	10	DEC 18 55	PHONE ****	• 4.20	• 28.71	• 28.71 AA - •
	11	DEC 18 55	PHONE ****	• 0.15	• 28.86	• 28.86 B -508
	12	DEC 19 55	Chck.	• 28.86	• 0.00	• 0.00 B -508
	13					
	14					
	15					
	16					
	17					
	18					
	19					
	20					
	21					
	22					
	23					
	24					

OK  
JUL  
3877

*[Large handwritten mark]*

REMOVED

*John Swenson*  
Western Conference of Transients  
552 - Perry Way  
Seattle Wash

APPROVED

*T. A.*







EXHIBIT No. 52

		UNITED AIR LINES, INC.			
		418680			
MR. WUSHAW	DEC 8	215,294			1535
MR. MILLSON	NOV 8	272,083			534
	NOV 7	628,791			5053
MR. THAL	DEC 5	896,062			35,090
MR. BROWSTER SWEENEY	DEC 5	272,668	9		
	DEC 4	78			19,608
MR. ONRILEY	NOV 10	225,023			18,541
MR. SHUTT	DEC 12	376,093			430
MR. MARSHALL	DEC 75	577,549	50		26,670
MR. WATSON	DEC 5	183,496	7	9,500	
MR. FAY					18,610
				26,680	
				30,977	
				110	
				135	
				7,167	
				23,791	
				13,497	
				15,247	
					126,511

UNITED AIR LINES, INC.

U. 01110 - 571 4  
 WASHINGTON  
 DEPARTMENT OF TRANSPORTATION

AT

*Handwritten signature or name*

EXHIBIT No. 52—Continued

STATEMENT OF ACCOUNT UNITED AIR LINES

NAME	WESTERN CONFERENCE OF TEAMSTERS	N	12110	PAGE N	2	DATE	1 8 54
16 DEN SFO PURVIS	DEC 10	22,322	3	21,483			
13 SFO LAX WILTON	DEC 6	250,221		460.9			
17 LAX SFO BREWSTER	DEC 3	78,976		460.9			
14 YVR YFF SCOTT	DEC 8	16,705		146.5			
16 DEN PDX PURVIS	DEC 10	648		40.8			
17 LAX PDX STEVENSON	DEC 11	295,524	5	24,151			
12 BQA SEA WALONEY	DEC 9	577,160		<u>3133</u>			
17 SEA BQA BREWSTER	NOV 23	271,583	4				
	NOV 23	5	6	8309.4			
	NOV 21	13,726		195.8			
17 PDX SEA PURVIS	NOV 27	22,481.1		33,209.9			
16 LQA SFO BREWSTER	NOV 28	2,449.6		726.0			
16 PDX DEN PURVIS	NOV 28	2,533		54.5			
16 PDX DEN PURVIS	NOV 28	1,442.2		13,497			
17 SEA LAX BASSETT	NOV 21	293,899		88.10			
14 YVR YFD SCOTT	NOV 25	10,664		345.0			
14 YXS YVR BONNELL	NOV 18	228,148		13,497			
17 SEA LAX BREWSTER	NOV 17	225,023		1554.3			
17 DEN SEA PURVIS	DEC 1	215,294		323.4			
28 DEN GJT HADMAN	NOV 16	216,077	8	758.0			
17 SFO LAX BREWSTER	DEC 1	273,872		3563.5			
16 PDX SFO LORDAN	NOV 8	227,902		909.7			
16 SEA SFO SWEENEY	NOV 8	227,903		909.7			
17 SEA SFO VERSCHEREN							

7,016.7

- 4166.1

# 29462  
1/16/16  
\$ 3829.9

EXHIBIT No. 53

*del*  
*1/1/55*

ACCOUNTING STUB  
Feb 26 1955

TOM WALONEY 0592  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

U.S. Tax of	.59	1	6 49
U.S. Tax of		2	
		3	49 20
		4	
		5	12 00
		6	
		7	67 60

EMP	DR	CR	BAL.

ACCOUNTING STUB  
Mar 26, 1955

TOM WALONEY 0592  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

U.S. Tax of	.59	1	6 49
U.S. Tax of		2	
		3	
		4	
		5	
		6	
		7	

EMP	DR	CR	BAL.

80 52  
~~60 00~~  
~~20 00~~  
20 00

ACCOUNTING STUB  
Apr. 26, 1955

TOM WALONEY 0592  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

U.S. Tax of	.50	1	6 49
U.S. Tax of		2	
		3	29 50
		4	
		5	
		6	93 00
		7	<del>120 00</del>

EMP	DR	CR	BAL.

TRANSFERRED ACCOUNTING STUB  
0592  
13 AT

TOM WALONEY 4 81  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

EMP	DR	CR	BAL.

AMOUNT OF TRANSFER


ACCOUNTING STUB  
May 26 1955

TOM WALONEY 4551  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

U.S. Tax of	.59	1	6 49
U.S. Tax of		2	
		3	
		4	
		5	
		6	
		7	

EMP	DR	CR	BAL.

ACCOUNTING STUB  
June 26, 1955

TOM WALONEY 4551  
5 TEAMSTER BLDG ASSN AT  
1020 N E 3RD AVE 12

U.S. Tax of	.59	1	6 49
U.S. Tax of		2	
		3	
		4	
		5	
		6	
		7	

EMP	DR	CR	BAL.

80 62  
5 00  
152 00  
204 60

EXHIBIT No. 53—Continued

ACCOUNTING STUB  
July 26, 1955

ATW 1707

TOM WALONEY  
& TRANSFER BLDG ASSN  
1020 N E 3RD AVE 12

4561  
AT

U.S. Tax of .42      4 61

T      64 41

B      69 04\*

REV	DE	CR	BAL
7		5	

TRANSFERRED ACCOUNTING STUB

17 AM 4551

✓
---

17 AM 1707

VALUE

REV	DE	CR	BAL

AMOUNT OF TRANSFER

CREDIT

DEBIT

69 04

ACCOUNTING STUB  
Aug 17, 1955

TOM WALONEY  
& TRANSFER BLDG ASSN  
1020 N E 3RD AVE 12

1707  
AT

U.S. Tax of .50      6 49

T      39 82

O      5 00

B      69 04  
120 - \*

REV	DE	CR	BAL

ACCOUNTING STUB  
Sept 17, 1955

TOM WALONEY  
& TRANSFER BLDG ASSN  
1020 N E 3RD AVE 12

1707  
CA 8

U.S. Tax of .59      6 49

T      71 06

77 55\*

REV	DE	CR	BAL

ACCOUNTING STUB  
Oct 17, 1955

TOM WALONEY  
& TRANSFER BLDG ASSN  
1020 N E 3RD AVE 12

1707  
CA 8

REV	DE	CR	BAL

EXHIBIT No. 53—Continued

Ca P	CREDIT	DEBIT	A	M	D	BY
	Credit for Livestock Service and Supplies Previously Billed	5 90	NOV 1	NOV 17	2 05	TR
	Credit for Directory Advertising Previously Billed					
	Credit to Deposit					
	Credit for L. S. Tax (Net Total of Credits Indicated by T.)				29 00	
					3 14 00	

NOTE: THE PERIOD SHOWN IS FROM DATE OF CREDIT TO DATE OF DEBIT OR FROM DATE OF DEBIT TO DATE OF CREDIT UNLESS OTHERWISE INDICATED BY THE DATE OF THE ENCLOSURE. THE DATE OF DEBIT OR CREDIT IS THE DATE OF THE ACCOUNTING ENTRY.

EXHIBIT No. 54

OCT 18 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 4116 85

OCT 18 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 4116 110

OCT 18 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 4116 60

OCT 21 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 2326 649A  
 N

OCT 21 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 2326 649A  
 N

OCT 21 55 1 - FROM 6  
 TO PORTLAND, ORE  
 SEAT 51701  
 SPEC INST  
 TAC  
 TO  
 SEAT 51701  
 2326 649A  
 N

EXHIBIT No. 54—Continued

24-55 6  
 PORTLAND, ORE  
 7-811707  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 26 1031A 5  
 -N

OCT 25-55 6  
 to PORTLAND, ORE  
 J.A. 31707  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 2305 1031A 26b  
 244

OCT 25-55 6  
 to PORTLAND, ORE  
 711-3037  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 2352 1031A

28-55 6  
 PORTLAND, ORE  
 711-3037  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 2 1031A

OCT 30-55 6  
 to PORTLAND, ORE  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 2 1031A

OCT 31-55 6  
 (to) PORTLAND, ORE  
 SPEC INST  
 T & C  
 TO  
 EAT  
 711-3037  
 2 1031A

EXHIBIT No. 54—Continued





EXHIBIT No. 55

Department of Education, General Election, November 2, 1934

Statements of Expenses required from candidates and others shall be in substantially the following form:

Submitted by the candidate shall be a full and complete account of the receipts, contributions and expenses of the campaign, based on the information of which he has knowledge, with particular reference to all items and payments for which receipts are required or to be furnished by statute. The entries and amount of the Treasurer of any committee or any political party or organization shall in no respect be taken as the basis, alone, and shall be the subject of any committee or any political party or organization shall in no respect be taken as the basis of liability for the nomination or election or defeat of any candidate, political party, organization or treasurer before the people. Section 123-22, O.S.

ACCOUNT OF RECEIPTS, CONTRIBUTIONS AND EXPENSES

GENERAL ELECTION NOVEMBER 2, 1934

RECEIPTS AND CONTRIBUTIONS			EXPENSES		
SOURCE	AMOUNT	Voucher No.	FOR WHAT PURPOSE PAID	AMOUNT	
William Langley	\$ 810 00	1	Beaver Engraving	\$ 16 84	
John Woerndle	50	2	Voter's pamphlet	150. 00	
W. J. Collins	50	3	Democrat Party circular	50. 00	
Charles Pennell	40	4	Ticket for Demo. dinner	25. 00	
R. M. Colwell	40	5	Campaign literature	223. 75	
Leo Smith	50	6	Earl Helms and Associates Advertising	2602. 95	
Teamster's Union	2188 40				
D. Milton	20	7	Adv. Oregon Journal	159. 07	

NOTE: Every payment, except payments aggregating less than \$5.00, to any person shall be verified by a receipted bill giving the particulars of expense.

All vouchers or receipted bills shall be numbered and entered on this statement, and shall be filed therewith.

Articles of or on reverse side hereof must be properly filed out and sworn to by the person submitting this statement.

Every candidate MUST file this sworn statement, WHETHER OR NOT ANY EXPENSES HAVE BEEN INCURRED, not later than November 17, 1934.

Individuals (not candidates) expending in excess of \$50.00 to aid in the election or defeat of any candidate or party or for the approval or revocation of any measure, also political committees, clubs, and other organizations, must file statements of expenditures not later than November 17, 1934.

Penalty for failure to render statements according to law \$25.00 for each day of default, unless erased by the court.

Affidavit on back of this statement. Also laws pertaining thereto.

EXHIBIT No. 55—Continued

STATE OF OREGON

County of Multnomah

I, Lotus L. Langley, Treasurer of Wm Langley Com. for Dist. Atty

having expended money in support of the candidacy of William Langley for the office of District Attorney of Multnomah County

Multnomah County,

State of Oregon,

has \$3227.61 in its treasury, to-wit: \$3228.40

hereto attached.

and I hereby certify that the above is a true and correct statement of the amount of money in the treasury of the committee for the purpose of the election of William Langley to the office of District Attorney of Multnomah County, Oregon, in the year 1934.

Witness my hand and seal of office this 11th day of November, 1934.

Lotus L. Langley, Treasurer

Lotus L. Langley

November 11, 1934

*Handwritten:* 4  
to Mr. Perkins  
July 13, 1937

STATEMENT OF EXPENDITURES  
(General Election, November 3, 1934)

of  
William Langley for District Attorney  
Committee, Lotus L. Langley, Treasurer

In behalf

WILLIAM M. LANGLEY  
Democrat  
Candidate for District Attorney  
(Multnomah County)

11-7-34

*[Faint, mostly illegible text at the bottom of the page, possibly bleed-through or a second page of the document.]*

EXHIBIT No. 56A

*Olympic Hotel*  
 Registration Card

*William Langley & Son*  
 2704 1st English Lane  
 City *Portland* State *Oregon*

Address \_\_\_\_\_

GUESTS WITHOUT BAGGAGE ARE REQUESTED TO PAY IN ADVANCE

1911-12 Act 522



Found in file of Western Conference of Teamsters by Carmine Bellino on Feb 18, 1957

STATEMENT

OLYMPIC HOTEL

230 EDDY STREET

SAN FRANCISCO

NAME

ROOM

DATE

DATE	ITEMS	AMOUNT
	Balance Due to Date	
	Room From <u>10</u> To <u>10</u> @	54.00
	Cafe	17.40
	Telephone	75
	Telephone Long Distance	1.20
	Telegrams	
	Laundry	
	Tailor	
	Baggage	
	Garage	
	T /	2.00
	# 7974	
	155	
	Total	75.95

STATEMENT PAYABLE WHEN RENDERED

Received Payment

By

EXHIBIT No. 56C



EXHIBIT No. 57A

OLYMPIC HOTEL

OLYMPIC HOTEL

NO 26 0 44 PM '34

ROOM CLERK

Name  
 2700 1st English Lane  
 Portland Oregon

LANCELEY JAMES  
 PORTLAND ORE  
 1934  
 1634 500

NO 6740 Y  
 CASHIER  
 OLYMPIC HOTEL

OLYMPIC HOTEL

THOMAS A. GILDERSLOVE, Manager

OLYMPIC HOTEL  
 ROOM CLERK  
 NO 26 0 44 PM '34

Name  
 James Langley  
 2700 1st English Lane  
 Portland Oregon  
 City and State  
 Firm or Business Address

LANCELEY JAMES  
 PORTLAND ORE

NO 6740 Y  
 CASHIER  
 OLYMPIC HOTEL

Guests are hereby notified that the Olympic Hotel will not be responsible for Valuables, Money, Jewelry, Clothing, etc., unless the same are deposited in the safe.

1634 KALK  
 INPC LP

These Rooms will be available

EXHIBIT No. 57B

034  
 FROM: [REDACTED] TO: [REDACTED]  
 VISA FOUR  
 TO: [REDACTED]  
 OLYMPIC HOTEL  
 SEATTLE, Washington  
 62900

MEMO	DATE	EXPLANATION	CHARGES	CREDITS	BAL DUE	PICK UP	ROOM NO
MEMO NO 30 BY CHAS I	1	NOV 26 54	DOOR ****	• 8.00			L 1029
	2	NOV 26 54	KISC ****	• 0.24		8.24	L - •
	3	NOV 27 54	DOOR ****	• 8.00			L - •
	4	NOV 27 54	KISC ****	• 0.24			L - •
	5	NOV 27 54	PHONE ****	• 0.30		16.78	L - •
	6	NOV 28 54	DOOR ****	• 10.50			D - •
	7	NOV 28 54	KISC ****	• 0.32		27.60	D - •
	8	NOV 29 54	DOOR ****	• 10.50			D - •
	9	NOV 29 54	KISC ****	• 0.32		38.42	D - •
	10	NOV 30 54	CRIBST	• 0.70		39.12	M 1034
	11	NOV 30 54	PHONE	• 0.15		39.27	M 1034
	12	NOV 30 54	Chick		• 39.27	0.00	M 1034
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							

02-3629  
 796  
 Sent to  
 Western Conference  
 of Teamsters

*[Handwritten signature]*

REMARKS  
 52 Sennyway - Seattle.  
 Attention John Sweeney  
 Dec 7 370  
 211

TRANSFER TO CITY LEDGER  
 GUEST'S SIGNATURE *William Croft*  
 CHARGE TO \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 APPROVED BY \_\_\_\_\_

EXHIBIT No. 57B—Continued

*Found in file of ...*

1034 NOV 29 1954 WILLIAM S. ...  
 11-30 ...  
 11-30 ...  
 11-30 ...



N 67900  
**OLYMPIC HOTEL**  
 SEATTLE, Washington

MEMO	DATE	EXPLANATION	CHARGES	CREDIT	BAL. DUE
	1	11-20	ROOM	8.00	
	2	11-20	TAX	0.24	8.24
	3	11-21	ROOM	8.00	
	4	11-21	TAX	0.24	
	5	11-22	ROOM	0.30	16.78
	6	11-23	ROOM	10.50	
	7	11-23	TAX	0.32	27.60
	8	NOV 29-54	ROOM	10.50	
	9	NOV 29-54	RESL. TAX	0.32	38.42
	10	NOV 30-54	L. RESL.	8.70	39.12
	11	NOV 30-54	PHONE	0.15	39.27
	12				
	13				
	14				
	15				
	16				
	17				
	18				
	19				
	20				
	21				
	22				
	23				
	24				

We appreciate your patronage and trust that our service will merit its continuance.

BILLS DUE AND PAYABLE WHEN RENDERED  
 PLEASE RETAIN THIS STATEMENT



EXHIBIT No. 57B -Continued

*Handwritten notes:*  
 Received in full by [unclear] [unclear]  
 by [unclear] [unclear]

1041 MONNEY THOMAS B 00 (MALONE) N 8001  
 W CITY 1-25  
 W 628901 63810 Y 11/30  
 2700 ST EMERSON LANE



OLYMPIC HOTEL  
 SEATTLE, Washington

NO.	DATE	DESCRIPTION	AMOUNT	BAL DUE
1			* 8.00	
2			* 0.24	* 8.24
3			* 8.15	
4			* 0.24	
5			* 0.30	* 16.78
6			* 8.00	
7			* 0.24	* 25.02
8	NOV 29 54	ROOM ****	* 8.00	
9	NOV 29 54	TISC. ****	* 0.24	
10	NOV 29 54	PHONE ****	* 0.15	* 33.41
11	NOV 30 54	L'DIST	* 1.25	
12	NOV 30 54	PHONE	* 1.20	* 35.86
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				

We appreciate your patronage and trust that our service will merit its continuance.

BILLS DUE AND PAYABLE WHEN RENDERED  
 PLEASE RETAIN THIS STATEMENT

EXHIBIT No. 57B—Continued

*Found in files of Western Conference of Teamsters  
by Cassius Beckline 2/18/57*

REFERENCE NO.	DATE	TERM	NO.	CHARGES	DEBITS	PAY LAST AMOUNT IN THIS COLUMN
						95 85 +
347	NOV 15 44	RM. W.	58 594	152 07		247 92 *
	NOV 15 44	RM. W.			95 85	152 07 *
322		RM. W.	62 400	33 27		121 34 *
330		RM. W.	62 901	31 86		227 20 *

*H 74 89  
12-15-54*

FORWARDED

WE SINCERELY APPRECIATE YOUR PATRONAGE AND STRIVE TO MERIT THE CONTINUANCE

Accounts Payable When Rendered

THE OLYMPIC HOTEL

SEATTLE

EXHIBIT No. 57C

WESTERN CONFERENCE OF TEAMSTERS

PAY TO THE ORDER OF

THE SUM OF **277 and 20/100**

DEBIT AND DEBIT BANK

SEATTLE-FIRST NATIONAL BANK  
SEATTLE, WASHINGTON

WESTERN CONFERENCE OF TEAMSTERS

*John J. Sullivan*

PAY TO THE ORDER OF  
THE BANK OF CALIFORNIA, N.A.  
2452  
SAN FRANCISCO, CALIF.  
2451  
THE BANK OF CALIFORNIA

WESTERN CONFERENCE OF TEAMSTERS  
277 and 20/100  
WESTERN CONFERENCE OF TEAMSTERS  
277 and 20/100







EXHIBIT No. 59



STATE OF MICHIGAN

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

LANSING, MICHIGAN

TO: [Faded text]

FROM: [Faded text]

[Faded text]

[Faded text]

[Faded text]

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[Faded text]

REC'D NAME [ ] FILE NO.  
PRINTED  
INITIAL FILE NO.

EXHIBIT No. 59—Continued



STATE OF OREGON  
DEPARTMENT OF MOTOR VEHICLES  
SALEM, OREGON

March 1, 1957

United States Senate  
Government Operations Committee  
Washington, D. C.

Attn: Mr. Robert F. Kennedy

In compliance with your request of January 22th, 1957, this office is pleased to furnish the following information which we trust will meet your requirements.

DISPOSITION OF MOTOR VEHICLES FROM AGENCY FILES

Plate Number	Year	Make	Model	Disposition	Remarks
122272	1957	Buick Wildcat	1957 Chevrolet Coupe	SALE	(expired July 21, 1957)

DISPOSITION OF OWNERSHIP FROM TITLE RECORDS

Tom Maloney, AFL Teamsters Lodge, N. E. 3rd & Maloney, Portland, Registered Owner  
Oregon

License in form of

Name

Legal Owner

Date information August 1, 1957

Certificate Title mailed to Legal Owner

Remarks: Information furnished this department on January 22, 1957. Indicates this vehicle was registered in the State of Washington.

Very truly yours,

*Robert F. Kennedy*  
DIRECTOR  
Department of Motor Vehicles Oregon

J.A.

RECORDED BY

*Information furnished for State of Oregon file  
copy of March 1957*

*J. E. Manning  
24 Commissioner of Public Safety - Feb. 2, 1957*



EXHIBIT No. 59 —Continued



STATE OF OREGON  
DEPARTMENT OF MOTOR VEHICLES  
Salem, Oregon

August 11, 1955

Honorable Oregon Senate  
Department of Transportation Committee  
Washington D. C.

In compliance with your request of February 24, 1955,  
therefore is prepared to forward the following information, which will meet your requirements:

DESCRIPTION OF MOTOR VEHICLE LIEN APPLICATION

NAME OF LIENOR: [Blank]      REG. NO.: [Blank]      MAKE: [Blank]      MODEL: [Blank]      YEAR: [Blank]      TYPE: [Blank]      COLOR: [Blank]      MAKE: [Blank]      MODEL: [Blank]      YEAR: [Blank]      TYPE: [Blank]      COLOR: [Blank]

DESCRIPTION OF OWNERSHIP LIEN FILE RECORD

Name: [Blank]      Title: [Blank]      Registered Owner

Lien, in form of

Local Owner

Transaction dated August 1, 1955

Vehicle of title passed to [Blank] driver

Remarks

Very truly yours,

DIRECTOR  
Department of Motor Vehicles Oregon

JAC

Enclosure

EXHIBIT No. 60

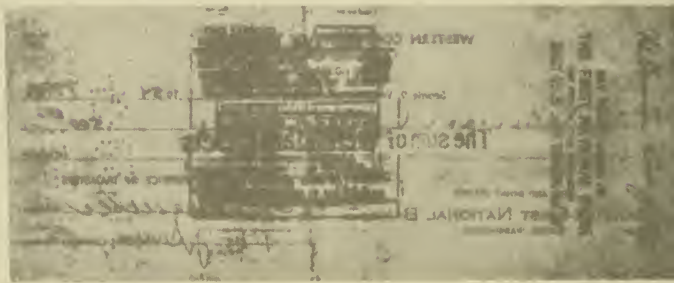


EXHIBIT No. 61



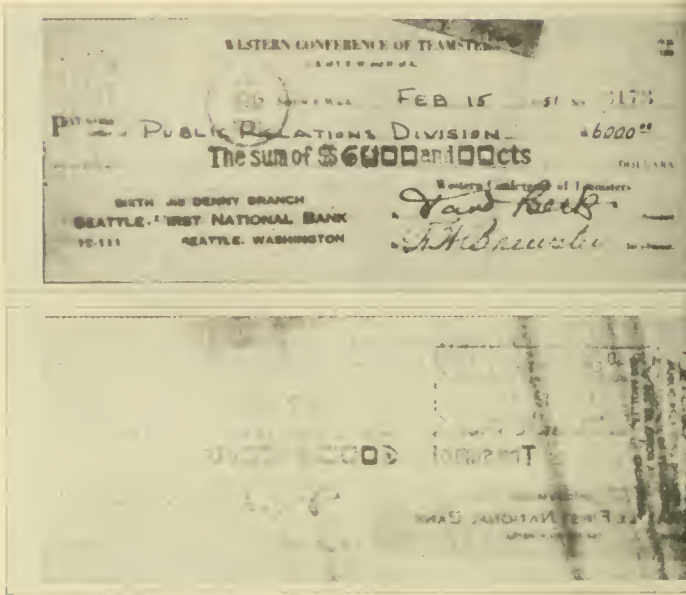
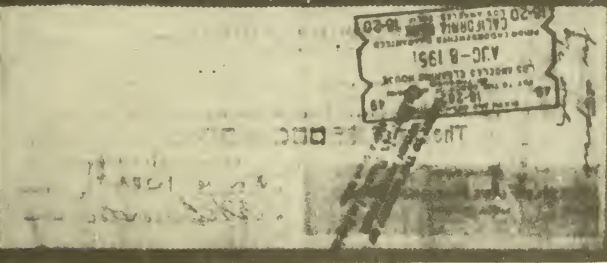


EXHIBIT No. 63

WESTERN CONFERENCE OF TEAMSTERS  
 August 2, Wash. AUG 2 1937 No. 13007  
 SPECIAL ACCOUNT - PUBLIC RELATIONS DIV. 6500  
 The sum of \$5000 and 00 cts — DOLLARS  
 Western Conference of Teamsters  
 SEATTLE-FIRST NATIONAL BANK  
 18-111 SEATTLE, WASHINGTON  
*J. A. Beck*  
*R. H. Stewart*



CL. U.S.	TRANSIT	CT	LOAD	EXCHANGE
			100	
<b>Harris Trust and Savings Bank</b>				
Organized as N. W. Harris & Co. 1892, Incorporated 1897				
CHICAGO 80 Aug. 8 1937 51				
FOR DEPOSIT TO THE ACCOUNT OF				
Nathan W. Shefferman				
Please insert Title Of Account (exactly As It Is Carried On Bank's Books)				
433 Briar Place				
CHECKS ON OTHER CITIES	CHECKS AND DRAFTS ON NEW YORK CITY	CHECKS AND DRAFTS ON OTHER TOWNS AND CITIES		
		5 000 00		
CHECKS ON THIS BANK				
TOTAL CHICAGO				
NEW YORK				
ON THIS BANK ON OTHER TOWNS AND CITIES		5 000 00		
CURRENCY				
SILVER				
GRAND TOTAL (See Stamp 2 11)		5 000 00		

EXHIBIT No. 64

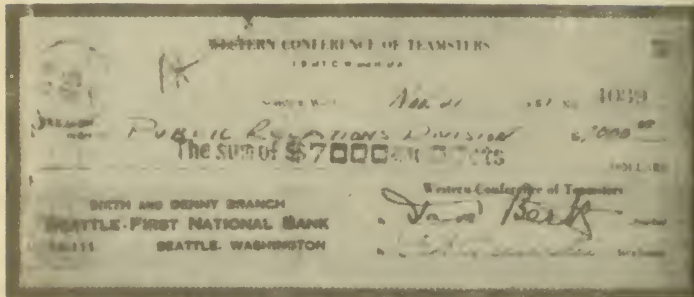


EXHIBIT No. 65

WESTERN CONFERENCE OF BANKERS  
INCORPORATED

DATE: Nov. 20

NATHAN SWEETMAN

the sum of \$2066.27

BY THE BOARD OF DIRECTORS

SEATTLE FIRST NATIONAL BANK

CASHIER

*[Signature]*

*[Signature]*







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