BONUS SPEECH BY PRESIDENT IRKS VETERANS

BY BUTTERFIELD
Commander, Dam Site Post VFW

In his expressed opposition to immediate cash payment of the so-called bonus, the President of the United States has described the bonus certificate as a "paid up endowment policy, payable either to the veteran, upon its maturity, or to his beneficiaries, generally the wife and children, in the event of his death." In emphasizing this point Mr. Roosevelt declared that approximately 85 per cent of the veterans who hold these certificates leave no other assets to their families.

In the same statement that expressed his concern for the dependents of veterans who would be deprived of this so-called endowment policy, Mr. Roosevelt pointed out that three and one-half million certificates are outstanding and that a total of 3,-038,500 veterans have already obtained loans from the federal government.

Mr. Roosevelt has completely overlooked or deliberately ignored the fact that these veterans are paying three and one-half per cent compound interest on these loans and that these interest charges are being deducted from the balance that is still due. Instead of an endowment policy valued at approximately $500.00, the average veteran, or his dependents, will only be able to collect about $68.50 on January 1st, 1945.

Government statistics reveal that adjusted service certificates range in value from $126.00 to $1,590.00 each and that their average value is approximately $1,-000.00. Nearly every veteran has obtained a loan amounting to 50 per cent of the face value of his adjusted service certificate. In fact, the average veteran holding a $1,000.00 certificate obtained a loan of $87.99 in 1927, $26.79 in 1928, $26.33 in 1927, $26.79 in 1930 and $23.50, in 1931, before the passage of the 50 per cent loan act. When the 50 per cent loan act was adopted the veteran was able to borrow the additional sum of $271.99. The veteran who has borrowed the limit on his certificate to date will obtain the following additional sums and the remainder will be consumed by the payment of interest charges. On January 1st, 1942, he will be able to borrow $30.04. One year later he can obtain $38.25. On January 1st, 1944, he will be able to borrow an additional sum of $39.-79. On January 1st, 1945, the debt will be liquidated by the federal government with the final payment of $68.50, all that will be left unless the present contract is revised and Congress sees fit to grant immediate cash payment.

Those facts reveal that the balance due World War veterans is being dissipated by interest charges and neither the veteran, nor his dependents, can look forward to any protection in the way of financial benefits if forced to wait until 1945 for a settlement of this obligation. The contention, therefore, that payment of this debt at this time will deprive the dependents of veterans of the protection of an endowment policy is without foundation in truth and in fact. Back in 1925, when these certificates were first issued, the theory of insurance protection for the dependents of veterans was perfectly sound. But now that the principal has practically been reduced through the issuance of loans, and with the balance being destroyed by compound interest charges, it is obvious that the original plan is no longer practical and that the so-called insurance policies are merely worthless scraps of paper.

"VIVA VILLA" POPULAR

Two Roosevelt theatre records were broken last week at the showing of Wallace Beery in "Viva Villa," Manager Sid Philips announced. The picture drew the largest crowd for any single performance, and also the largest number for any three-day run.

THE DUMMY

Percival: That was the unkindest cut of all, as the poet says.

Penelope: What was?

Percival: I showed her one of my boyhood pictures with my father holding me on his knee, and she said, "My, who is holding the ventriloquist?"