

passage of this bill are quite justified in asking that the Senate shall, in its ordinary way, continue the consideration of the bill reasonably and continuously until the end is reached.

Mr. CHANDLER. To that course I do not propose to make any objection.

The PRESIDENT *pro tempore*. The Senator from Delaware asks the unanimous consent of the Senate that the further consideration of the pending bill be postponed until Monday next, the bill holding its place as the unfinished business in the Senate, and that at 2 o'clock on that day the bill be proceeded with. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOAR. I suggest to the Senator from Delaware, when the minority report comes in, which will be, I understand, within a day or two at any rate, that the majority report and the views of the minority be printed together for the convenience of the Senate.

Mr. GRAY. Of course, it is understood that the majority report—and the Senator has been a member of the committee longer than I have been—is a favorable report of the bill with a reference to the House report.

Mr. HOAR. I should like to have the two reports together if there is no objection. The majority of the committee has, as I understand, adopted the House report, and it will be more convenient, instead of having separate documents, to have the two together. Therefore I ask an order of the Senate, if there be no objection, that when the minority report comes in the two reports may be printed together for the use of the Senate.

The PRESIDENT *pro tempore*. If there be no objection that order will be made. The Chair hears none, and it is so ordered. What is the further pleasure of the Senate?

Mr. GORMAN. I move that the Senate adjourn.

The motion was agreed to, and (at 2 o'clock and 35 minutes p.m.) the Senate adjourned until to-morrow, Wednesday, January 10, 1894, at 12 o'clock m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 4, 1894.

ASSAYER.

Guy Bryan, of Missouri, to be assayer in charge at the United States assay office at St. Louis, in the State of Missouri.

COLLECTORS OF INTERNAL REVENUE.

Charles Speck, of Missouri, to be collector of internal revenue for the first district of Missouri.

Webster Withers, of Missouri, to be collector of internal revenue for the sixth district of Missouri.

POSTMASTER.

James Kleckner, to be postmaster at Mifflinburg, in the county of Union and State of Pennsylvania.

Executive nominations confirmed by the Senate January 9, 1894.

UNITED STATES MARSHAL.

Albert A. Wilson, of the District of Columbia, to be marshal of the United States for the District of Columbia.

UNITED STATES ATTORNEY.

John H. Senter, of Vermont, to be attorney of the United States for the district of Vermont.

COLLECTOR OF INTERNAL REVENUE.

Samuel A. Townes, of South Carolina, to be collector of internal revenue for the district of South Carolina.

HOUSE OF REPRESENTATIVES.

TUESDAY, January 9, 1894.

The House met at 11 o'clock a.m., and was called to order by the Speaker. Prayer by the Chaplain, Rev. E. B. BAGBY.

The Journal of the proceedings of yesterday was read and approved.

PERSONAL EXPLANATION.

Mr. McKEIGHAN. Mr. Speaker, I was unavoidably absent yesterday, on account of sickness. Had I been present I would have voted, as I have heretofore voted, for the consideration of the report of the Committee on Rules.

EXPENSES OF COMMISSIONER OF RAILROADS.

The SPEAKER laid before the House a letter from the Acting Secretary of the Treasury, transmitting a copy of a communication from the Commissioner of Railroads, recommending an increase in the estimate for traveling expenses for his office for the fiscal year ending June 30, 1895; which was ordered to be printed, and referred to the Committee on Appropriations.

ASSISTANT UNITED STATES ATTORNEYS, DISTRICT OF COLUMBIA.

The SPEAKER also laid before the House a letter from the Acting Secretary of the Treasury, transmitting a copy of a communication from the Attorney-General, recommending that the appropriation for the compensation of assistants to the United States attorney for the District of Columbia be increased; which was referred to the Committee on Appropriations, and ordered to be printed.

FINDINGS OF COURT OF CLAIMS.

The SPEAKER laid before the House a copy of the findings of the Court of Claims in the cases of William Chasteen and Margaret Garrison against the United States; which was referred to the Committee on War Claims, and ordered to be printed.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BUNN, for ten days, on account of sickness in his family.

To Mr. PAGE, for three days, on account of a death in his family.

To Mr. MONEY, for two weeks, on account of important business.

ROADS AND STREETS IN THE DISTRICT OF COLUMBIA.

Mr. COMPTON. Mr. Speaker, I am instructed by the Committee on Appropriations to report a bill (H. R. 5102) making appropriations to provide for the construction of county roads and suburban streets in the District of Columbia, and to ask unanimous consent for its present consideration.

The SPEAKER. The gentleman from Maryland [Mr. COMPTON], from the Committee on Appropriations, asks unanimous consent for the present consideration of the bill which he now reports from that committee.

The bill was read at length.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of this bill. Is there objection?

Mr. KILGORE. Mr. Speaker, that bill has never been reported by any committee.

The SPEAKER. It is reported by the Committee on Appropriations this morning.

Mr. KILGORE. I object.

The SPEAKER. The gentleman from Texas [Mr. KILGORE] objects. The bill will be printed and referred to the Committee of the Whole House on the state of the Union.

PRESENTATION OF A PETITION.

Mr. APSLEY. Mr. Speaker, I have here a petition signed by Samuel Irving and 4,038 other workingmen of Fitchburg, Mass., protesting against the passage of the Wilson tariff bill. It is a nonpartisan petition and it is signed by both Democrats and Republicans in about equal numbers. It is the voice of more than four thousand heretofore prosperous workingmen of one place speaking out against the passage of this deceiving bill, which is satisfactory to no one, not even the committee that presents it. I would like to have the preamble and resolutions printed in the RECORD, and ask unanimous consent therefor.

The SPEAKER. The gentleman asks unanimous consent that the preamble and resolutions may be printed in the RECORD. Is there objection?

Mr. SNODGRASS. I object.

Mr. RICHARDSON of Tennessee. Mr. Speaker, it is wholly unusual to print these things in the RECORD.

The SPEAKER. Objection is made.

CALL OF COMMITTEES FOR REPORTS.

The committees were then called for reports, but no reports of a public character were presented.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. PLATT, one of its clerks, announced that the Senate had passed, with amendments, joint resolution (H. Res. 93) authorizing the Secretary of the Treasury to permit the owners of cattle and horses transporting them into Mexico to reimport same into the United States at any time before May 1, 1894, and for other purposes; in which the concurrence of the House was requested.

The message also announced that the Senate had passed bills of the following titles; in which the concurrence of the House was requested:

A bill (S. 69) to grant to the State of Oregon townships 27, 28, 29, 30, and 31 south, in ranges 5 and 6 east of the Willamette meridian, in the State of Oregon, for a public park;

A bill (S. 79) to authorize a corrected patent to be issued for the donation land claim of Wheelock Simmons and wife;

A bill (S. 418) referring to the Court of Claims the claim of William E. Woodbridge for compensation for the use by the

United States of his invention relating to projectiles, for which letters patent were ordered to issue to him March 25, 1852; and

A bill (S. 1377) for the relief of William Hendershott, of Butteville, Oregon.

ENROLLED BILLS SIGNED.

Mr. PEARSON, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles; when the Speaker signed the same:

A bill (H. R. 3289) to authorize the New York and New Jersey Bridge Companies to construct and maintain a bridge across the Hudson River between New York City and the State of New Jersey;

A bill (H. R. 71) for the relief of purchasers of timber and stone lands under the act of June 3, 1878; and

A bill (H. R. 2796) relating to the disqualification of registers and receivers of the United States land offices, and making provision in case of such disqualification.

THE TARIFF.

THE SPEAKER. Under the order made yesterday, the House will now resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 4864) to reduce taxation, to provide revenue for the Government, and for other purposes.

The order adopted yesterday is as follows:

Resolved, That after the passage of this resolution the House shall meet each legislative day at 11 o'clock a. m. That beginning to-day without intervening motion, except conference reports and reports from the Committee on Rules, the Journal shall be read, business under clause 1 of Rule XXIV shall be disposed of, the Speaker shall call the committees for reports, and then the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4864) "to reduce taxation, to provide revenue for the Government, and for other purposes."

That general debate on said bill shall be limited to the hour of adjournment on Saturday, the 13th of January; that on Monday, the 15th January present, said bill shall be read through, and shall from day to day be open to amendment in any part thereof.

That on Monday, the 29th day of January, at the hour of 12 o'clock m., said bill, with all amendments recommended by or that may be pending in the Committee of the Whole, shall be reported to the House; that two hours' debate be then allowed, and then the previous question shall be considered ordered upon pending amendments and the bill to its passage; that without other motion the vote shall then be taken on pending amendments, on the engrossment and third reading, on a motion to recommit with or without instructions should such motion be made, on the final passage of the bill, and on a motion to reconsider and lay on the table.

That beginning to-day, at the hour of 5:30 o'clock each day the House shall take a recess until 8 o'clock, the evening session to be devoted to general debate on said bill only. General leave to print remarks on said bill is hereby granted.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4864) to reduce taxation, to provide revenue for the Government, and for other purposes, with Mr. RICHARDSON of Tennessee in the chair.

[Mr. WILSON of West Virginia addressed the committee. See Appendix.]

Mr. DOOLITTLE. Mr. Chairman, I rise to a question of personal privilege.

The CHAIRMAN. The gentleman will state it.

Mr. DOOLITTLE. In brief, answering the remarks made by the gentleman from West Virginia [Mr. WILSON] in response to a question submitted to him during his speech by myself, and for which answer he subsequently apologized, I desire to say that I charged his remarks to his associations with slavery before the war and to some of his present associations on that side of the House, and consequently accept his apology.

Mr. WILSON of West Virginia. I hope the gentleman will not make me think that my apology was due rather to myself than to him.

Mr. BURROWS. Mr. Chairman, the measure now under consideration has for its avowed object a radical modification of the tariff act of 1890. It involves not only a change of rates, but a complete reversal of an economic policy. The law of 1890 was enacted not only with a view of securing revenue for the support of the Government, but for the further purpose of giving encouragement to the creation of new enterprises and protection to American industries and American workmen against unequal and injurious foreign competition.

In its practical workings it accomplished both these results.

ACT 1890 AND REVENUE.

That act went into effect October 6, 1890, and as a measure for revenue it met, so long as its operation was undisturbed, the needed requirements of the Government. This appears by the following financial statement from the Treasury Department of "Receipts and expenditures" for the fiscal year ending June 30, 1891, and subsequent years.

Receipts and expenditures of the Government for the fiscal years 1891 to 1893 inclusive.

| Year. | Total revenue. | Total expenditures, including premium. | Excess of revenue over expenditures. |
|-------|------------------|--|--------------------------------------|
| 1891 | \$392,612,447.31 | \$365,773,905.35 | \$26,838,541.96 |
| 1892 | 354,937,784.24 | 345,023,330.58 | 9,914,453.66 |
| 1893 | 385,818,628.78 | 383,477,954.49 | 2,340,674.29 |

From this it will be observed that during each of these years the revenues derived under the act of 1890 were somewhat in excess of governmental needs.

Since the 1st of July, 1893, however, there has been a marked decline in the public revenues until they have actually fallen below the requirements for the public service. During the first six months of the present fiscal year, viz, from July 1, 1893, to January 1, 1894, the total receipts amounted to only \$151,715,441, as against \$194,251,640 for the corresponding period of 1892, showing a falling off in the revenues to the amount of \$42,535,595. The same ratio of loss continued throughout the current fiscal year would result in an alarming deficiency.

I venture to suggest, however, in this connection, that this decline in the public revenues during the present fiscal year is not attributable to any defect in the law of 1890, but rather to the general derangement and prostration of business throughout the country. The ascendancy of a political party pledged to the destruction of our protective policy has not only crippled and suspended the operation of our domestic manufacturers, but the importer of foreign fabrics naturally curtails his importations in the hope of securing their admission into our markets upon more favorable conditions.

I confidently assert that if the election of 1892 had resulted in the retention of the Republican party in power, accompanied as it would have been with the assurance of the continuance of the American policy of protection, the effect upon the public revenues as well as the general prosperity of the country would have been entirely reversed. [Applause on the Republican side.] In support of this opinion I beg leave to refer to the report of the Secretary of the Treasury of December 5, 1892, wherein he estimates the revenues of the Government under the act of 1890, for the fiscal year ending June 30, 1894, as follows:

| | |
|----------------------------|------------------|
| From customs | \$210,000,000.00 |
| From internal revenue | 175,000,000.00 |
| From miscellaneous sources | 20,000,000.00 |
| From postal service | 85,125,365.38 |

Total estimated revenue 490,121,365.38

The Secretary also estimated the total expenditures of the Government for the fiscal year ending June 30, 1894, exclusive of the sinking fund at 457,261,335.33

Leaving an estimated surplus of 32,860,030.05

This estimate was made, however, upon the supposition that the act of 1890 was to remain undisturbed. In connection with these estimates the Secretary took the precaution to say in his report:

The estimated receipts are based upon conditions prevailing prior to the late election. Public opinion having directed a change of policy, particularly in the tariff laws, the altered conditions resulting therefrom render it impossible at the present time to estimate the annual income with any marked degree of accuracy, and it is impossible to predict the effect that such proposed radical changes would have upon the future revenues of the Government.

Under all of the circumstances it would be inappropriate in me to undertake to make an estimate other than as already stated, but it is not out of place to remark that the business community having a full knowledge of proposed tariff reductions, the inevitable result will be a falling off in importations and a corresponding decrease in the revenues. The extent of this decrease no one will be able to measure until business shall again adjust itself to new conditions.

A careful review of all the facts fully justifies the opinion that the large increase of receipts ascribed to the marvelous prosperity of the country under the present revenue system would, if continued, enable the Department during the coming fiscal year to meet all obligations without the slightest impairment of its cash, and thereafter continue to show a material improvement in its condition.

President Harrison in his last annual message joined in this apprehension when he said:

It is possible also that this uncertainty may result in decreased revenues from custom duties, for our merchants will make cautious orders for foreign goods in view of the prospect of tariff reductions and the uncertainty as to when they will take effect.

I think, therefore, it may be confidently asserted that if the act of 1890 could have been undisturbed in its operation by public assurance of its continued enforcement instead of public apprehension of its early repeal, it would have yielded sufficient revenue to have met the ordinary expenses of the Government and thus accomplish one of the chief purposes for which it was enacted. If, however, it had failed to yield the full measure of

such requirement the deficiency could have easily been supplied without disturbing the business interests of the country by a general revision of the tariff.

ACT OF 1890 AND PROTECTION.

As a measure of protection to American industries and American labor, the act of 1890 in its results more than justified the prediction of its friends. That it would stimulate the development of new enterprises and promote the growth of established industries was confidently asserted, but that its beneficent effect would be so quickly manifest and so marvelous exceeded the highest hopes of the most sanguine. It induced capital to embark in untried ventures, enlarged the field of labor's profitable employment, augmented our domestic and foreign trade, and quickened with a new life the manifold industries of all our people.

President Harrison only affirmed the truth of history when in his last annual message to Congress he said:

So high a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people.

This exultant declaration made but a little over one year ago, incredible as it seems in the midst of present appalling conditions, was nevertheless grounded on indisputable facts.

The American Economist, a journal of the highest character, in its issue of October 22, 1892, published the result of a partial census of the industrial growth of the country under the act of 1890, which disclosed that from the time that act went into effect, October 6, 1890, 345 new industries had been established in the United States and 108 existing plants extended and improved, demanding an increased outlay of \$40,499,050 in capital and the employment of 75,000 additional laborers. In the textile industries alone, during the first six months of 1892, 135 new factories were built, comprising

40 cotton mills (21 of which were located in the Southern States),
48 knitting mills,
26 woolen mills,
15 silk mills,
4 plush mills, and
2 linen mills.

In September, 1882, there were 15,200,000 working spindles, an increase of 660,000 over 1891; while during the year 1891, American mills consumed 2,396,000 bales of cotton in the manufacture of domestic fabrics; it required 2,584,000 bales in 1892, showing an increased consumption of 188,000 bales in a single year.

The report of the commissioner of labor for the State of New York discloses the astounding fact that in 67 different industries in that State the value of the increased output in 1891 over 1890 was \$31,315,130.68, involving an increased bestowment of wages of \$6,377,925.09.

By the labor report for the State of Massachusetts it appears that 3,745 industries in that State paid to labor in 1891 \$129,416,248, against \$126,030,303 in 1890, an enlarged expenditure of \$3,335,945 in wages alone, with an increase of 7,346 employés and an augmented investment of capital to the amount of \$9,932,490.

But, marvelous as was this development, yet nowhere in the field of our industrial achievements was the triumph of our protective system more completely vindicated than in the creation of the American tin-plate industry. It is as astounding as it is gratifying. The report of Mr. Ayer, the special agent of the Treasury Department, shows that this industry has been substantially created in this country as one of the results of the act of 1890. On the 1st day of July, 1891, there was practically no manufacture of tin plate in the United States.

| | Pounds. |
|---|-----------|
| From July 1, 1891, to September 30, 1891, 5 factories produced | 826,922 |
| From October 1, 1891, to December 31, 1891, 11 factories produced | 1,409,821 |
| From January 1, 1892, to March 31, 1892, 20 factories produced | 3,209,225 |
| From April 1, 1892, to June 30, 1892, 26 factories produced | 8,200,751 |

Making a total production during the first year under the operation of this law of

13,646,719

| | |
|---|------------|
| From July 1, 1892, to September 30, 1892, 32 factories produced | 10,952,725 |
| From October 1, 1892, to December 31, 1892, 32 factories produced | 19,756,491 |
| From January 1, 1893, to March 31, 1893, 33 factories produced | 29,566,399 |
| From April 1, 1893, to June 30, 1893, 35 factories produced | 39,543,587 |

Making a total production for the second fiscal year of

99,819,202

To this should be added the amount of American sheet iron and steel made into articles and wares, tin and terne plated, during the same period, which amounted for the year ending June 30, 1892, to 5,620,867 pounds, and for the year ending June 30, 1893, to 8,802,621 pounds, making an aggregate manufacture of tin and terne plates in the United States during the fiscal year ending June 30, 1892, of 19,267,586 pounds and for the fiscal year ending June 30, 1893, of 108,621,883 pounds, or a total in two years of 127,889,469 pounds.

In view of this marvelous development, Mr. Ayer was justified in saying in his report of October 24, 1892:

It would seem entirely within the range of possibilities that during the fiscal year ending June 30, 1894, which will be the third year that the law will have been enforced, the United States will produce an amount of tin and terne plate equal to its own consumption, and nearly all of which will be made from American black plates.

Yet in the report of the committee this great and growing industry is characterized as a "bogus enterprise."

What is true in the tin-plate industry is equally exemplified in other interests.

But it is not necessary to multiply instances. I might consume the hour in summoning an array of unimpeachable witnesses to the potent influence of the act of 1890 in establishing and maintaining increased industrial development and promoting the enlarged employment of labor with the resultant prosperity and happiness to all our people. In no single particular did the act of 1890 fail to secure the beneficent results its authors designed, and every prophecy of ill in which its enemies indulged utterly failed of fulfillment.

You said it would develop no new industries—it created them by the hundreds. You said it would bring no resultant benefits to our workmen—it secured for them enlarged employment and increased wages. You said it would enhance the cost of the protected article—it cheapened it to the consumer. You said, it would diminish our foreign trade—it augmented it in 1892 to \$1,857,680,610, an increase over the previous year of \$123,283,604. You said it would shut out our products from foreign markets—our export trade increased \$145,797,388, swelling its volume to \$1,030,278,148, the largest ever known in the history of the country and exceeding the value of our imports by \$202,875,686. You said it would paralyze our domestic trade—it was never more vigorous than in the years immediately following its enactment. And so every prophecy of ill found swift and complete refutation in increased industrial activity on every hand and enhanced individual and national prosperity. [Applause.]

PRESENT DEPRESSION NOT CAUSED BY ACT OF 1890.

We are therefore justified in asserting that the act of 1890, could its permanency have been assured, would have accomplished the double purpose for which it was enacted—revenue and protection.

It may be answered, however, that the tariff act of 1890 has been in continuous operation since its enactment and is still in force, and yet under its revenues have declined and industries decayed. Conceding this to be true, we deny that the existing deplorable condition of the country is attributable in any degree whatever to the law itself.

The McKinley tariff never closed a mill in the United States [applause], shut up a mine, stopped a wheel [applause], blew out a furnace fire, or drove a single workman into the streets. [Applause.] This general paralysis of business throughout the country comes solely from the ascendancy of a political party pledged to the repeal of the act of 1890, and the substitution therefor of a tariff divested of all protective features. With such a party in full control of the Government is it any wonder that domestic manufacturers suspend operations until advised of the conditions under which they must market their output?

Business prudence dictated the suspension of the manufacture of domestic fabrics with high-priced labor until the conditions should be determined upon which the foreign competing products should be permitted to enter our markets. Importers naturally limited their orders to the strict necessities of trade in anticipation of more favorable conditions. And so manufacturer and importer alike prudently suspended business until the Democratic party should fix the terms upon which they would be permitted to resume. When the judge pronounces the sentence of death on the convicted felon there is no change in the law, but the victim is apt to lose interest in human affairs. [Laughter.] On an ocean voyage the chart and compass may remain undisturbed, but with a madman at the wheel and a lunatic on the bridge [laughter] the interest of the passengers will be chiefly centered in the supply of life-preservers. [Laughter.]

This industrial depression came, therefore, not as the result of existing tariff rates, but from an apprehension (it seems now to have been well founded) that these rates were to be so modified as to overthrow and destroy our protective policy, exposing our domestic manufacturers to a ruinous foreign competition and in-

augurate in this country an era of free trade with all its attendant evils.

How easily you might demonstrate the beneficial effects of restored confidence. You have but to abandon the policy upon which you have entered, recommit this bill, and permit existing tariff regulations to remain undisturbed, and all our industries will quickly revive. [Applause on the Republican side.] But such an exhibition of wisdom and patriotism is not to be expected of a party pledged to "tariff reform," and American workmen must tramp and starve, great industrial plants must go into disuse and decay, while the Democratic party is attempting to secure revenue from imported goods without conferring protection upon American capital and American labor. [Renewed applause.]

DEMOCRATIC PLATFORM, 1892.

And this brings me to the consideration of the general character and purposes of this bill. The Democratic party, in its national platform of 1892, declared, "We denounce Republican protection as a fraud. * * * We declare it to be a fundamental principle of the Democratic party that the Federal Government has no constitutional power to impose and collect tariff duties except for the purposes of revenue only."

No political party in the United States in its public declaration of principles was ever before bold enough to assail a protective tariff as unconstitutional, and no parallel to this extreme declaration can be found in the whole history of our country outside of the South Carolina ordinance of nullification. And in this connection it is curious to note the close harmony between the two declarations.

SOUTH CAROLINA ORDINANCE OF NULLIFICATION.

Whereas the Congress of the United States by various acts purporting to be acts laying duties and imposts on foreign imports, but in reality intended for the protection of domestic manufacturers—hath extended its just powers under the Constitution: We, therefore, the people of the State of South Carolina, in convention assembled, do declare and ordain and it is hereby declared and ordained, that the several acts and parts of acts of the Congress of the United States purporting to be laws for the imposing of duties and imposts on the importation of foreign commodities—are unauthorized by the Constitution of the United States and violate the true meaning and intent thereof, and are null, void, and no law.

It will be seen, therefore, that the ground on which the Democratic nullifiers stood in 1832, and from which they were driven by the stern patriotism of Gen. Jackson, is at last reoccupied in 1892, sixty years later, in force, by the whole Democratic party. And it is not difficult now to understand the alacrity with which the Northern Democracy obeys the command to take position in support of the unconstitutionality of a protective tariff and the confidence with which it seems to be inspired, reënforced as it is by the Southern wing of the Democratic party (now unhappily dominating the Republic) which evinced its deep-seated hostility to the principle of protection by ingrafting in its Confederate constitution the following expressed inhibition:

Congress shall have power to lay and collect taxes, duties, and excises for revenue only, necessary to pay debts, provide for the common defense, and carry on the government of the Confederate States; but no bounties shall be granted from the treasury, nor shall any duties or taxes or importations from foreign nations be laid to promote or foster any branch of industry.

It is not surprising, therefore, to find the Democratic party in 1892, with its two wings reunited, the South in the lead, moving under the Confederate banner of free trade to the complete overthrow of our protective system.

THE ISSUE BETWEEN PARTIES.

Before proceeding further in this debate it is well to note the exact point in controversy between the two contending political forces. It may be safely asserted that both parties believe in raising some portion of the needed revenues for the support of the Government by imposing duties on foreign products coming into our markets, and the only points at issue are:

First. The class of articles upon which these duties shall be levied; and

Second. The rate of duty they shall bear.

On the one hand, the Democratic party insists that revenue is the only lawful purpose for which any duty can be imposed and that such exactions therefore must be for revenue only, regardless of the conditions or necessities of American industries or American labor; and to that end they would admit free of duty, indiscriminately, all products which they are pleased to denominate "raw material," and impose a rate of duty on manufactured articles sufficiently low to insure their importation into our market, and thereby secure the only purpose of a Democratic tariff, namely, "revenue."

On the one hand, the Republican party believes in a tariff which, while yielding revenue for the support of the Government, shall at the same time be so adjusted as to promote the establishment and maintenance of domestic industries and the protection of American workmen; and to that end would admit free of duty all articles raw or manufactured (except luxuries) coming from any place on the face of the globe, the like of which are not or can not be advantageously produced in this country, and impose

duties only on the things we do or can produce and make that rate high enough to measure the difference between the cost of the foreign and domestic product, and by that means stimulate the development of all our resources and insure the employment of all our people.

Circumscribed within these narrow limits lies the whole field of the controversy, and on this ground the contending political forces confront each other in open and determined hostility. The Republican party stands, I believe, securely entrenched behind the bulwark of the American policy of protection and will resist to the last the combined forces of free trade from whatever quarter they may come, confident of ultimate and triumphant support by the enlightened judgment of the American people. [Applause on the Republican side.]

CONSTITUTIONALITY OF A PROTECTIVE TARIFF.

In making this assault upon our protective system the Democratic party seeks to justify its course upon the theory expressed in its Chicago platform and reiterated in the report of the majority, "That the Federal Government has no constitutional power to collect tariff duties except for the purpose of revenue only;" and that as the existing tariff is confessedly constructed for the purpose of securing both revenue and protection, it becomes necessary to readjust the schedules of duties to a revenue basis, and so avoid not only the fact but the suspicion of intended protection to any domestic industry, and thus conform to the Democratic construction of the National Constitution. It is for such purposes, I suppose, and such only, that this revision is undertaken.

There can scarcely be a necessity at this late day to enter into a defense of the constitutionality of a protective tariff. When it is remembered the Federal Constitution was adopted to remedy the defects of the government of the confederation, among which none was more glaring than the want of power in the central government to prescribe and enforce a uniform system of customs duties, it is inconceivable that the framers of that instrument would neglect the correction of the very evils which its adoption was intended to remove.

Seven years of trial of the confederation demonstrated the necessity of a national government invested with power "to regulate commerce with foreign nations," and "to provide for the common defense and general welfare," the want of which under the confederation exposed the States to domestic jealousy and discord and the machinations of foreign powers. The Congress being powerless under the confederation to enact tariff laws without the consent of all the States, and that consent being withheld, each State undertook the regulation of its own trade with foreign nations and with the other States upon such terms as seemed most advantageous to itself.

This policy resulted in a multiplicity of custom laws as numerous as the States. One State would impose certain duties on foreign goods, while an adjacent State would for the purpose of securing trade admit the same class of goods into its ports free of duty, and so the selfish policy of each exposed all to the cupidity of foreign powers. Domestic industries, brought into existence and maintained through the exigency of war, were swept down in peace by a flood of imported goods, and manufacturer and laborer alike involved in a common ruin. It was to remedy this condition that "the power to regulate commerce with foreign nations" and "to provide for the common defense and general welfare" was conferred by the Federal Constitution upon the National Government.

Mr. Webster, in 1833, well said:

The protection of American labor against the injurious competition of foreign labor, so far at least as respects general handicraft productions, is known historically to have been one end designed to be obtained by establishing the Constitution.

Again in 1844, he said:

In Colonial times and during the time of the convention, the idea was held up that domestic industry could not prosper, manufactures and the mechanic arts could not advance, the condition of the common country could not be carried up to any considerable elevation, unless there should be one government to lay one rate of duty upon imports throughout the Union; regard to be had, in laying this duty, to the protection of American labor and industry.

I defy the man in any degree conversant with the history, in any degree acquainted with the annals of this country from 1787 to 1789, when the Constitution was adopted, to say that protection of American labor and industry was not a leading, I might almost say the leading motive, South as well as North, for the formation of the new Government. Without that provision in the Constitution it never could have been adopted.

Fisher Ames, a member of the first Congress under the Constitution, in debate on the first tariff bill, said:

I conceive, sir, that the present Constitution was dictated by commercial necessity more than by any other cause. The want of an efficient government to secure the manufacturing interest and to advance our commerce was long seen by men of judgment and pointed out by patriots solicitous to promote our general welfare.

But of more value than the individual opinion of men, however eminent, is the contemporaneous interpretation of the Constitution as expressed in the earliest legislation under it. The first act of any moment in the First Congress, suggested by Ham-

ilton, presented by Madison, and approved by Washington, related to the tariff, and its purpose was declared in the preamble as follows:

Whereas it is necessary for the support of the Government, for the discharge of the debt of the United States, and for the encouragement and protection of manufactures, that duties be laid on imported goods, etc.: therefore be it enacted.

That act received the official approval of Washington July 4, 1789, and was everywhere hailed as a second declaration of independence. If it had been in violation of the Constitution none would have been more apt to discover it than Washington himself, who, as president of the convention which framed it, must have been fully possessed of the scope and spirit of that instrument. In addition to this the early Presidents took frequent occasion to refer approvingly to the course of national legislation looking to the protection of domestic manufactures.

President Washington, in his last annual message to Congress, said:

Congress has repeatedly and not without success directed their attention to the encouragement of manufactures. The object is of too much consequence not to insure a continuance of their efforts in every way which shall appear eligible.

President Adams spoke of—

The wisdom and efficiency of the measures which have been adopted by Congress for the protection of commerce.

Thomas Jefferson spoke of the duty of Congress:

To protect the manufacturers adapted to our circumstances.

In one of his messages to Congress, when the question of disposing of the surplus revenues was arresting public attention, and the suggestion was made to dispense with some part of the customs duties, he took occasion to say:

Shall we suppress the imports and give that advantage to foreign over our domestic manufacturers?

Again he said:

The general inquiry now is, shall we make our own comforts, or go without them at the will of a foreign nation? He, therefore, who is now against domestic manufactures must be for reducing us either to a dependency upon that nation or to be clothed in skins and live like beasts in caves or dens. I am proud to say that I am not one of these. Experience has taught me that manufactures are now as necessary to our independence as to our comforts. The prohibiting duties we lay on all articles of foreign manufacture which prudence requires us to establish at home, with the patriotic determination of every good citizen to use no foreign article which can be made within ourselves, without regard to difference of price, secures us against a relapse into foreign dependency.

In 1809 Mr. Jefferson wrote to Mr. Humphrey as follows:

My own idea is that we should encourage home manufactures to the extent of our own consumption of everything of which we raise the raw materials.

In 1817 he was elected a member of the "Society for the Encouragement of Domestic Manufactures," and in his letter of acceptance said:

The history of the last twenty years has been a significant lesson for us all to depend for necessities on ourselves alone, and I hope twenty years more will place the American hemisphere under a system of its own, essentially peaceable and industrious and not needing to extract its comforts out of the eternal fires raging in the Old World.

President Madison, justly recognized as the "Father of the Constitution," in a special message to Congress in 1809, said:

It will be worthy of the just and provident care of Congress to make such further alterations in the laws as will more especially protect and foster the several branches of manufacture which have been recently instituted or extended by the laudable exertions of our citizens.

And again in 1815:

But there is no such subject that can enter with greater force and merit into the deliberations of Congress than consideration of the means to preserve and promote the manufactures which have sprung into existence and obtained an unparalleled maturity throughout the United States during the period of the European wars. This source of national independence and wealth I anxiously recommend, therefore, to the prompt and constant attention of Congress.

James Monroe, in his inaugural address, among other things, said:

Our manufactures will likewise require the systematic and fostering care of the Government. Possessing, as we do, all the raw materials, the fruit of our own soil and industry, we ought not to depend in the degree we have done on supplies from other countries. Equally important is it to provide at home a market for raw materials, as by extending the competition it will enhance the price and protect the cultivator against the casualties incident to foreign markets.

President Monroe, in his seventh annual message to Congress, said:

Having formerly communicated my views to Congress respecting the encouragement which ought to be given to our manufactures, and the principle on which it should be founded, I have only to add that those views remain unchanged. I recommend a review of the tariff for the purpose of affording such additional protection to those articles which we are prepared to manufacture, or which are more immediately connected with the defense and independence of the country.

President John Quincy Adams, in a message to Congress in 1828, speaking of our agricultural, commercial, and manufacturing interests, said:

All these interests are alike under the protecting power of legislative authority.

But it is needless to continue these citations. Enough appears to establish beyond controversy that the want of power under the Confederation to impose duties on imports with a view not only of raising revenue but of insuring the development and protection of domestic manufactures, was one of the most potent reasons urged in favor of the adoption of the Federal Constitution, and that these powers were embraced in that instrument and promptly invoked by the National Government without hesitancy or question.

Great signification is justly attached to the construction of the Constitution, by those who were first called upon to administer it, in view of the fact that Washington, the president of the convention which framed it, became the first executive officer to enforce it, and of the thirty-eight men who considered, framed, and signed that instrument fifteen were chosen members of the first Congress organized under it, among whom were Roger Sherman, Robert Morris, and James Madison, while Fisher Ames, Rufus King, Richard Henry Lee, and James Monroe, men scarcely less noted for their patriotism and sound judgment, participated in the work of giving force and effect to the Federal Constitution.

In the light of these facts you will have some difficulty, I apprehend, in convincing the American people that a tariff adjusted in the interest of domestic industries is in violation of the Constitution. Intelligent people will not be apt to discard the patriotic opinions of Washington, Madison, Jefferson, and their contemporaries and accept the partisan interpretation of modern Democracy.

Having said this much in answer to the assumption that a protective tariff is unconstitutional, let us pass to a consideration of the substance of this measure.

TARIFF REFORM.

And here we have at last translated into apt phrase the hitherto mysterious doctrine of "tariff reform."

You have now conjured with these words for the last time. Having ceased to be mysterious they will lose their magic power to deceive and mislead the people. "Tariff reform" is finally interpreted to mean "free raw material" and reduction of duties on competing foreign products entering our markets below the protective point, regardless of the consequences to American industries or American labor. This is "tariff reform."

Before proceeding to a specific explanation, I desire to say that this measure as a whole stands without a parallel in the history of proposed tariff legislation in this country. It was framed with the evident intention of carrying out that portion of the Democratic platform and policy which declared for a "tariff for revenue only," and is the boldest step yet taken by any party in the United States in the direction of free trade—a step which, if it shall find popular following in this country, will certainly lead to individual disaster and national bankruptcy.

But daring as is the advance made, it seems from the report of the committee that while adhering to the doctrine of the unconstitutionality of the protective tariff, the majority have been restrained in their headlong course toward free trade by the "existence of great industries" which impede their progress and which they hesitate to utterly destroy; and then in apologetic tone assure their followers and the country that "the bill is not offered as a complete response to the mandate of the American people" and does not "profess to be purged from all protection."

Are we then to understand that further "response" from the Democratic party may be expected, in which the tariff is to be wholly "purged from all protection" and the destruction of American industries and the pauperization of American workmen fully consummated? Is this the prospect you hold out to a people already driven by your threatened policy to the very verge of despair and desperation? If such be your purpose, the only escape then lies in the hope that long before you are able to complete your desolating work an indignant people will drive you forever from power. [Applause on the Republican side.]

And in this connection I desire to say that, whatever may have been the purpose of the majority in framing this bill, that in so far as it fails to redeem the party pledges it is either a confession of error or an exhibition of cowardice. [Applause.] If in error you ought to be patriotic enough to promptly avow it, abandon the policy upon which you have entered, and permit the country to resume its industrial prosperity. If, on the other hand, you still adhere to the principles of the Chicago platform and have failed to embody them in this measure, you have openly betrayed the confidence of the people who intrusted you with power.

LOSS OF REVENUE.

But upon examination of this bill, in connection with the estimated revenues it will secure, the startling fact is disclosed that

as a revenue measure it is confessedly inadequate, it being conceded that upon the basis of last year's importations it will occasion a serious loss of revenue estimated anywhere from sixty to seventy-five millions of dollars annually, to be supplied either by an enormous increase of importations to the detriment or destruction of domestic industries or by resorting to a system of internal taxation as pernicious as it is offensive. The final determination of the majority touching the extent of internal taxation to be imposed, has not yet been disclosed by the Executive.

And in this connection the query is naturally suggested whether this sudden conversion of the Democratic party to a system of direct internal taxation is not attributable in a large degree, if not chiefly, to the fact that it is, if not the most direct, at least the most effective method of insuring the ultimate destruction of our protective system. For it is apparent, the more revenue secured from internal sources the less to be derived from duties on imports, and the less imposed and collected on foreign goods the more nearly we approach absolute free trade.

THE FREE LIST.

The first proposition arresting attention in this bill is the proposed transfer of one hundred and thirty-one articles from the dutiable to the free list. Of these, twenty-nine are taken from the chemical schedule, three from the schedule of earths and earthenware, fourteen metals and manufactures of metals, nineteen articles of wood, two from the schedule of spirits, six from flax, hemp, and jute, and their manufactures; twenty-seven agricultural products, twenty items of wool from the unwashed clip to the scoured fleece and finished noil, and eleven articles from the schedule of sundries, together with coffee, skins, and hides released from the possibility of customs exactions by the total repeal of the reciprocity provision of the act of 1890.

It will not escape notice in this connection that upon examination of the list of articles thus transferred from the dutiable to the free list the interests of the farmer seem to have been selected for special assault and destruction, as nearly one-half of the items embraced in this proposed transfer are the fruits of domestic husbandry. Even the duty of 20 per cent ad valorem accorded the American farmer on his wheat, corn, rye, oats, buckwheat, and their manufactures is to be removed, and all these products admitted free of duty from any country extending like privileges to us. The way is thus open to the Canadian farmer to invade our markets at will.

But let us look for a moment at the scope of this proposition as a whole. Of the class of articles thus proposed to be transferred to the free list, there were imported into the United States during the fiscal year ending June 30, 1893, \$50,933,409 worth, upon which there was collected under existing law the sum of \$13,789,022 of public revenue. The immediate effect of this proposition, therefore, if adopted, will be to open our markets to the free importation of nearly \$51,000,000 of foreign products, accompanied with the voluntary surrender of nearly \$14,000,000 of annual revenue.

It is a free donation to foreigners, at a time, too, when the Treasury of the United States is in pressing need of increased resources. There is not in it even a suggestion of reciprocity by which some concessions might be secured for our surplus products in the markets of the nations thus favored with free entrance into our own. It is a bald free-trade gift—the price paid for a Democratic theory.

Such a proposition would at any time arrest public attention, but to be made in the presence of a depleted Treasury, and with its Secretary asking to be clothed with power to issue bonds on which he may borrow money to meet the current expenses of the Government, is a proposition so startling as to challenge the credulity of mankind. [Prolonged applause on Republican side.] There is only one explanation possible, and that is found in the exclamation of an English statesman, "It is free trade gone mad." The present free list ought to be sufficient to satisfy the demands of the most advanced free trader. The act of 1890 enlarged it to the very limit of safety to American industries and American labor.

The value of our free imports increased from \$266,103,048 in 1890 to \$444,172,064 in 1893, while our dutiable imports fell off from \$507,571,764 in 1890 to \$409,282,519 in 1893. And yet it is proposed to increase our free imports to more than \$490,000,000, while reducing the dutiable to \$354,000,000.

But, serious in its results as this proposition would seem to be, yet its far-reaching consequences can only appear when we consider the class of products to be accorded free entrance into our markets. If the articles proposed to be transferred to the free list were exclusively of foreign production and therefore not to come in competition with American industries and American labor, no advocate of the American system would make complaint, however extended the catalogue, for it would be in harmony with the theory of protection.

But the one hundred and thirty-one articles proposed to be

transferred to the free list are not exclusively of foreign origin. They are of domestic production, built up and sustained by the investment of American capital and the employment of American labor. They are the products of our factories, our mines, our forests, our mills, our flocks and our fields, which you propose thus to expose to the merciless and unrestrained assault of our foreign rivals. And to what end? That the manufacturers, forsooth, may have the advantage of "free raw material."

Heretofore if there was any one class of our people the Democratic party inveighed against more than another it was the manufacturer, but he has now, it seems, become the object of your deepest solicitude, while the humble laborer for whom you have professed so much anxiety in the past is abandoned to an unequal battle with his foreign antagonists. The hardy miner, the intelligent flock master and farmer, and all the producers of what you are pleased to call "raw materials," are to be forced to contend unaided with the cheapest labor on the globe that the manufacturer may enjoy the boon of "free raw material."

Why should not the producers of raw material be accorded the same consideration as the manufacturer of that material into his finished product? Why should the miner in his perilous vocation be utterly abandoned, while the workers in the raw material which he produces are given some measure of consideration? Why should the farmer, having invested his all in fields and flocks, be forced into an unequal competition with Australia and South America, while the manufacturer of woolen fabrics secures some measure of protection? And in this connection it is but just to say that the woolen manufacturers as a body demand no such unjustifiable discrimination.

But I notice every "tariff reformer" urges free raw material as an indispensable adjunct to the consummation of his theory. "There is method in his madness." No one understands better than he that free raw material will be swiftly followed by free manufactured goods. It will be protection for all or protection for none. [Applause.] When you force the producers of raw material into unrestrained competition with the world the manufacturers of this raw material into the finished fabric will speedily share the same fate.

How long do you suppose the wool-growers of this country will submit to be taxed, as you are pleased to call it, on their woolen goods, after you have forced their wool onto the free list to the destruction of their flocks and their fortunes? Human nature is very much the same everywhere and the spirit of retaliation will find swift and terrible expression. When you have completed this proposed transfer it is the beginning of the end of the protective system in the United States; and I apprehend it is the knowledge of this fact which inspires the free trader of to-day with unflagging zeal in the advocacy of free raw material.

Yet I confess that in the light of this measure it is somewhat difficult to understand the Democratic idea of raw material.

For example, you put one class of clays on the free list, while another, adapted to the use of the same industry, is made dutiable. One would suppose that clay was about as "raw" a material as could be imagined. Yet, while putting the clays of New Jersey on the free list, you impose a duty of \$2 a ton on the clays of Florida, Georgia, and other Southern States. One would surmise what was raw material in New Jersey would be "raw material" in Florida. But it seems not. One would suppose that hoop iron would be the same, regardless of the uses to which it is applied. Not so. On the farmer's bucket it is taxed, around the planter's cotton it is free. Washed wool and washed clay ought to hold the same place in Democratic philosophy. Yet the wool of the Northern farmer is "raw material," while the washed clay in the hands of the Southern producer is a highly finished product. It is useless, however, to attempt to extract from this bill the Democratic conception of raw material. The truth is, there is no such thing as raw material, except in nature's storehouse.

The iron in the mountain, the coal in its native bed, the trees in the forest, the stone in the quarry—these are raw material in their natural condition, and untouched by the hand of labor would remain raw material forever and continue absolutely valueless. But when labor touches them and transforms them to the uses of mankind that moment they cease to be raw material and become the finished product of invested capital and expended labor. You may continue to delude yourself with the theory that these things are raw material, but you will not deceive the intelligent labor of this country, through whose mighty energies they are produced.

But let us go a step farther and consider the effect upon the industries involved before this proposed free list shall be enacted into law. The only reason assigned by the advocates of this measure in support of free raw material is that it will give cheaper raw material and so bring a resultant benefit to the consumers of the finished product into which such material enters. The whole argument proceeds and is grounded upon that

theory. The contention is that the manufacturer can secure his raw material, if free, cheaper elsewhere than in the United States.

If it will not give him cheaper raw material, either by purchasing abroad or forcing our domestic producers down to the level of the world's market, then this step is without rhyme or reason and the whole bill formed upon this assumption must be recast. That the manufacturer will secure his raw material, when free, in the cheapest market goes without saying, and it becomes important to inquire, therefore, what effect free trade in raw material will have on domestic producers of the competing product.

WOOL AND IRON ORE.

Among the articles proposed to be transferred to the free list are wool and iron ore. When this shall have been consummated the manufacturer of woolen goods will surely secure his raw material in the cheapest market. He will draw his supply of wool from Australia, South America, Turkey, and South Africa, where lands are practically free and climatic conditions conduce to the cheapest production. The manufacturer of pig iron will turn to Spain, Cuba, England, and the world's sources of cheapest supply for his iron ore. This will inevitably result in one of two things—the destruction of our flocks and the closing of our mines or the lowering of our conditions to the level of our foreign competitors.

"To this complexion we must come at last."

In the case of the American wool-grower it is not within his power to reach the conditions, if such a step was desirable, which would enable him to successfully compete with the foreign producer. High-priced lands, a rigorous climate, American wages and the cost of transportation, offer an irresistible barrier to the successful prosecution of this industry in the United States under free trade.

How can our flock masters contend with Australia in an open market where 600,000,000 pounds of wool are produced annually from flocks grazing on lands which are rented for a penny an acre a year? Or with the 460,000,000 pounds of annual production in South America, where lands are free and labor commands only 8 cents a day? Or with Russia's 350,000,000 pounds produced with 15 cents daily labor? Or with South Africa, Turkey, and Asia, where 10 cents a day is the highest recompense awarded in this industry?

Under free trade these countries could put their wool down in our markets at a price less than the cost of production here, and the consequence would be the complete destruction of this great and growing industry in the United States. This would be attended with the sacrifice of 47,000,000 sheep, in which 2,000,000 farmers have invested \$100,000,000 in capital, and the abandonment of extensive ranches with all their valuable improvements. It is idle to contend that with free wool this industry could survive.

Our farmers are too intelligent to be deceived, and they are already selling their flocks or driving them to the slaughter pen in the hope of saving something from the general wreck which is sure to follow. I regret that time and space forbid the presentation of protests in my hands, from thirty-four States and Territories, against the consummation of this atrocious outrage. Yet this would probably fall now upon deaf ears, but the time is not far distant when they will be heard. The gentleman from West Virginia [Mr. WILSON] in his speech of yesterday, in advocacy of free wool, summoned to his support the statement of a Representative from the State of Texas, to the effect that the industry of wool-growing can be carried on as cheaply in that State as anywhere on the globe; and that free wool would not therefore be injurious to the flock masters of that State. Against this assertion I interpose a remonstrance fifty feet long from the citizens of Texas bearing eleven hundred signatures, in condemnation of the policy of free wool. Let this be your answer [unrolling the remonstrance]. [Applause on the Republican side.]

Turn to the iron industry; with free trade in iron ore how can the American miner in Michigan and elsewhere in the United States successfully contend with the miners of England, Spain, Cuba, and the ore-producing countries of the old world? The average wages in the Lake Superior mining district for drillers or miners is \$2.25 to \$2.75 per day while the same class of laborers in England receive \$1.21 and in Spain only from 60 to 72 cents per day. With us, common laborers receive from \$1.60 to \$2 a day, in England from 72 to 84 cents, and in Spain 36 to 60 cents a day. Even the boys in the Lake Superior mines receive from \$1 to \$1.25 per day, while boys and women in England secure from 24 to 60 cents, and in Spain 24 to 36 cents a day. It is in evidence before the Ways and Means Committee that the wages of miners on Lake Superior are more than 3½ times those of Bilbao, and more than double those in the Cleveland (English) district. With these conditions staring us in the face there is

no escape from the conclusion that with free iron ore we must either close our mines or reduce the cost of production to the lowest level of the world's supply.

But to cheapen production involves a reduction of wages to the level of Spanish and Cuban labor—a proposition repugnant to every instinct of American manhood and to be resisted, I trust, to the last, by the laboring people of this country through every legitimate instrumentality at their command. Already the suggestion of free trade in iron ore has closed our mines, forced the miners out of employment, and driven a people who were never before dependent upon public charity to beggary and want. The good people of my State, in every town and hamlet, are already contributing to their necessities.

I hold in my hand a memorial from the citizens of the city of Bessemer, in the State of Michigan, addressed to the President of the United States, setting forth the conditions of the miners in the upper peninsula, from which I desire to make some extracts.

Hon. Grover Cleveland, President of the United States:

The citizens of the city of Bessemer, in the county of Gogebic and State of Michigan, regardless of party or political affiliations, in meeting assembled, view with alarm the reported action of the Ways and Means Committee of Congress in recommending that iron ore be placed upon the free list, and respectfully submit for your consideration:

That during the year 1892 the number of men directly employed in the mines of this county, in the mining of iron ore, was not less than 6,000, whose average wage-earning power were from \$350.00 to \$400.00 monthly.

In addition there was expended by the mines monthly for mining-timber, wood, lagging, and mining supplies \$150,000 to \$200,000, which indirectly gave employment to over one thousand additional workmen, and that the prosperity of this county and its people is dependent almost wholly upon the prosperity of the iron industries.

Owing to doubts, fears, and uncertainty as to the policy of the General Government relative to the protection of American industries and American labor, and especially as to the reported intention to change existing tariff schedules and class iron ore as raw material and place it upon the free list, every mine in this county has been closed down to await the settlement of tariff legislation, and that thousands of laborers have been thrown out of employment and are unable to obtain work at any price, and that much want and suffering exists in this community in consequence.

The only labor now employed in this county is that engaged in manning the pumps and keeping the mines free from water, and that the whole number thus employed will not exceed 400 men all told, whose average monthly earnings will not exceed \$12,000 to \$15,000.

Thousands of men in this county, able and willing to work, are unable to secure employment, are in actual want, and hundreds of honest and deserving families are in consequence obliged to ask public aid and subsist on public charity.

The expenditures for poor purposes in the county of Gogebic during the year 1892 did not exceed \$10,000, and that the expenditures of eight months in the present year have already exceeded \$25,000, and that owing to the approach of winter, and the destitution and want existing in this section, the expenditures for poor purposes must be greatly increased.

Owing to the calls made upon it the funds of this county, available for poor purposes, have been exhausted, and all funds available for other purposes have been applied to relieve want and suffering among our people, and that the county treasury is now empty and there will be no funds therein available for any purpose before March 1, 1893.

To relieve the pressing necessities of the poor, orders are being issued by the commissioners, but that owing to there being no available funds to take up such orders, the same are becoming valueless, and that unless the mines resume work at an early date great suffering and distress will result.

Investigation shows that there are in this city alone one hundred families, about five hundred persons, mostly women and children, dependent upon public charity and in pressing need of immediate assistance in the shape of food and clothing to relieve their wants, and that the condition of affairs in other sections of the county is comparatively no better than the condition of affairs in this city.

The classing of iron ore as raw material and placing it upon the list of articles to be admitted free of duty will be destructive to the mining industries of this section and the prosperity of our people, and we respectfully, but none the less earnestly, protest against such contemplated action by the Administration and the present Congress, and urge not only that the present duty be retained, but increased as well, believing that such action would bring to the depressed industries of our section a return of its past prosperity.

We respectfully submit that iron ore in its natural state, and in place in the earth before human labor has been expended upon it, is raw material, and its value is determined by the royalty demanded upon it by the owners of the soil, which on this range averages 35 cents per ton. The cost of a ton of iron ore delivered to the furnaces at Lake Erie points is \$3.96.

To which must be added the cost of superintendence and interest on the capital invested. And we protest against iron ore being classed as raw material when more than ten-elevenths of its value at the furnace, where it is consumed, consists of the labor and cost of its production and transportation.

The iron ore from our mines loaded for transportation to the furnace is the finished product of our people. The finished product of our mines is the raw material of the producers of pig iron, and what is the finished product of one industry is ever the raw material of the next in the ascending scale of manufactures.

We submit that every article into which human labor has entered and has increased or multiplied its value, in order to render it available for the use of man, has ceased to be raw material, and we demand, as a matter of simple justice, that the product of American labor, whether in the forest or on the farm, in the factory, or in the deepness and darkness of the mine, shall be protected, to the end that the American markets be reserved for American labor and be freed from competition for bare existence with the cheaper and degrading conditions surrounding the labor of other lands.

We therefore sincerely but earnestly protest against iron ore being classed as raw material and placed among the list of articles admitted free of duty, and we ask, in the name of common humanity, in the name of our desolated homes and suffering poor, that this nation be not committed to a policy that must prove destructive alike to its industries and the prosperity of its people.

It is a condition not a theory that confronts us, and confronted by this condition, we respectfully ask that should you as Chief Executive feel

bound to recommend in your annual message the adoption of the tariff policy outlined by the Ways and Means Committee, that you submit this our respectful but earnest protest against the adoption of such a policy to the Congress of the United States.

Such is the condition of labor in a single city in my State. I submit also the following protest from the board of supervisors of the county of Gogebic in confirmation of the foregoing memorial:

To the Congress of the United States:

The board of supervisors of Gogebic County, State of Michigan, in regular meeting assembled, at the court-house of said county, this 13th day of December, 1893, respectfully but most earnestly remonstrate against the reported intention of the House Committee on Ways and Means to class iron ore as a raw material and as such put it on the free list.

Iron ore is the only product our people have to dispose of; its production employs our labor, supports our population, and maintains our homes. In fact, without it this county and the entire Gogebic range become waste and depopulated and its people must seek employment elsewhere.

Our people have invested their all, the accumulations of years of prosperity, in the Gogebic iron range and its industries, and we submit that it is neither fair nor just to ruin a whole community in order that the consistency of a theory may be demonstrated.

So long as other products are protected, we ask the same treatment for ours, and we ask it as a matter of right.

The condition of affairs in this county to-day is indeed appalling, and must appeal to every human heart at all sensitive to the promptings of justice.

Six months ago there were employed in the mines of this county 5,000 men; to-day there is less than 500.

The average wage then paid was \$1.85 per day; to-day the few employed are working for \$1 and less, and thousands of men able and willing to work are unable to obtain employment even at the wages named.

Our county treasury is empty, and poor orders to the amount of some \$15,000 outstanding and more accumulating every month. Taxes will not be paid, as our people have not the funds to pay with, and there are now not less than 5,000 persons in the county receiving public aid and dependent for support on outside publiccharity, and the governor of this State has already in behalf of our people by proclamation called upon the charitable people of Michigan for assistance.

The enforcement of your committee's proposed policy means simply the depopulation of this county, and the practical confiscation, by destruction, of all that our people have accumulated by economy and prudence during more prosperous times.

We appeal to you, therefore, in the name of our constituents and in the name of our equal rights as American citizens, to stay this ill-advised undertaking and let iron ore remain as it now stands—one of the products of American enterprise and labor—and as such entitled to equal treatment with every other American interest and industry.

EFFECT ON OTHER INTERESTS.

If the mere approach of free trade produces such appalling results, who can depict the awful consequences when it shall take full possession of this industry. But this is not all. Dependent upon the successful operation of our mines there are other interests of vast concern which under free trade will surely be jeopardized and destroyed. In the Lake Superior district alone \$71,325,122 have been invested in mines; \$10,885,665 in docks built and used exclusively for shipping ore; \$32,014,594 have been expended in the construction of railways leading from these mines to the docks; \$29,933,107 have gone into transportation facilities on the Great Lakes; \$12,392,880 into docks and equipments for receiving and distributing this ore on the ports of Lake Erie, and \$26,343,617 invested in railways for conveying this ore from these ports to inland mills and furnaces, making a grand total of \$182,894,985 of invested capital, all of which is to be imperiled or destroyed. The mines will become valueless, the railways abandoned, docks become useless, and our splendid lake transports will rot at decaying wharves.

EXTENT OF INTERESTS AFFECTED BY FREE LIST.

Thus far I have confined my remarks to the probable effect upon only two of the industries, the products of which you propose to transfer to the free list. Were it possible to consider in detail the entire catalogue of one hundred and thirty-one articles with a view of ascertaining the extent of the interests involved and the probable effect of free trade on our domestic industries and labor, I am sure even the authors of this measure would hesitate to consummate their desolating work.

I beg leave to append to my remarks a statement from official sources of the capital invested, material used, labor employed, wages paid, and annual output, so far as attainable in the industries you have determined to transfer from the dutiable to the free list.

An examination of this table will disclose the magnitude of the interests you propose to jeopardize. We of the minority intend to resist to the last this wanton destruction of American interests. We believe in the development of all our industrial resources to the fullest possible extent and to that end would extend the same measure of protection to the producers of raw material as to the workers in the more advanced product.

We would not only be independent of foreigners for our manufactured goods, but for the raw material out of which they are fabricated. [Applause on the Republican side.] I can conceive of no policy more detrimental to American manufacturers and American labor than the abandonment of the production so far as possible of our own raw material. Such a policy would not only drive labor from the largest field of its employment, but it would dry up one of the most bountiful sources of national

wealth and reduce our manufacturing industries to complete dependence on foreign nations for the supply of their raw material.

Such a result would be disastrous even to the interests it is proposed to promote, for when we have slaughtered our flocks, closed our mines, and wholly abandoned the production of our own raw material, the foreigner would take advantage of our helpless condition and impose upon us whatever burden his cupidity might suggest. We, therefore, would protect all interests, whether of the mine or the furnace, the field or the factory, to the end that all our people may receive profitable employment and the nation attain its highest possible development. [Applause.]

THE SOUTH.

And in this connection I can not refrain from expressing my amazement that you people of the South are so blind to your own interests as to cringe beneath the party lash and give this measure your support. A bountiful Providence has placed within your reach an inexhaustible supply of raw material which needs only to be utilized to give you an industrial impetus and development which would be the marvel of the age. Your mountains are bursting with iron and coal, your forests unexplored invite to new fields of unmeasured wealth, and how long will you be content to stumble over these natural gifts that you may do homage to a theory which, if it ever had any place in human affairs, belongs to other conditions and to another generation.

Let me implore you to turn your backs on the dead past and face the future. Place yourselves abreast with the spirit of the age by laying hold of the mighty possibilities within your grasp, and so aid in securing the highest prosperity of your people and the industrial advancement of our common country. [Applause.]

But not content with giving the freedom of our markets to the individual importer, you further provide that "All articles imported by the United States shall come in free of duty." In the act of 1890 this provision was eliminated from the law for the reason it was found to be a fruitful source of fraud on the revenues.

It was under such a provision as this that a single party was able to underbid and drive all others from the field of domestic competition and secure Government contracts for furnishing plate glass for public buildings and succeeded in defrauding the Government out of more than a million dollars of revenue. Under this provision the United States can purchase abroad and bring in free of duty clothing and equipments for its Army and Navy, all supplies for its hospital and Indian service, and everything which it may require in the vast range of its necessities. And so the American manufacturer is practically excluded from competing for any contract for supplies to be furnished his own Government.

By these means you propose to enlist the Government itself among the forces hostile to the development and maintenance of domestic manufactures. The Government is to be permitted to use the people's money to cripple and destroy the industries of its own citizens. It is no answer to say that for the Government to pay duties on its own imports is simply taking money out of the Treasury with one hand and returning it with the other, and therefore a mere matter of bookkeeping.

While this is true when the Government purchases abroad, yet it can avoid that idle ceremony by simply buying at home, and thereby sustain and promote its own industrial growth. No government ought to exact of the citizen what it is not willing to accept for itself. But this provision will undoubtedly be retained, because it is in harmony with the policy of free trade. It is only another weapon in the hands of an unfriendly Administration with which to cripple and destroy domestic industries.

But passing from the consideration of the free list to the dutiable schedules, we find here the same spirit of hostility manifested in every provision. There is not a schedule in which there are not some industries which will be imperiled by the passage of its bill—many will be utterly destroyed. On the other hand if there is any provision in this bill which will stimulate a single domestic industry or give increased employment to labor it has not been pointed out. The measure as a whole looks only to lessened industries and lower wages.

It ought to be entitled "A bill to lessen the revenue, destroy American industries, and pauperize American labor." The majority seem to have been actuated only by the desire to lower duties all along the line, regardless of the consequences to American industries or American labor. And in this connection it is noticeable that not a line in it is responsive to the public hearings had before the Committee on Ways and Means. You were admonished that our chemical industry "is one to be encouraged"—you have seriously depressed it.

You were advised by the workers in pottery that with lower duties they could not compete with the cheaper labor of Germany

and England, and they implored you "for the sake of the hundreds of idle potters who are now walking the streets, for the sake of our wives and children, we implore you not to reduce the tariff"—you wholly disregarded their appeal. The workers in glass urged "a tariff sufficient to cover the difference in cost of labor and material between the United States and those competing foreign countries whose labor and material cost less"—you have denied their request.

The workers in metals from the crudest form to the most highly finished product besought you with united voice to continue protection and so aid them in securing good wages and maintaining the American standard of labor—you turned a deaf ear to their entreaties. The woolen and cotton manufacturers pointed out the disastrous consequences of the step you have taken in this bill—you declined to heed their admonitions.

The agriculturists asked to be protected in their flocks and the products of their farms. You slaughtered their interests without mercy. I repeat, therefore, the hearings might as well never have taken place so far as any seeming effect was produced on the majority of the committee. What secret advices you may have had in framing this bill will probably never be disclosed, but that they were from sources unfriendly to American interests can not, in the light of this measure, be seriously questioned or denied.

EFFECT OF LOWERING DUTIES.

As to the general effect on our industries should this measure be enacted into law there is no room for doubt. That it will stimulate importations to the detriment of American industries and American labor will not be controverted. Even existing rates, in many instances, have not been sufficient to restrain injurious foreign competition.

In spite of our efforts to foster and protect our pottery industries, importations have steadily increased from \$4,954,813 in 1884 to \$9,529,431 in 1893. If under the present rate of duty there was imported into this country in 1893 \$9,529,431 worth of foreign pottery, what will be the volume of importations when you reduce duties from 55 and 60 per cent to 35 and 45 per cent, coupled with the exclusion from duties of the outside coverings? It is stated that 7,500 crates of English crockery are now awaiting the passage of this bill to be shipped into our market.

If \$9,000,000 worth of pocket cutlery was imported into the United States last year under an ad valorem duty ranging from 63 to 95 per cent, who can calculate the value of importations under the proposed rate of 45 per cent? If \$17,470,178 of chemical products were imported into this country in 1892, under a duty of 32 per cent, what will be the value of the importations under a duty of 25 per cent? If crockery, glassware, and articles in Schedule B came into this country to the amount of \$22,329,305 in 1892, under a 50 per cent duty, what will be the importations under a duty of 33 per cent?

If the importations of metals in 1892 aggregated \$38,288,459 worth under a 53 per cent, what will be the importations under a duty of 32 per cent? If \$30,514,607 worth of agricultural products found a market in this country in 1892 under 32 per cent duty, what will be the volume of importations under a duty of 22 per cent? If in 1892 there came into this country of cotton manufactures \$17,052,525 worth under a 55 per cent duty, what will be the importations under a 38 per cent duty? If \$33,061,565 worth of flax, hemp, jute, and the articles enumerated in Schedule J came into this market in 1892 under a 44 per cent duty, what will be the importations under a 32 per cent duty? If \$35,792,973 worth of wool and woolen manufactures came in 1892 under an average duty of 95 per cent, what will be the importations under a duty of 39 per cent?

It is beyond question that under such a radical reduction of rates importation will be enormously increased to the serious detriment of domestic industries and domestic labor.

There will be, too, no compensatory advantage to the Government, for it is susceptible of demonstration that in many instances the revenue derived under this bill, if the entire demand for the home consumption was supplied from abroad, would be less than under existing law.

I shall not pause to call attention to the many incongruities in this bill. The committee may be able to explain why pig iron is taxed, and cotton ties are free. Why the Northern farmer, with harvest labor at \$2 a day, is allowed 20 per cent on his wheat, and the rice producer of the South, with 75 cents day labor, secures 71 per cent.

Why tallow, wool-grease, and degras are made free as tanners' materials, while the sumac of Virginia and North Carolina, used for the same purpose, is protected. Why the farmers' potatoes secure only 10 per cent consideration, while peanuts of Virginia grow in security behind a Chinese wall of 35 per cent. Why in many instances the duty on the finished article is less, or no more than on the articles entering into its manufacture. But I can not pursue this inquiry. There is one criticism I would

not venture to make, but as it comes from one of your own party organs, the *Troy Daily Times*, I venture to ask the Clerk to read the following:

The Clerk read as follows:

[*Troy Daily Times*, December 16, 1893.]

There are many evidences that the subcommittee which brought forth the Wilson bill are tyros in tariff tinkering. Section 273 of the measure as first published reads as follows: "Collars and cuffs and shirts and all articles of wearing apparel of every description not specially provided for in this act, composed wholly or in part of linen, and linen hydraulic hose, 35 per cent ad valorem." The committee must have imagined that hydraulic hose related to some form of stockings designed to prevent wet feet. The attention of the tariff smashers is respectfully called to the fact that hydraulic hose is only another name for a certain kind of fire hose, not that of a variety of stockings.

[*Troy Daily Times*, December 18, 1893.]

The framers of the Wilson bill having classified hydraulic hose, which is used exclusively for extinguishing fires, among articles of wearing apparel, no doubt will remodel that extraordinary measure so as to include hydraulic rams and spinning-mules in the live-stock schedule.

[Great laughter and applause.]

Mr. BURROWS. I have only to say that the bill as a whole is as unscientific as it is un-American.

But the most startling feature connected with and running through the entire dutiable schedules is the general substitution of ad valorem for specific rates. Under existing law, duties are imposed wherever possible by the yard, pound, or quantity and not according to value. The object of this was to avoid undervaluations and insure an honest collection of the revenues. It was to protect not only the revenues of the Government but our domestic manufactures as well. In the committee's bill this policy is abandoned, and five hundred specific rates have been changed to ad valorem. If anything was needed in addition to lowered duties to complete the destruction of our protective system, it is supplied by the substitution of ad valorem for specific rates. Under such a policy, coupled with the reductions proposed, revenue and domestic industries will alike diminish, and the latter in many instances disappear.

The reason assigned for this step by the learned chairman of the committee in his advance pronunciamento announcing the completion of the committee's labors, is that specific duties "frequently conceal a rate of taxation too enormous to be submitted to if expressed in ad valorem terms," and then cites as an example "the duty of 8 cents on 100 pounds of salt, which amounts to 80 per cent on 'a common necessity of life.'" The consumer of salt does not realize the heavy tribute he is forced to pay of one-twelfth of a cent a pound on this "common necessity of life" and only appreciates the enormity of the outrage when advised it is over 80 per cent ad valorem. [Laughter.] Can it be possible that for the purpose of continuing this deception the committee retain a specific duty of 1½ cents per pound on rice that the consumer of this "common necessity of life" may remain ignorant of the fact that he is bearing a burden of 71 per cent? But it is urged as a further objection to specific rates, that they operate unequally on the consumers of cheaper goods. But it must be remembered that on all the cheaper class of fabrics it is a matter of comparative indifference whether the rate is specific or ad valorem, as domestic competition has reduced the price of such articles in many cases to the consumer even below the duty itself.

Furthermore, specific duties serve to keep out of our markets cheap adulterated fabrics which are practically worthless to the purchaser, and insure a better grade of goods for the poor and rich alike. It is a matter of surprise that the chairman should have the courage to further state that "specific duties lead to greater frauds in administration, for counting and weighing at the custom-houses are done by the cheapest and most easily corrupted labor."

I may be permitted to say, in this connection, it will be a revelation to the laboring people of the country that in the opinion of the chairman of the Committee on Ways and Means they are as a class more easily corrupted than their more fortunate brethren. But when the chairman states that "specific duties lead to greater frauds in administration," he flies in the face of a current of authority which he can not successfully resist. The method of levying duties has been the subject of thorough and repeated investigation, and it is not too much to say that ad valorem duties are condemned by the almost unanimous verdict of those whose opinions are entitled to respectful consideration. I invoke the judgment of every Secretary of the Treasury investigating the subject, from Hamilton to Manning, in refutation of the position assumed by the majority.

In 1795 Secretary Hamilton reports to the House of Representatives that by existing laws about one-third of the duties was derived from articles rated ad valorem, and adds:

In other nations, experience has led to contract more and more the number of articles rated ad valorem, and, of course, to extend the number of those rated specifically; that is, according to weight, measure, or other rules of quantity. The reason of this is obvious; it is to guard against evasions, which infallibly happens in a greater or less degree when duties are high. It is needless to repeat that this will contribute as much to the interest of the fair trader as to that of the revenue.

Secretary Gallatin, reporting to the Senate in 1801, said:

In order to guard as far as possible against the value of goods being underrated in the invoices, it would be eligible to lay specific duties on all such articles now paying duties ad valorem as may be susceptible of that alteration.

Secretary Dallas, reporting to the House of Representatives in 1816, says:

Articles imported to a great amount should rather be charged with specific duties upon their weight and measure, in order to guard against evasions and frauds, than with ad valorem duties on their value.

Secretary Crawford, in 1817, said:

It is certainly prudent to diminish as far as practicable the list of articles paying ad valorem duties.

Secretary Meredith, in his report of December 3, 1849, says:

I propose a return to the system of specific duties on articles on which they can be conveniently laid. The effects of the present ad valorem system are twofold, viz., on the revenue and on our own productions. Experience has, I think, demonstrated that, looking exclusively to the revenue, a specific duty is more easily assessed, more favorable to commerce, more equal, and less exposed to frauds than any other system. This system obviates the difficulties and controversies which attend an appraisement of the foreign market value of each invoice, and it imposes an equal duty on equal quantities of the same commodity. Under the ad valorem system goods of the same kind and quality, and between which there can not be a difference in value in the same market at any given time, nevertheless may often pay different amounts of duty. Thus the hazards of trade are unnecessarily increased.

As the standard of value at every port must at last depend upon the average of the invoices that are passed there, every successful attempt at undervaluation renders more easy all that follow it. The consequences are, not only that the revenue suffers, that a certain sum is in effect annually given by the public among dishonest importers as a premium for their dishonesty, but that fair American importers may be gradually driven out of the business and their places supplied by unknown and unscrupulous foreign adventurers.

It will be remembered that this report of Secretary Meredith was made after the tariff of 1846 had been in operation three years—a tariff which eliminated all specific duties and embraced only ad valorem. And yet the committee has the hardihood to assert in its report—

Under the tariff from 1846 to 1861 this system was again tried and proved to be as successful in administration as it was just in principle.

The effect of ad valorem duties was made the subject of special inquiry by Secretary Meredith by calling upon custom officers throughout the United States to report the practical operation of ad valorem duties as provided for under the act of 1846. The report of the Secretary was based on the replies received from these official sources and they were practically unanimous in condemnation of the ad valorem system, both in its "administration" and in "principle."

The collector at New Orleans said, among other things:

There is no doubt that if the subject were referred to practical business men, to our merchants, and to those whose duties it is to administrate the law, the officers of the customs, it would be decided with singular unanimity that the ad valorem system is defective and that it works injuriously to public as well as to private interests.

The theory may be perfect, but its successful operation is impractical in consequence of universal and permanent objection—the fallibility of human judgment and the corruption of the human heart. The present system yielding protection when it is not wanted, and denying protection when it is most needed, is of all systems the most tantalizing, deceptive, and ruinous.

The customs official at the port of New York said:

The effect of abolishing specific duties has been to inundate our markets with merchandise of very inferior quality in addition to the incentive of low valuations. The effect produced upon the business of American merchants by the universal system of ad valorem duties has been a very largely increased ratio of importations by foreigners over Americans owing to the increased facilities for undervaluations of ad valorem duties and the low estimate of the solemnity of the custom-house oaths entertained among merchants in many foreign countries.

Not only officials, but leading business men everywhere throughout the country condemn the system of ad valorem with practical unanimity.

The following is taken from a statement of a business man in Boston:

In regard to the effect upon the business of American merchants engaged in the importations of foreign goods, the effect is to destroy the American importer and to turn the whole business of importing into the hands of foreigners. The experience of the past three years has shown that the business of importing has increased in the hands of foreigners immensely, and in the hands of American merchants has diminished very greatly, so that the whole business of the country under the present ad valorem system will soon fall into the hands of the fraudulent foreigners, and the American merchant will be thrown out of his honest and legitimate calling. The present tariff discriminates in favor of the foreigner, and again the American has been where there is no fraud.

These and many other citations might be made from the reports of officials and business men showing the universal condemnation of the ad valorem system. It is a notorious fact that under that system, embodied in the tariff of 1846, every American importer of wines in the city of New Orleans except two, in three years were completely driven out of business by foreigners. And it was officially declared that three-fourths of the business of importing in the city of New York under the tariff of 1846 and by the system of ad valorem rates had been turned over to foreigners. How the committee, in the face of this recorded evidence against the ad valorem system after three years of trial, could have the effrontery to declare that its operation had been "suc-

cessful in administration as it was just in principle" is past human comprehension.

Secretary Bristow, in his annual report for 1876, said:

Another remedy, and the most effective which could be adopted for correcting the evils of the appraisement system, is the substitution, so far as practicable, of specific for ad valorem duties. The entire process of ascertaining duties would be more simple, certain, and safe. Opportunities for collusive undervaluation would be greatly lessened, and if errors were committed they could not, as to specific rates and amounts, be accounted for except upon the supposition of culpable negligence or actual fraud; whereas, in respect to ad valorem duties, an error of judgment may readily be assigned as a sufficient explanation.

Secretary Sherman, in his report to Congress for 1878, made the following suggestions:

As a rule, specific duties are to be preferred to either ad valorem or compound rates, and in any future revision of the tariff it is hoped that Congress will give preference to this system of imposing duties as far as practicable.

During the Administration of President Arthur steps were taken to ascertain through our consuls abroad and by means of special agents of the Treasury the extent of the frauds practiced on our revenues, and Secretary Folger in submitting his report of March 28, 1884, with accompanying documents, said:

These papers seem to furnish conclusive evidence of general and extensive undervaluation of imported merchandise subject to ad valorem duties. Besides the serious loss to the revenue consequent upon undervaluation as indicated in these reports, the practice has a demoralizing influence upon our trade with other countries. The lack of safe grounds against it offers a premium to dishonesty and makes it impossible for an honorable manufacturer or dealer in Europe to compete with his less conscientious rival for the American trade, and the honest American is precluded from importing lines of goods thus undervalued.

I can not refrain in this connection from making some quotations from these reports which form the basis of the Secretary's suggestions.

George C. Tichenor, one of the most accomplished and trustworthy special agents ever connected with the Treasury Department, said:

An English gentleman connected with one of the largest silk houses in the United Kingdom informed me that one of the most extensive and reputable manufacturers of silks in the Zurich district informed him that he consigned all his products for the American market to a commission house at New York, and that his consular invoices were uniformly undervalued, generally at 20 per cent. He justified his actions as follows: First. That the United States tariff was iniquitous and contrary to public policy and international comity. Second. He could not ship to the United States if he declared his goods at their true value. Third. It had become an established custom both at Zurich and Lyons. Fourth. He had to calculate upon some bad debts and losses in the United States.

I myself conversed with manufacturers who in effect admitted that the practice of undervaluing had become almost universal, and they expressed themselves as being extremely desirous that it should be broken up, since the competition in the practice was year by year becoming sharper, until it had become a race amongst them, in which the New York commission agents were the greatest winners. The undervaluation of silks at Zurich is not alone in invoicing the goods at prices below their true market value, but it is quite a common practice to make deductions also from such prices in the form of "allowances" for pretended defects or imperfections in the goods, under such designations as "imperfect," "defective," "light," "spotted," "soft," "streaked," "uneven," "wrinkled," "bad," "dirty," etc.

These reports abundantly show that the ingenuity and depravity alike of the Old World and our own have been ceaselessly employed in devising means and perfecting plans for defrauding our revenues and evading our customs laws. There is scarcely any kind or description of merchandise, subject to ad valorem duty, imported into this country from beyond the seas but has been or is being undervalued more or less.

I merely state a fact known to most merchants and tourists who have visited continental Europe of late years that the practice of undervaluing has become so common and universal there that even the shopkeepers and small tradespeople voluntarily tender American buyers, of small or large articles, invoices specially made for "the customs." Numerous instances of the kind came directly under my observation, and I was told that in most cases the purchasers accepted such invoices most cheerfully, and at times requested them.

There are in this country, largely at New York, an army of commission agents who, in order to secure business, advise and urge foreign manufacturers to undervalue their consignments to them, as they make advances generally on such basis. In a large number of cases, the goods are "declared for duty" at and below the bare cost of manufacture, and the commission agent, who can make such returns of sales as pleased him is enabled through dishonesty to profit both from the consignor and the revenues.

While the old ad valorem system appears most equitable and just, all experience has shown that under it the dishonest importers prosper, while the honest ones and the revenues suffer, and it has proved to be most expensive to the Government and people and vexatious and demoralizing to customs officers and employés.

I do not hesitate to say that I am entirely convinced that the only safe and sure remedy for undervaluation, in all its forms, is specific duties, and I believe that after careful consideration and preparation on the part of those charged with the revision of our tariff the same will be found applicable to most articles of import. Speaking of the French tariff, he says:

It is known that this system was substituted for the ad valorem system as a protective measure, and it is a significant fact that, pending the late protracted negotiations between the English and French Governments concerning an international commercial treaty, the French manufacturers, particularly those in the district of Roubaix, made public remonstrance against any concession in the direction of ad valorem duties, or departure from the specific system, as to textile fabrics or tissues, urging as a reason that English goods would come in undervalued as much, they said, as 30 per cent. I apprehend they reasoned from experience and practice.

Mr. Mason, our consul at Basle, under date of February 5, 1884, said:

The undervaluations and other irregularities by which the United States revenues have been, particularly since 1874, systematically defrauded, and

the protective intention of the tariff laws to a greater or less degree neutralized, may be traced to various causes, among which are:

1. Excess of production in Europe and the consequent eagerness of manufacturers to pour into the American market everything that they find superfluous here. In the ribbon manufacture, for example, factories are often run at their full capacity during the dull season of the year, and the superfluous product thus produced is consigned to the United States at the bare cost of production or less, where, if it is admitted at the declared prices, it undersells and destroys the market for all similar goods imported by actual purchasers at real market value.

According to European theories America is the great national producer of food and raw materials and the great consumer of manufactured products. That the people of the United States should produce and export a large surplus of breadstuffs, cotton, meat, and petroleum is well enough (except as regards pork), but that they should insist upon manufacturing silks, watches, and other products of skilled labor at home and even hope to export their surplus of such manufactures, is regarded as an audacious violation of the natural laws of production and consumption. The United States duty laws become, therefore, to many European eyes, a false and unjustifiable barrier to international commerce, to evade which involves no violation of conscience or moral reproach.

There are exporters in Europe who would scorn a dishonest act toward an individual, who would redeem their unwritten promise with their last franc, but who sign their names to undervalued invoices for America without a twinge of conscience or regret unless the false declaration is subsequently detected and punished.

Mr. Mason then makes a series of suggestions to remedy these frauds upon our revenue, and the first suggestion is as follows:

The substitution, wherever possible, of specific for ad valorem duties.

Mr. Shaw, our consul at Manchester, in his report of February, 1884, said:

The chief difficulty which consular officers on one side of the line and appraising officers on the other have to contend with in arriving at the dutiable value is found in that large class of merchandise upon which ad valorem duties are levied.

As a rule, specific duties on all articles are easily and fairly collected. There is generally little chance of evading payment in these cases.

The great trouble—the ever-pressing struggle—arises over the long and varied list of articles upon which ad valorem duties are imposed. These cause consular and appraising officers and the Treasury authorities endless anxiety. The perplexities surrounding and incident to the fair collection of this class of duties are vast; and those who know about the constant and ingenious shifts resorted to by importers to evade payment of just dues on the one hand, and how extremely difficult it is to detect such devices and undervaluations on the other, are surprised that our duties are as well collected as they are at present.

But even the opinions of Secretary Manning seem to have been wholly overlooked or disregarded, who while Secretary of the Treasury addressed a series of twenty-four inquiries to the customs officers of the United States, at all of the important ports of entry, among which was the following,

Would a change from ad valorem to specific rates be a benefit to the revenue and help to diminish a tendency to bribery, providing the existing quantity of duty is to be levied in the future, and could specific rates be applied to all textile fabrics?

The answer to these interrogatories are embraced in a volume of nearly a thousand pages, and are substantially unanimous in opposition to ad valorem and in favor of specific duties. I can not refrain from a single quotation from one of these replies from James D. Power, a special agent of the Treasury:

Ad valorem rates of duty afford temptations and opportunities for fraud which can not be guarded against, even by the most rigid rules and vigilant watchfulness. The assessment of values under this system is based upon expert knowledge of values, the most uncertain and arbitrary method that could be devised. Under the ad valorem system fraud has prospered and demoralized the importing trade, which has passed from the hands of American citizens into the control of men who have taken advantage of our high import duties to enrich themselves at the expense of the revenue and the ruined trade of the American wholesale firms.

Fraud of this nature is difficult to detect and more difficult still to establish. In the absence of documentary proof it resolves itself into a mere difference of opinion between experts; and the owner of the suspected goods can at all times procure experts who will maintain the correctness of his invoice prices, or he may select an easier and more convincing and efficacious line of defense by procuring affidavits from his buyer or partner abroad to the effect that the invoice cost was the actual price paid for the goods.

While fraud may be perpetrated under the system of specific rates by return of false weights and measures and by false classification, the officer lending himself to such fraud exposes himself to risks, sure in the end to lead to discovery, discharge from the service, and the prosecution under the law, because false weights and measures and false classifications can not, as in the case of undervaluation, be sheltered by the specious claim of mistaken judgment.

Secretary Manning, in making his report of December 7, 1885, based on these responses, said:

It is desirable that in revising and reducing rates of duty they should be made specific instead of ad valorem so far as the nature of the merchandise will admit. Theoretically considered, ad valorem are preferable to specific duties; but in practice, under such rates as we have had and must continue to have for years to come, the former are the too easy source of deception and inequality at the custom-house. Congress has in its power to change from time to time, as may be advisable, specific rates so as to meet any permanent changes in values.

Secretary Manning summed up the whole matter as follows:

One hears it often said that if our ad valorem rates did not exceed 25 per cent or 30 per cent, undervaluations and temptations to undervaluations would disappear; but the records of the Department for 1817, 1849, and 1857 do not uphold that conclusion. Whatever successful contrivances are in operation to-day to evade the revenue by false invoices, or by undervaluations, or by any other means, under an ad valorem system, will not cease even if the ad valorem rates shall have been largely reduced. They are incontestably, they are even notoriously inherent in that system.

In view of this overwhelming testimony it is futile to contend in favor of the superiority of ad valorem over specific rates.

Against the opinions of the mere theorists of to-day, I interpose the substantial judgment of practical business men, experienced officials, and the practice of the most enlightened nations on the globe. In all continental nations excepting the Netherlands ad valorem tariffs have been substantially discarded. France, Germany, Austria, Hungary, Italy, Sweden and Norway, Russia, Switzerland, Belgium, Portugal, and Spain, as the result of long experience with both systems, have settled down to the collection of their custom revenues almost wholly to a specific basis. It is more than folly, therefore, to attempt to foist upon this country a system condemned by a century of our own history and the experience of the leading European nations.

It is not surprising, however, that the party of free trade in the United States should make this method of levying duties the leading feature of its policy. It is a fit accompaniment to this bill. It removes the last safeguard to American industries and strikes down the last hope for our protective system. If there was nothing else in this measure deserving public condemnation, this alone ought to be sufficient to insure its overwhelming defeat.

But the members of the majority seek to secure public approval for the destruction of specific duties by pluming themselves with a show of lessened ad valorem, hoping thereby to divert public attention and secure popular applause.

The gentleman from West Virginia [Mr. WILSON] in commenting upon high ad valorem under existing law made an exhibit of two pieces of cloth, suited, as he declared, to the uses of our laboring people, upon which there was a duty of from 200 to 300 per cent. Through the courtesy of the gentleman I have those identical samples before me. Here they are. A laboring man would be ashamed to wear either. What are they? One is a plush with cotton back and warp, and a filling of mohair waste, while the other has the additional adornment of cows' hair. There is not an ounce of wool in either. We placed a high duty on this stuff for the very purpose of keeping it out of our market, and saving our laboring people from being imposed upon with these cheap fabrics. [Applause.] Having driven our workmen out of employment by your free-trade policy, you now offer them the consolation of lower ad valorem on clothing of cotton and cows' hair.

When commenting on high ad valorem on crockery, the gentleman omitted to state that a toilet set of twelve pieces, which in 1878 cost \$13.25, can be had now for \$4; that a tea set of fifty-six pieces, decorated, which cost in 1878 \$11.75, costs now but \$3, and that a decorated dinner set of one hundred and twenty-five pieces, which cost in 1878 \$46.70, can now be secured, after fifteen years of high ad valorem on crockery, for \$13.

Let me say to the gentleman that the masses of the people, however, at this time are not specially enthusiastic over the prospects of lower ad valorem. Our workmen are not searching for low ad valorem, but for employment. Shivering by desolate hearths over the expiring embers of the last handful of coal, they are not solicitous about ad valorem, but fuel.

Starving families clutching for the last morsel of food, can not be lulled into forgetfulness of present misery by the announcement of lower ad valorem on the necessities of life. Tramping the streets, out of employment, receiving alms, lower ad valorem will not heal the wounded pride of the brave men who never before were dependent on public charity. The laboring people of this country ask not lower ad valorem, but work. They prefer high ad valorem, constant employment, and abundant wages, to low ad valorem, idleness, and want. [Applause.]

But why press this issue of free trade? It has been repeatedly tried in this country, and has always been with the same disastrous consequences. It was tested most fully under the old confederation, and the flood of foreign importations not only swept away our manufactures, but the very foundations of that government. It was resorted to again in 1816 and with the same disastrous consequences; again in 1832, and the recollection of the panic and desolation of 1837 is still within the memory of living men. We again entered on this destructive policy in 1845 and 1857, and it culminated in individual and national bankruptcy. Yet the committee extol the tariff of 1846 and 1857 and make the astounding declaration that "During a period of fifteen years of low tariff, from 1846 to 1861, there was a healthy and harmonious growth of agriculture and all the other great industries of the country." An army of living witnesses could be called to refute this assertion. The history of that period will not sustain that declaration. Under the operation of these tariffs, industries declined, public revenues fell off, labor was forced out of employment, and general disaster and ruin was visited upon our people.

A single quotation from the New York Tribune of January 15, 1855, will serve to show the deplorable condition of the single city of New York.

Go and see thousands, men and women, boys and girls, old and young, black and white, of all nations, crowding and jostling each other, almost

fighting for a first chance, acting more like hungry wolves than human beings, in a land of plenty, waiting until the food is ready for distribution. Such a scene may be seen every day between 11 and 2 o'clock around the corner of Orange and Chatham streets, where charity gives a dinner to the poor, and soup and bread to others to carry to their miserable families. The cry of hard times reaches us from every part of the country. The making of roads is stopped, factories are closed, and houses and ships are no longer being built.

Factory hands, road-makers, carpenters, bricklayers, and laborers are idle, and paralysis is rapidly embracing every pursuit in the country. The cause of all this stoppage of circulation is to be found in the steady outflow of gold to pay foreign laborers for the cloth, the shoes, the iron, and other things that could be produced by American labor, but which can not be so produced under our present revenue system.

It is an uncontrollable fact that during a period of thirteen years, from 1848 to 1860, covering almost the entire era under the tariffs of 1846 and 1857, that the balance of trade against this country aggregated more than four hundred and twenty millions, and that exports of gold for the same period exceeded our imports by more than four hundred and thirty millions. And that while in 1850 our imported merchandise amounted to only one hundred and sixty-four millions, yet in 1857 it reached the enormous sum of three hundred and thirty-three millions. And though our imports increased, our public revenues declined. Our warehouses were full of goods which importers declined to take from bond either because they were unable to pay the duties or there was no demand for their consumption.

The Secretary of the Treasury, Howell Cobb, in his annual reports for 1857, 1858, and 1859, while extolling the system of free trade, of which he was a most pronounced advocate, nevertheless was asking to be clothed with power to borrow money to meet the expenses of the Government in a time of peace. And it is a notorious fact that not only was the Treasury depleted, but the public credit became so seriously impaired that the obligations of this Government was negotiated at a discount of 12 per cent. Millard Fillmore, in his third annual message to Congress, December 6, 1852, depicted the condition of the country under this low ad valorem system in no uncertain terms.

Without repeating the arguments contained in my former message in favor of discriminating protective duties, I deem it my duty to call your attention to one or two other considerations affecting this subject. The first is, the effect of large importations of foreign goods upon our currency. Most of the gold of California, as fast as it is coined, finds its way directly to Europe in payment for goods purchased. In the second place, as our manufacturing establishments are broken down by competition with foreigners, the capital invested in them is lost, thousands of honest and industrious citizens are thrown out of employment, and the farmer to that extent is deprived of a home market for the sale of his surplus produce. In the third place, the destruction of our manufactures leaves the foreigner without competition in our market, and he consequently raises the price of the article sent here for sale, as is now seen in the increased cost of iron imported from England.

I submit, therefore, that the committee is not justified in its assertion that the tariffs of 1846 and 1857 brought a "healthy growth to all the industries of our country." It was precisely the reverse, and these warnings of history ought to be sufficient to deter you from the repetition of the folly.

On the contrary, the eras of protection in this country have always been periods of marked prosperity, and we never recovered from the disastrous consequences of the experiment of free trade at any time until protection was restored. The history of our country in 1824 and 1828, 1842 and 1862 fully sustains this assertion. The last thirty years of continuous protection stands out as the golden era of our national existence.

Take down the census report for 1860 and 1890 and mark the gigantic strides by which we have reached our industrial supremacy. In that period of thirty years, despite the ravages of war, our population rose from 31,441,321 to 62,622,250; our acreage, from 407,212,538 to 815,000,000; improved lands, from 162,110,000 to 400,000,000; engaged in agriculture, from 4,335,758 to 9,600,000; value of lands, fences, and buildings, from \$6,645,045,007 to \$13,110,031,334; improvements and machinery, from \$246,118,141 to \$550,000,000; live stock on farms, from \$1,059,329,915 to \$2,418,766,028; cereals, from 1,239,039,947 bushels to 3,209,742,000 bushels.

Capital invested in manufactures, from \$1,009,855,715 to \$4,600,000,000; value of production, \$1,885,861,676 to \$8,700,000,000; wages paid in manufactures, \$378,878,916 to \$2,000,000,000; accumulations in savings banks, from \$149,277,554, or \$4.75 per capita, to \$1,524,844,500, or \$24.35 per capita; railways, 28,920 miles to 163,597 miles; assets of these roads from \$1,867,248,720 to \$10,278,835,746; street railways from 403 miles to 5,783 miles; investment in roads and equipments, from \$14,862,840 to \$389,359,289; assessed valuation of real and personal property, from \$12,084,560,005 to \$24,651,585,465, while the real value of the nation's wealth rose from \$16,129,616,068 to \$33,648,000,000.

Yet in the face of this magnificent triumph it is now proposed to call a halt in the industrial march and turn the column backward over the deserted and disastrous pathway leading to free trade. The command has already been given, and consternation has taken possession of all our people. The record of this single year's disasters stands without a parallel in the history of our country. Fifteen thousand five hundred and sixty business fail-

ures, seventy-three railways, aggregating 31,878 miles, and representing untold millions of property, gone into the hands of receivers and to bankruptcy. Our mines and factories are closed, smokeless chimneys stand like monuments above the graves of dead industries, while an army of the unemployed are tramping the streets begging for bread.

Bradstreet, in a recent publication after a careful enumeration of the unemployed throughout the country, states that there are "in New England 65,200 unemployed and 154,000 dependent; New York and New Jersey, 223,250 unemployed and 563,750 dependent; Pennsylvania, 151,500 unemployed and 449,200 dependent; Central Western States, 227,340 unemployed and 443,310 dependent; Northwestern States, 64,900 unemployed and 175,800 dependent; Pacific coast, 25,800 unemployed and 4,700 dependent; Southern States, 43,065 unemployed and 122,650 dependent; making a frightful aggregate of 801,885 people unemployed and 1,956,710 dependent."

Yet the half has not been told. The record of this year's industrial and individual suffering resulting from this proposed legislation will never be made up. It exceeds the possibilities of human calculation.

I implore you to abandon this suicidal policy. Have you not pursued it far enough to become convinced of its disastrous consequences? It is no longer an experiment—it has become a public crime. You have it within your power to instantly relieve this appalling situation. You have only to substitute for the pending measure a joint resolution declaratory of your purpose to maintain existing law in full force and effect during the continuance of this Administration, and business activity would instantly take the place of business depression. It would arrest the slaughter of our flocks, open our mines, relight the fires of our furnaces, unchain the wheels of our industries, start every spindle and loom; while whistles and factory bells would call the tramping starving millions back from enforced idleness to profitable employment and the American Republic would leap with a bound to its accustomed place in the van of industrial nations. [Prolonged applause on the floor and in the galleries.]

The CHAIRMAN. The Chair begs to remind our visiting friends in the galleries that such demonstrations are not allowable under the rules, and a repetition of them will warrant the Chair in having the galleries cleared. [Renewed applause.] The Sergeant-at-Arms will be directed to remove visitors from the galleries unless they cease their demonstrations.

A MEMBER. They vote, Mr. Chairman. [Laughter.] The following are the statistics referred to by Mr. BURROWS:

APPENDIX.

STATISTICS RELATING TO ITEMS IN SCHEDULES A, B, G, AND N. [Eleventh Census of the United States—Statistics of manufactures.]

STATEMENT GIVING TOTALS FOR THE CHEMICAL INDUSTRY.

The following statement includes the manufacture of paints, varnish, fertilizers, chemicals, dyestuffs, and extracts, celluloid, high explosives, gunpowder, bone, ivory, and lamp black, oils, resinous and essential:

| | |
|-----------------------------|---------------|
| Number of establishments | 1,626 |
| Capital | \$168,462,044 |
| Total number of employees | 43,701 |
| Total wages | \$25,321,077 |
| Officers and clerks | 5,953 |
| Officers' and clerks' wages | \$7,461,290 |
| All other employees | 37,748 |
| All other employees' wages | \$17,856,817 |
| Cost of materials used | \$106,521,930 |
| Total value of products | \$177,811,833 |

Statement relating to particular products included in the preceding table.

| | |
|---------------------------|------------------------------|
| Sulphuric acid 50° Beaume | pounds.. 1,009,863,407 |
| Sulphuric acid 50° Beaume | value.. \$1,826,572 |
| Sulphuric acid 60° Beaume | pounds.. 20,370,908 |
| Sulphuric acid 60° Beaume | value.. \$122,940 |
| Sulphuric acid 66° Beaume | pounds.. 354,533,657 |
| Sulphuric acid 66° Beaume | value.. \$34,240,662 |
| Sulphuric acid | total pounds.. 1,394,776,947 |
| Sulphuric acid | total value.. \$5,198,978 |

Of the above 50° acid, 581,536,200 pounds were consumed by those manufacturing it in the manufacture of fertilizers, and the value for this amount is not shown.

Paints and colors.

| | |
|---------------------------------------|----------------------|
| Barytes | pounds.. 43,143,000 |
| Barytes | value.. \$377,939 |
| Iron oxide and other earth colors (a) | pounds.. 133,372,483 |
| Iron oxide and other earth colors (a) | value.. \$1,068,800 |

(a) Includes ochre and ochreous earth dry, sienna and sienna earth dry, umber and umber earth dry.

[Eleventh Census of the United States—Statistics of manufactures.]

STATEMENT GIVING TOTALS FOR THE PETROLEUM REFINING INDUSTRY.

| | |
|---------------------------|---------------------|
| Number of establishments | 94 |
| Capital | \$77,416,296 |
| Total number of employees | 12,471 |
| Total wages | \$6,989,478 |
| Officers and clerks | number.. 1,068 |
| Officers and clerks | wages.. \$1,117,011 |

| | | |
|------------------------------|---------|---------------|
| All other employés | number | 11,403 |
| All other employés | wages | \$5,872,467 |
| Total cost of materials used | | \$67,918,723 |
| Crude oil used | gallons | 1,292,460,402 |
| Crude oil used | cost | \$45,006,988 |
| Total value of all products | | \$95,001,198 |
| Burning oils: | | |
| Barrels | | 16,967,397 |
| Value | | \$47,842,537 |
| Residuum: | | |
| Barrels | | 1,194,067 |
| Value | | \$1,223,490 |
| Paraffin oil: | | |
| Barrels | | 684,849 |
| Value | | \$3,022,048 |
| Reduced oil: | | |
| Barrels | | 856,730 |
| Value | | \$2,333,623 |
| Neutral filtered oils: | | |
| Barrels | | 112,724 |
| Value | | \$435,351 |
| Filtered cylinder oils: | | |
| Barrels | | 278,573 |
| Value | | \$1,526,096 |
| Ointments and grease: | | |
| Barrels | | 43,093 |
| Value | | \$789,089 |
| Gasoline: | | |
| Barrels | | 101,064 |
| Value | | \$394,676 |
| Naphtha: | | |
| Barrels | | 3,189,398 |
| Value | | \$6,720,712 |
| Paraffine wax: | | |
| Barrels | | 241,951 |
| Value | | \$2,904,902 |
| Coke: | | |
| Bushels | | 494,221 |
| Value | | \$56,997 |
| Naphtha black: | | |
| Barrels | | 437 |
| Value | | \$946 |
| All other products | | \$17,738,431 |

STATEMENT GIVING TOTALS FOR THE SALT INDUSTRY.

| | |
|--|--------------|
| Number of establishments | 194 |
| Capital | \$12,408,216 |
| Total number of employés | 4,090 |
| Total wages | \$1,626,003 |
| Officers and clerks, number | 174 |
| Officers and clerks, wages | \$166,685 |
| All other employés, number | 3,916 |
| All other employés, wages | \$1,459,318 |
| Cost of materials used | \$1,725,161 |
| Number of bushels of salt manufactured | 48,488,714 |
| Value of salt manufactured | \$5,123,493 |

STATEMENT GIVING TOTALS FOR THE COKE INDUSTRY, SCHEDULE N, EXCLUSIVE OF GAS CONES.

| | |
|-------------------------------------|--------------|
| Number of establishments | 218 |
| Capital | \$17,462,729 |
| Total number of employés | 9,159 |
| Total wages | \$4,186,264 |
| Officers and clerks, number | 161 |
| Officers and clerks, wages | \$113,632 |
| All other employés, number | 8,998 |
| All other employés, wages | \$4,072,632 |
| Quantity of coal used, tons | 15,795,087 |
| Total cost of materials used | \$11,509,737 |
| Quantity of coke manufactured, tons | 10,008,169 |
| Total value of product | \$16,498,345 |

STATISTICS RELATING TO THE MINERAL INDUSTRIES, SCHEDULE C. AND COAL.

[Eleventh Census of the United States.]

STATEMENT GIVING TOTALS FOR MINERAL INDUSTRIES.

Iron ore.

| | |
|----------------------------------|---------------|
| Number of mines producing | 592 |
| Capital | \$109,766,199 |
| Number of employés | 38,227 |
| Wages | \$14,409,151 |
| Other expenditures | \$10,372,507 |
| Number of tons mined (long tons) | 14,518,041 |
| Value of ore mined | \$33,351,978 |

Copper ore.

| | |
|--|--------------|
| Capital | \$62,623,228 |
| Number of employés at mines | 8,791 |
| Wages | \$6,216,921 |
| Other expenses | \$5,845,259 |
| Total copper product from all sources (pounds) | 226,055,962 |

Production in principal producing States.

| States and Territories. | Ore produced. | Mineral. | Black copper. | Matte. | Fine copper contents. |
|-------------------------|---------------|-------------|---------------|-------------|-----------------------|
| | Short tons. | Pounds. | Pounds. | Pounds. | Pounds. |
| Michigan | 2,433,733 | 117,804,926 | | | 87,455,675 |
| Montana | 698,837 | | 10,176,744 | 147,800,590 | 97,868,064 |
| Arizona | 155,586 | | 29,532,493 | 4,126,000 | 31,382,685 |
| New Mexico | 34,586 | | 4,000 | 7,620,800 | 3,883,014 |
| Total | 3,322,742 | 117,804,926 | 39,713,237 | 150,547,390 | 220,560,438 |

| | |
|--|------------------|
| | Bituminous coal. |
| Number of mines, regular, 2,218; local 9,920 | 12,138 |
| Capital | \$180,722,319 |
| Number of employés | 175,342 |
| Wages | \$69,765,711 |
| Other expenditures | \$15,558,422 |
| Number of tons mined | 95,629,026 |
| Value of coal | \$94,346,809 |
| Average price per ton, \$0.99. | |

Antimony.

| | |
|--|----------|
| Wages | \$12,218 |
| Other expenditures | \$11,004 |
| Number of tons of ore | 265 |
| Number of tons star regulus produced, 115; value | \$28,000 |

[Eleventh Census of the United States.]

STATEMENT GIVING TOTALS FOR MINERAL INDUSTRIES.

Mica.

| | |
|---------------------|----------------|
| Capital | \$691,550 |
| Number of employés | 185 |
| Wages | \$42,174 |
| Other expenditures | \$16,161 |
| Cut mica produced | pounds 49,500 |
| Cut mica produced | value \$50,000 |
| Scrap mica produced | tons 193 |
| Scrap mica produced | value \$2,450 |
| Total value | \$52,450 |

Nickel.

| | |
|-------------------------|-----------|
| Capital | \$279,000 |
| Number of employés | 187 |
| Wages | \$93,800 |
| Other expenditures | \$32,387 |
| Number of tons in matte | 1,151 |
| Value | \$40,000 |

(The above ore contains a small proportion of oxide of cobalt).

Sulphur.

| | |
|---|-----------|
| Capital | \$320,750 |
| Number of employés | 12 |
| Wages | \$2,410 |
| Supplies | \$1,700 |
| Amount of ore produced, 1,150 tons; refined sulphur, 450 tons—value | \$7,850 |

Crude barytes—Schedule A.

| | |
|------------------------|-----------|
| Capital | \$351,150 |
| Number of tons mined | 21,460 |
| Value of barytes mined | \$106,313 |

Ocher—Schedule A.

| | |
|-----------------------|-----------|
| Capital | \$386,453 |
| Number of employés | 196 |
| Wages | \$59,635 |
| Supplies and expenses | \$26,552 |
| Number of tons mined | 15,153 |
| Value of ocher mined | \$177,472 |

[Eleventh Census of the United States.]

STATEMENT GIVING TOTALS FOR MINERAL INDUSTRIES.

Metallic paints.

| | |
|--------------------------------|-----------|
| Capital | \$462,164 |
| Number of employés | 199 |
| Wages | \$75,360 |
| Supplies and other expenses | \$88,427 |
| Number of tons mined | 21,026 |
| Value of metallic paints mined | \$286,294 |

Chromic iron ore.

| | |
|-------------------------------------|----------|
| Number of mines (all in California) | 6 |
| Capital invested | \$8,000 |
| Number of employés | 30 |
| Wages | \$6,000 |
| Other expenditures | \$4,000 |
| Number of tons mined | 2,000 |
| Value at San Francisco, Cal. | \$30,000 |

Quicksilver.

| | |
|-------------------------------|-------------|
| Productive establishments | 11 |
| Capital (a) | \$1,221,114 |
| Number of employés | 937 |
| Wages | \$624,289 |
| Other expenditures | 255,112 |
| Number of flasks produced (b) | 26,484 |
| Value of product | \$1,190,500 |

(a) Does not include \$112,000 capital invested in six idle establishments.

(b) Does not include 20 flasks made in Oregon, the value being less than \$1,000.

[Eleventh census of the United States. Statistics of the Mineral Industries.]

Sandstone (including freestone).

| | |
|--------------------------------------|--------------|
| Number of quarries | 803 |
| Total capital invested | \$17,776,467 |
| Number of employés | 16,925 |
| Total wages | \$6,257,580 |
| All other expenses | 1,872,715 |
| Number of cubic feet of sandstone | 71,571,054 |
| Value, total both sand and freestone | \$10,816,057 |

Granite.

| | |
|---------------------------------|--------------|
| Number of quarries | 874 |
| Total capital invested | \$19,115,449 |
| Number of employés | 23,313 |
| Total wages | \$9,620,485 |
| All other expenses | \$1,883,536 |
| Number of cubic feet of granite | 62,287,155 |
| Value | \$14,461,005 |

| Limestone. | | |
|--|------------|--------------|
| Number of quarries | | 1,954 |
| Total capital invested | | \$27,022,325 |
| Number of employés | | 30,644 |
| Total wages | | \$10,121,985 |
| All other expenses | | \$4,970,729 |
| Total value of products | | \$19,095,179 |
| Stone for building purposes | cubic feet | 93,289,896 |
| Stone for building purposes | value | \$5,405,671 |
| Stone for street work | cubic feet | 46,491,622 |
| Stone for street work | value | \$2,383,456 |
| Stone for bridge, dam, and railroad work | cubic feet | 26,679,012 |
| Stone for bridge, dam, and railroad work | value | \$1,289,622 |
| Stone for miscellaneous purposes | cubic feet | 549,875 |
| Stone for miscellaneous purposes | value | \$46,079 |
| All other products | value | \$9,970,351 |
| Bluestone. | | |
| Number of quarries (systematically operated) | | 217 |
| Total capital invested | | \$635,757 |
| Number of employés | | 1,790 |
| Wages | | \$527,638 |
| All other expenses | | \$80,948 |
| Number of cubic feet of bluestone | | 5,126,340 |
| Value | | \$1,639,600 |
| Slate. | | |
| Number of quarries | | 212 |
| Total capital invested | | \$10,569,593 |
| Number of employés | | 6,170 |
| Wages | | \$2,218,982 |
| All other expenses | | \$543,140 |
| Number of squares of roofing slate | | 835,625 |
| Value of roofing slate | | \$2,797,904 |
| Value of slate for other purposes | | \$634,600 |
| Total value of slate | | \$3,482,513 |

RECAPITULATION.

Stone.

(Including sandstone, granite, limestone, bluestone, and slate.)

| | | |
|---------------------------------|--|--------------|
| Number of quarries | | 4,060 |
| Total capital invested | | \$75,119,591 |
| Number of employés | | 77,845 |
| Wages | | \$28,746,666 |
| All other expenses | | \$9,351,068 |
| Number of cubic feet of stone * | | 304,994,955 |
| Total value of stone | | \$49,547,450 |

*Not including slate.

[Eleventh Census of the United States—Statistics of agriculture.]

Statement of the production of certain farm products.

| | Quantity. | Value. |
|--------------|----------------|---------------|
| Broom corn | .tons. | 20,000 |
| Peas | .bushels. | 6,215,349 |
| Wool | .pounds. | 191,278,084 |
| Hempseed | .bushels. | 10,250,410 |
| Hemp | .tons. | 11,511 |
| Flax product | .Not reported. | \$1,102,602 |
| Flax fiber | .pounds. | \$10,436,228 |
| | | 241,389 |
| | | Not reported. |

[Eleventh Census of the United States—Statistics of manufactures.]

| STATEMENT GIVING TOTALS FOR WOOL MANUFACTURE, INCLUDING WOOLEN, WORSTED, CARPET, FELT, WOOL HAT, HOSIERY, AND KNITTING MILLS. | |
|---|---------------|
| Number of establishments | 2,489 |
| Capital invested | \$296,494,481 |
| Number of officers, firm members, and clerks | 5,273 |
| Wages paid officers, firm members, and clerks | \$5,742,848 |
| All other employés | 213,839 |
| Wages paid all other employés | \$70,917,894 |
| Cost of materials used | \$203,065,572 |
| Value of products | \$337,768,524 |

Quantity and value of some of the different materials used.

| | | |
|--|--|--------------|
| Scoured wool (domestic and foreign) pounds | | 214,945,513 |
| Camel's hair and noils: | | |
| Pounds | | 7,684,804 |
| Cost | | \$1,250,367 |
| Mohair and noils: | | |
| Pounds | | 2,132,244 |
| Cost | | \$848,533 |
| All other animal hair: | | |
| Pounds | | 16,865,764 |
| Cost | | \$1,153,977 |
| Waste and wool noils: | | |
| Pounds | | 23,370,056 |
| Cost | | \$5,417,429 |
| Woolen yarn: | | |
| Pounds | | 31,385,664 |
| Cost | | \$11,283,379 |
| Worsted yarn: | | |
| Pounds | | 28,813,717 |
| Cost | | \$83,345,646 |
| Mohair yarn: | | |
| Pounds | | 738,777 |
| Cost | | \$534,160 |

Quantity and value of some of the different products.

| | |
|-------------------------------|--------------|
| Woolen yarn, all wool: | |
| Pounds | 35,415,360 |
| Value | \$10,742,882 |
| Woolen yarn, union or merino: | |
| Pounds | 6,799,813 |
| Value | \$2,320,088 |
| Worsted yarn: | |
| Pounds | 29,376,182 |
| Value | \$32,411,383 |
| Woolen card rolls: | |
| Pounds | 1,435,215 |
| Value | \$704,581 |
| Worsted slubbing and tops: | |
| Pounds | 391,501 |
| Value | \$105,516 |
| Worsted noils: | |
| Pounds | 4,466,621 |
| Value | \$1,162,050 |

Mr. BLACK of Illinois. Mr. Chairman, I yield two minutes to the gentleman from Nebraska [Mr. BRYAN].

Mr. BRYAN. Mr. Chairman, I simply desire at this time to place in the RECORD some information which may be desired by the members, and which was obtained from the Department of State. On the 20th of May last I addressed some questions to the Department of State, and they were submitted to consuls in foreign countries. The information obtained in regard to the operation of the income tax in England, Prussia, Italy, Austria, and several of the German provinces I have felt it my duty to put in the RECORD, in order that those who are studying the question and preparing themselves on either side of it may have the advantage of the information collected by the Government. This information will appear in the RECORD to-morrow morning, except where it is contained in reports printed in foreign languages, and these reports will be left with the clerk of the Ways and Means Committee, where they can be consulted by members.

Questions submitted May 20, 1893, to Hon. Alzey A. Ade, Second Assistant Secretary of State, and by him submitted to the United States consuls in foreign countries where an income tax is collected.

First. How long has the income tax been collected?

Second. What rate is levied and what exemptions are allowed?

Third. Is the tax graded, and what is the total annual income from the tax?

Fourth. What important changes have been made during the existence of the tax; has the rate been increased or have the exemptions been changed? What is meant by "income"?

Fifth. Is the tax assessed by an officer, or does the citizen make return under oath?

Sixth. What punishment is provided for a failure to make proper return of income?

Seventh. Does the tax grow in popularity, or is it becoming more distasteful; and if there is complaint, is it from those who pay or from those who escape the tax?

Eighth. Is the tax collected through local authorities or by a representative of the general government?

Ninth. Give any other facts in connection with the tax or its methods of assessment and collection which will enable one to judge of its wisdom and its advantages and disadvantages.

ENGLAND.

The questions put by Mr. W. Q. Gresham in his letter to Mr. Henry White, of the United States embassy, have been answered categorically.

In dealing with the questions raised the board's twenty-eighth report (1885) has been adopted as a basis and it has been brought up to date—so far as figures are available.

That report incorporates more or less all the previous reports of the board of inland revenue since 1857, and may be considered a fair résumé of what has taken place since the income tax was first imposed.

The following publications are herewith forwarded, viz:

1. Twenty-eighth Report of the Board of Inland Revenue, 1885.

2. Pamphlet entitled "Some opinions on certain recently revived propositions suggested with a view to a more equal incidence of the income tax," by F. L. Robinson, esq., C. B., deputy chairman to the board.

This pamphlet contains references to all the important discussions in connection with the proposed "differential" and "graduated" systems, and will prove very valuable in connection with questions 7 and 9.

3. A collection of acts relating to the income tax.

4. Some of the forms used in the administration of the tax.

QUESTION 1.

First. How long has the income tax been collected?

A short historical statement is annexed, showing when the income tax was first imposed.

The act which first created a tax with reference to income was the 33

George III, cap. 16, in 1798.

The tax was continued until 1816, when it ceased. It was subsequently reimposed in 1842, since which year it has continued in force.

The statement referred to has been taken from the twenty-eighth report of the Board of Inland Revenue, made in 1885, a copy of which report is here-with forwarded for the information of the United States Government.

INCOME TAX—SHORT HISTORICAL STATEMENT.

The origin of the tax dates from 1798.

In that year an act was introduced at the instance of Mr. Pitt, entitled "An act for granting to His Majesty an aid and contribution for the prosecution of the war." This act did not, in fact, impose a duty upon property, but imposed additional duties of assessed taxes, regulated by the amount of income which the person charged with assessed taxes possessed, provided such person possessed an income of £60 a year or upward. The produce of the tax for the first year under that system was £1,855,996.

In the year 1798, by the act of the 33 Geo. III, c. 13, the duties granted by the above-mentioned act of 1798 were repealed, and in lieu thereof a duty was imposed upon incomes at the rate of 10 per cent. By this act all persons were required to make returns of the whole of their income from whatso-

ever source the same was derived, exemption being granted to those whose incomes were under £60 a year, and reduced rates charged on incomes between that amount and £200 a year. The produce of the tax in the first year after this alteration was £6,016,624, or about a quarter of a million for every penny of the tax.

In 1803 the present system of charging incomes upon all property and profit at their first source was introduced, and the return of the whole income previously required, was abandoned. By this act (43 Geo. III. c. 122) the various descriptions of income chargeable with duty were, for the first time, distributed under the several schedules A, B, C, D, and E, as at present. A poundage rate, varying from 3d. to 1d. in the pound, was imposed upon all incomes between £60 and £150 a year, and 5 per cent upon all incomes amounting to £150 exceeding the latter sum. The profits of farmers were assumed for the purposes of the act to be three-fourths of the annual value of the lands and tenements they occupied if the land were in England, and one-half in Scotland, instead of requiring from that class a return of their actual profits, as in the case of trades and professions generally. Exemption was confined to incomes of less than £60 a year, from whatever source arising. The principle of taxing income at its source is thus explained in some observations on the tax, published at the time under the authority of Government. "As the former duty was imposed on a general account of income from all sources, the present duty is imposed on each source, by itself, in the hands of the first possessor, at the same time permitting its diffusion through every natural channel in its course to the hands of the ultimate proprietor.

"Instead of the landlord and the various claimants upon him in succession, it looks to the occupier only. Instead of the creditor, it looks to the fund from which the debt is answered. In the place of a complicated account, collected from the various sources from which the income of an individual is derived, it applies to the source itself to answer for its increase. By these means its object is attained with more facility and certainty, and with less intricacy and disclosure, diminishing the occasions of evasion by the means of taxation; thus the charge is gradually diffused from the first possessor to the ultimate proprietor, the private transactions of life are protected from the public eye, and the revenue is more effectually guarded."

The produce of the tax under this system at the reduced rate of 5 per cent was almost equal to that of 1799, when the rate was 10 per cent.

Between the years 1803 and 1806, several acts were passed relating to the income tax, which made no alteration in the principle, but in the latter year by 46 Geo. III. cap. 65, the rate of duty was again increased to 10 per cent. The exemption on incomes from realized property under £60 a year (which before existed) was, with a few exceptions, repealed, entire exemption was limited to incomes under £50 a year in the whole, and a graduated scale imposed upon incomes between £50 and £150 a year, but limited to profits of trades, professions, and offices.

The following extract from the guide book, published by the tax office at that period, will explain the grounds for the alteration. It states "that the regulation in the former act by which exemption was granted on the whole of every person's income under £60 a year, which was intended to have a strict and limited operation, has been introductory of the greatest frauds upon the public. It is notorious that persons living in easy circumstances, may, even in apparent affluence, have returned their income under £60, although their annual expenditure has been treble that sum, and to whom there was no ground for imputing extravagance. The income of whole parishes has been swept away by this fraud, such persons generally bringing their income below £60. Hence it is that the legislature found the necessity of confining the exemptions to £50, that their former returns may be made use of."

By this act of 1806 the dividends in the public funds, which had hitherto been returned by the recipients as a part of their income, were for the first time brought within the principle which charged income at its first source, provision being made that the bank should make the assessment and deduct the tax from the dividends, instead of a return for assessment being required from the proprietors of the stock. An exemption was, however, granted for that portion of the funds which was the bona fide property of foreigners resident abroad.

An allowance for the repairs of buildings, which before existed, was taken away by this act, and abatements, previously allowed to persons with a certain number of children, were likewise discontinued. The allowance for life assurance was confined to persons whose incomes were less than £150 a year.

In the year 1816 the income tax ceased. It was not revived until the year 1842, when it was reimposed by Sir Robert Peel's government, not as a war tax but for the purpose of repairing the deficiency which then occurred in the revenue to meet the expenditure of the country, and to enable the Government to make some reforms, with the view of benefiting the commerce and manufactures of the kingdom.

Sir Robert Peel's act followed the general principles laid down in that of 1806; the duty was imposed at the rate of 7d. in the pound, being £2 18s. 4d. per cent, and total exemption was granted to persons whose whole income was under £150 a year.

By the act of 1842 the duty on farmers was imposed on half the annual value of the lands and tenements occupied in England instead of three-fourths, and on about one-third in Scotland instead of one-half, as under the former act of 1806.

From that time till 1853 but little alteration was made in the law. In 1853 Mr. Gladstone introduced an act by which the tax was reimposed for a period of seven years, with various alterations and modifications. By this act the original rate of duty of 7d. in the pound was continued for two years, 6d. in the pound was imposed for the next two years, and 5d. for the remaining period of three years, ending 5th April, 1860, when it was intended to cease altogether, and the duties under Schedule B were proportioned accordingly. The total exemption accorded to incomes under £150 was repealed and limited to incomes under £100. Incomes amounting to £100 and not amounting to £150 were not subjected to the full amount of tax payable on property and profits generally. The rate of duty on such incomes was fixed at 5d. in the pound annually for the whole period of seven years.

The additional amount thus brought into charge on incomes from £100 to £150 was in Great Britain £14,467,300, which at 5d. in the pound produced a revenue of £301,320.

Under this act the income tax was for the first time extended to Ireland. The profits of farmers in Ireland were estimated at the same rate as those in Scotland; that is to say, at about one-third of the annual value.

On the declaration of war with Russia, it was found necessary to double the income tax from the 5th April, 1854; and a further increase was afterwards imposed by the act 18 Vict. c. 20, from the 5th April, 1855, of 2d. in the pound on incomes of £150 a year or upwards; and of 1½d. in the pound on incomes amounting to £100 and not to £150 a year, making 1s. 4d. in the former case and 1½d. in the latter.

This is the highest point to which the tax has ever been raised since its reimposition in 1842.

The act which granted the duty of 1s. 4d. in the pound declared that it should continue in force until the 6th April after the expiration of one year from the ratification of the treaty of peace. As this did not take place

until the financial year 1856, the act did not expire until the 5th April, 1858. In 1857, however, the tax was reduced to 7d. in the pound.

The Russian war upset the calculations that had been made in 1853 as to the cessation of the income tax in 1860. Instead of being abolished in that year it was charged at the rate of 10d.

In February, 1861, a select committee was appointed by the House of Commons, on the motion of Mr. Hubbard, "to inquire into the present mode of assessing and collecting the income and property tax, and whether any mode of levying the same so as to render the tax more equitable can be adopted."

The committee reported as follows:

"The attention of your committee on the present occasion has been mainly directed to a scheme proposed by their chairman, and explained by him both in written memoranda and in oral evidence, the principal features of which appear to be as follows:

"First. A proposal to make net instead of gross income the basis of assessment to the tax: not ascertaining the net income by an account of actual outgoings, but assuming it by a deduction, founded on an average from certain classes of gross income.

"Second. A proposal to divide all incomes into two classes, of which the one should comprise incomes called spontaneous, and the other incomes called industrial: and to tax the former upon the full amount of the net income, and the latter upon two-thirds of that amount.

"Third. A proposal to distinguish in certain cases between the interest of invested capital and the repayment by installments of the invested capital itself, and to levy the tax upon the interest only, and not upon the repaid portions of capital.

"These three proposals are addressed to three complaints which are popularly made against the income tax in its present form, viz., that it taxes the owners of property in respect of income which they do not get; that it presses too hardly upon skill and industry as compared with property; and that it deals with capital, in certain cases, as if it were income, and taxes it accordingly.

"The proposals which your committee have had under consideration are framed upon the assumption that the complaints to which your committee have adverted are well founded, and they are contrived with much ingenuity with a view to meeting them.

"Your committee, however, after full consideration, have arrived at the conclusion that the plan proposed by their chairman does not afford a basis for a practicable and equitable readjustment of the income tax, and they feel so strongly the dangers and ill consequences, to be apprehended from an attempt to unsettle the present basis of the tax, without a clear perception of the mode in which it is to be reconstructed, that they are not prepared to offer to your honorable House any suggestions for its amendment.

"This tax having now been made the subject of investigation before two committees (a reference to a committee which had considered the question about ten years previously), and no proposal for its amendment having been found satisfactory, your committee are brought to the conclusion that the objections which are urged against it are objections to its nature and essence rather than to the particular shape which has been given to it.

"Your committee also feel that it would be unjust to make any alteration in the present incidence of the income tax without, at the same time, taking into consideration the pressure of other taxation upon the various interests of the country, some of it imposed by recent legislation, and in one case especially, that of the succession duty, to some extent by way of compensation.

To those who are desirous of pursuing the subject, we suggest a reference to Mr. Gladstone's financial statement of 1853.

In 1853, an important alteration was made in favor of the class of incomes termed by Mr. Gladstone "minor incomes," which were previously exempted when under £100 a year, and were taxed at less than the full rate when between £100 and £150.

The total exemption of incomes under £100 a year was continued, but in place of the lower rate on incomes between £100 and £150 an abatement of £20 was allowed in assessing all incomes of £100 and under £200 a year.

In laying his proposal before the House of Commons, Mr. Gladstone stated that in his opinion "the sore place, above and beyond all others in the working of the income tax, is at the point where incomes range from £100 to £200 per annum," and he expressed his conviction that the effect of his plan, if adopted, would be "to mitigate in a remarkable degree the difficulties which are now felt in the application of the tax to the lower incomes, especially at the two critical points of £100 and £150 a year."

The allowance relieved from tax in the year 1863-'64 income amounted to about £10,000,000, and in the following year to upwards of £12,000,000, and it is believed that the produce of the tax was thus reduced by about £75,000 per penny.

In 1872, Mr. Lowe increased the abatement granted to the smaller incomes, and allowed £80 to be deducted from all incomes between £100 and £300. By so doing he afforded relief in the course of the two years following to nearly 130,000 persons, while the amount of income on which abatements could be granted was increased in the same time from about £18,000,000 to £34,000,000 and it is estimated that the produce of the tax was reduced by about £50,000 per penny.

The year 1874 is memorable in the history of the income tax, both on account of Mr. Gladstone's offer to repeal it altogether, and also from the fact that after the change of government which took place in that year the rate of the tax was reduced by Sir Stafford Northcote to 2d., the lowest point which it has ever reached.

In 1876 Sir Stafford Northcote again extended the system of exemptions and abatements. The limit of total exemption was raised from £100 to £150, while an abatement of £120 was allowed on all incomes between £150 and £200 per annum, instead of the existing allowance of £80 on incomes under £300. Inasmuch as we have no means of ascertaining the numbers of persons who are totally exempt from income tax it is impossible to state the effect of these measures separately.

Sir Stafford Northcote estimated the combined loss at £130,000 per penny, but it is now believed that the loss, by raising the limit of total exemption from £100 to £150, did not much exceed £60,000 per penny.

Upon this assumption the total effect of the two reductions must have been much less than estimated, inasmuch as the claims for abatement on incomes under £200 in 1870-'77 was only £156,000 per penny, against £163,000 per penny claimed on incomes under £300 in 1875-'76; the reason being, of course, that the exemption of incomes under £150 reduced the claims for abatement on incomes under £100. Altogether we are inclined to put the net loss at from £50,000 to £60,000 per penny.

The net produce for each penny of the tax in 1892-'93 was £2,215,000 (about).

QUESTION 2.

Second. What rate is levied and what exemptions are allowed?

1. A list of the rates of income tax since 1842 is herewith annexed, together with the amount of duty charged and realized in each year since the reimposition of the tax, viz. 1842.

A statement is also furnished showing the net produce for each penny of tax.

INCOME TAX.

Amount of duty charged and realized in each year from the 5th day of April, 1812, the rate in the pound at which such tax was levied in each year, the name of the chancellor of the exchequer imposing or continuing such tax.

| Year ended 5th April | Total income tax charged. | United Kingdom. | | | | | | Annual income in respect of which an abatement was allowed. | Amount of abatement | |
|----------------------|---------------------------|---|------------------------|--|---|-------------------------|--|---|-------------------------|--|
| | | Net produce after allowing for sums discharged or returned in default and for repayments of duty. | | Receipt in addition for unassessed duty and for recoveries from default schedules. | Rate of duty on incomes of— | | Name of chancellor of the exchequer imposing or continuing income tax. | Incomes wholly exempted. | | |
| | | Total. | For each penny of tax. | | £100 and under £150 a year. | £150 a year and upward. | | | | |
| 1843 | £5,607,798 | £5,405,161 | £772,166 | | | 7d. in the £ | Right Hon. Henry Goulburn ^b | Under £150 per annum | | |
| 1844 | £5,504,023 | 5,260,188 | 751,455 | £5 | do | do | do | do | | |
| 1845 | £5,473,691 | 5,245,493 | 749,356 | 80 | do | do | do | do | | |
| 1846 | £5,710,178 | 5,496,091 | 785,156 | 1 | do | do | do | do | | |
| 1847 | £5,790,817 | 5,589,600 | 798,515 | 169 | do | do | Right Hon. Sir Charles Wood, Bart. | do | | |
| 1848 | £5,834,670 | 5,567,799 | 795,399 | 67 | do | do | do | do | | |
| 1849 | £5,792,980 | 5,533,286 | 790,469 | 1,962 | do | do | do | do | | |
| 1850 | £5,729,274 | 5,474,416 | 782,059 | 510 | do | do | do | do | | |
| 1851 | £5,754,180 | 5,508,205 | 786,886 | 1,705 | do | do | do | do | | |
| 1852 | £5,846,297 | 5,593,390 | 799,055 | 1,913 | do | do | do | do | | |
| 1853 | £5,931,982 | 5,667,421 | 809,631 | 2,609 | do | do | Right Hon. Benjamin Disraeli | do | | |
| 1854 | 7,215,137 | 6,888,567 | 1,004,468 | 10,111 | 5d. in the £ | do | Right Hon. W. E. Gladstone | Under £100 per annum | | |
| 1855 | 14,358,091 | 13,668,646 | 998,428 | 13,467 | 10d. in the £ | 1s. 2d. in the £ | do | do | | |
| 1856 | 16,545,508 | 15,715,684 | 1,001,403 | 10,993 | 11d. in the £ | 1s. 4d. in the £ | Right Hon. Sir George C. Lewis, Bart. | do | | |
| 1857 | 16,915,332 | 16,037,461 | 1,023,005 | 10,186 | 11d. in the £ | do | do | do | | |
| 1858 | 7,905,535 | 7,466,396 | 1,088,923 | 13,168 | 5d. in the £ | 7d. in the £ | do | do | | |
| 1859 | 5,753,905 | 5,461,564 | 1,092,310 | 14,541 | do | 5d. in the £ | Right Hon. Benjamin Disraeli | do | | |
| 1860 | 10,424,887 | 9,910,064 | 1,116,704 | 24,083 | 6d. in the £ | 9d. in the £ | Right Hon. W. E. Gladstone | do | | |
| 1861 | 11,627,231 | 11,057,437 | 1,122,258 | 11,949 | 7d. in the £ | 10d. in the £ | do | do | | |
| 1862 | 10,990,103 | 10,451,198 | 1,161,255 | 6,955 | 8d. in the £ | 9d. in the £ | do | do | | |
| 1863 | 11,245,641 | 10,723,390 | 1,192,863 | 8,283 | do | do | do | do | | |
| | | | | | All incomes of £100 a year and upwards. | | | | | |
| 1864 | 9,001,432 | 8,532,647 | 1,218,864 | (e) | 7d. in the £ | | Right Hon. W. E. Gladstone | do | £100 and less than £200 | |
| 1865 | 8,258,518 | 7,876,356 | 1,312,726 | | 6d. in the £ | | do | do | £60 | |
| 1866 | 5,763,354 | 5,521,450 | 1,380,362 | | 4d. in the £ | | do | do | 60 | |
| 1867 | 5,928,495 | 5,663,233 | 1,415,809 | | do | | Right Hon. Benjamin Disraeli | do | 60 | |
| 1868 | 7,641,388 | 7,141,075 | 1,428,215 | | do | | do | do | 60 | |
| 1869 | 9,244,778 | 8,615,325 | 1,435,887 | | 1d. in the £ (Abyssinian war) | | Right Hon. G. Ward Hunt | do | 60 | |
| 1870 | 7,884,772 | 7,381,490 | 1,476,298 | | 6d. in the £ | | Right Hon. Robert Lowe ^f | do | 60 | |
| 1871 | 6,658,587 | 6,368,125 | 1,502,031 | | 5d. in the £ | | do | do | 60 | |
| 1872 | 10,363,246 | 9,925,664 | 1,654,277 | | 4d. in the £ | | do | do | 60 | |
| 1873 | 7,232,260 | 6,964,353 | 1,741,088 | | 4d. in the £ | | do | do | £100 and less than £300 | |
| 1874 | 5,768,096 | 5,563,934 | 1,854,644 | | 3d. in the £ | | do | do | 80 | |
| 1875 | 3,988,370 | 3,890,520 | 1,945,260 | | 2d. in the £ | | Right Hon. Sir Stafford H. Northcote, Bart. | do | 80 | |
| 1876 | 4,032,402 | 3,956,169 | 1,978,084 | | do | | do | do | 80 | |
| | | | | | Incomes of £150 a year and upwards. | | | | | |
| 1877 | 5,891,829 | 5,714,309 | 1,904,770 | | 3d. in the £ | | do | Under £150 per annum | £150 and less than £400 | |
| 1878 | 5,940,739 | 5,727,017 | 1,909,005 | | do | | do | do | 120 | |
| 1879 | 9,824,945 | 9,395,365 | 1,879,073 | | 5d. in the £ | | do | do | 120 | |
| 1880 | 9,746,927 | 9,233,322 | 1,846,664 | | do | | Right Hon. Sir S. H. Northcote, Bart. (original budget) | do | 120 | |
| 1881 | 11,827,734 | 11,199,816 | 1,866,636 | | 1d. in the £, owing to repeal of malt duty. | | Right Hon. W. E. Gladstone | do | do | |
| 1882 | 10,147,407 | 9,578,414 | 1,915,683 | | 5d. in the £ | | do | do | 120 | |
| 1883 | 13,515,282 | 12,758,661 | 1,962,871 | | 6d. in the £ | | Right Hon. H. C. Childers | do | 120 | |
| 1884 | 10,670,636 | 10,083,927 | 2,016,785 | | 5d. in the £ | | do | do | 120 | |
| 1885 | 12,771,798 | 12,013,332 | 2,002,222 | | do | | do | do | 120 | |
| 1886 | 17,038,860 | 15,843,065 | 1,980,395 | | 8d. in the £ | | Right Hon. Sir W. V. Harcourt | do | 120 | |
| 1887 | 16,932,826 | 15,723,555 | 1,985,440 | | do | | Right Hon. G. J. Goschen | do | 120 | |
| 1888 | 14,981,160 | 13,948,844 | 1,992,690 | | 7d. in the £ | | do | do | 120 | |
| 1889 | 13,128,973 | 12,273,521 | 2,045,587 | | 6d. in the £ | | do | do | 120 | |
| 1890 | 13,659,404 | 12,849,349 | 2,141,558 | | do | | do | do | 120 | |
| 1891 | 14,324,081 | g13,238,000 | 2,214,000 | | do | | do | do | 120 | |
| 1892 | 14,595,430 | g13,290,000 | g13,215,000 | | do | | do | do | 120 | |
| 1893 | g14,530,000 | | | | 7d. in the £ | | Right Hon. Sir W. V. Harcourt | do | 120 | |
| 1894 | | | | | | | | | 120 | |

^a Great Britain only.

^b The income tax for the years 1842 to 1844 was imposed on financial statement made by Right Hon. Sir Robert Peel, Bart., first lord of the treasury—in 1842.

^c The income tax for the years 1845 to 1847 was imposed on financial statement made by Right Hon. Sir Robert Peel, Bart., first lord of the treasury—in 1845.

^d The income tax for the years 1848 to 1850 was imposed on financial statement made by Right Hon. Lori John Russell, first lord of the treasury—in 1848.

^e Included in third column from 1833-'64.

^f The income tax for the year 1871, so far as relates to the addition of 2d. in the £, was imposed on financial statement made by the Right Hon. W. E. Gladstone, first lord of the treasury.

^g Provisional figures; actual amounts not having been yet completely ascertained.

2. EXEMPTIONS

Incomes under £150 are exempt.

Incomes under £400 are subject to an abatement of £120.

Premiums for life insurance are exempt. The amount must not exceed one-sixth of the total income.

There are other exemptions extending to charities, universities, friendly,

industrial, and provident societies, hospitals, etc., details of which will be found in the collection of acts relating to the income tax forwarded herewith.

QUESTION 3.

Third. Is the tax graded, and what is the total annual income from the tax?

1. The tax is not graded except in so far as the exemption of income under

£150 is concerned, and further in the case of the abatement of £120, which is allowed as regards incomes sub £400. See answer to Question 2 (2).

2. The total annual income from the tax will be found in the statement furnished in answer to Question 2 (1).

QUESTION 4.

Fourth. What important changes have been made during the existence of the tax; has the rate been increased or have the exemptions been changed? And what is meant by "income"?

1. See answer to Question 1.

2. See answer to Question 2 (1).

3. "Income" for the purposes of the income tax is defined as follows (16 and 17 Vict., c. 34):

II. For the purpose of classifying and distinguishing the several properties, profits, and gains for and in respect of which the said duties are by this act granted, and for the purposes of the provisions for assessing, raising, levying, and collecting such duties respectively, the said duties shall be deemed to be granted and made payable yearly for and in respect of the several properties, profits, and gain respectively described or comprised in the several schedules contained in this act, and marked respectively A, B, C, D, and E, and to be charged under such respective schedules; that is to say—

SCHEDULE A.

For and in respect of the property in all lands, tenements, hereditaments, and heritages in the United Kingdom, and to be charged for every 20s. of the annual value thereof.

SCHEDULE B.

For and in respect of the occupation of all such lands, tenements, hereditaments, and heritages as aforesaid, and to be charged for every 20s. of the annual value thereof.

SCHEDULE C.

For and in respect of all profits arising from interest, annuities, dividends, and shares of annuities payable to any person, body politic or corporate, company or society, whether corporate or not corporate, out of any public revenue, and to be charged for every 20s. of the annual amount thereof.

SCHEDULE D.

For and in respect of the annual profits or gains arising or accruing to any person residing in the United Kingdom from any kind of property whatever, whether situate in the United Kingdom or elsewhere, and for and in respect of the annual profits or gains arising or accruing to any person residing in the United Kingdom from any profession, trade, employment, or vocation, whether the same shall be respectively carried on in the United Kingdom or elsewhere, and to be charged for every 20s. of the annual amount of such profits and gains.

And for and in respect of the annual profits or gains arising or accruing to any person whatever, whether a subject of Her Majesty or not, although not resident within the United Kingdom, from any property whatever in the United Kingdom, or any profession, trade, employment, or vocation exercised within the United Kingdom, and to be charged for every 20s. of the annual amounts of profits and gains.

And for and in respect of all interest of money, annuities, and other annual profits and gains not charged by virtue of any of the other schedules contained in this act, and to be charged for every 20s. of the annual amount thereof.

SCHEDULE E.

For and in respect of every public office or employment of profit, and upon every annuity, pension, or stipend payable by Her Majesty or out of the public revenue of the United Kingdom, except annuities charged to the duties under the said Schedule C, and to be charged for every 20s. of the annual amount thereof.

QUESTION 5.

Fifth. Is the tax assessed by an officer, or does the citizen make return under oath?

It is the duty of all persons, from whom returns are required, to furnish such returns to the local assessor, who is an officer of the district commissioners of taxes; but in the event of taxpayers electing to be assessed by the special commissioners, who are a separate body appointed by the Crown, then the returns are rendered to the surveyor of taxes, who is also an officer appointed by the Crown.

These returns are not under oath. If the commissioners consider the returns satisfactory then assessments are made in accordance therewith; if unsatisfactory, then assessments are made in such amounts as they may consider sufficient to cover liability.

In cases where returns are not furnished estimated assessments are made, but the persons neglecting to make such returns render themselves liable to penalties.

For a fuller account of the assessment and collection of the income tax see pages 76 to 79 of the Twenty-eighth Report on Inland Revenue sent herewith.

QUESTION 6.

Sixth. What punishment is provided for a failure to make proper return of income?

The penalties on persons neglecting or refusing to make returns are £20 and treble duty when imposed by the income-tax authorities; £50 when proceedings are taken in the high court of justice.

QUESTION 7.

Seventh. Does the tax grow in popularity, or is it becoming more distasteful; and if there is complaint, is it from those who pay or from those who escape the tax?

See answer to question 9.

QUESTION 8.

Eighth. Is the tax collected through local authorities or by a representative of the general government?

The mode of assessment and collection of the income tax is described in the Twenty-eighth Report on Inland Revenue. (See pages 76 to 79.)

QUESTION 9.

Ninth. Give any other facts in connection with the tax or its methods of assessment and collection which will enable one to judge of its wisdom and its advantages or disadvantages?

[Extract from the Twenty-eighth Report on Inland Revenue, pages 84 and 85.]

It may appear remarkable that in spite of all its drawbacks, and the constant attacks to which it has been subjected, the income tax should have remained in force for more than fifty years without undergoing any serious alterations. The fact of its having done so, furnishes a strong reason for assuming that its present form is as good as or better than any other that could be devised, and this assumption appears to us to be strengthened by the following considerations:

The two main objections that have been raised against the income tax are its inquisitorial character, and the inequitable nature of its incidence.

As regards the second of these objections we have nothing substantial to add to the report of the committee of 1861, who declared their opinion "that it would be unjust to make any alteration in the present incidence of the income tax without at the same time taking into consideration the pressure of other taxation upon the various interests of the country, some of it imposed by recent legislation, and in one case especially, that of the succession duty, to some extent by way of compensation."

The most common complaint against the incidence of the income tax is that it falls as heavily on persons who earn their incomes by skill and labor as on those who derive their incomes from property. In order to weigh the gravity of this objection it is necessary to consider what other taxes are paid by the owners of property from which persons whose incomes are acquired by their own skill and labor are free.

Let us take the simple case of a person just appointed to an office with a salary of £600 per annum, and compare it with the case of a person just succeeding to £20,000 in consols, on which the annual interest is also £600.

In the course of thirty years, supposing no change to take place in their circumstances, what amounts will each pay to the State? The one will pay income tax only, and if we take the average rate of the tax at 6d. he will pay £15 a year, making in all £450. But the other will, at the very least, pay, on succeeding to his consols, probate duty at 3 per cent, that is £600, as well as income tax. The property owner, therefore, will contribute to the exchequer more than double the amount contributed by the officeholder. A comparison can not be made so simply when real instead of personal property is concerned, as the special taxes to which it is subject, namely, the house duty, land tax, and succession duty can not be calculated as accurately as the probate duty.

But this example is sufficient for our purpose, and makes it quite clear that in considering the burdens imposed by the income tax on incomes derived from realized and unrealized property, respectively, it must always be remembered that realized property is charged with other financial burdens than the income tax itself.

With regard to the inquisitorial character of the income tax, we may observe that under the present system the evil is reduced to a minimum. It is quite conceivable that in no case is the full amount of any person's income known, either by any local authorities or by our own officers, excepting the incomes of those who claim exemption or abatement, and who have to furnish particulars of their incomes from all sources in order to establish their claims. It is quite certain that in multitudes of cases the full amount of the incomes can not be known to any authority. A person who is assessed under Schedule D in respect of some business he carries on in London may have additional income derived from land elsewhere and taxed under Schedule A as well as investments in consols, which are charged under Schedule C. In each instance the tax is certain to be paid, but there are no means of, or object in ascertaining that it is in each instance paid by the same individual. Neither can the incomes of persons be discovered who have money invested in the shares of railway and other companies, which pay the income tax on their profits directly to the revenue, and then deduct it from the dividends they pay to their shareholders. No authority can tell the amount of any particular shareholder's holding, or in how many companies he may have money invested.

It will have been noticed in our opening remarks upon the income tax that, in the first place, the tax was regulated by the amount of the income of the taxpayer; but that, although it was imposed under these conditions by Mr. Pitt in 1798, it was entirely reconstituted in 1799, and again in 1803. In 1799 the tax was equalized on all incomes, with certain exemptions and abatements such as now exist, and a return of their total income was required from every person. In 1803 this return was abolished, and the present system of taxing incomes at their source was adopted.

A graduated income tax has, therefore, once been tried, and given up after the experience of one year only; while an income tax dependent on returns of their total incomes from whatever source derived, made by taxpayers, has also been tried, and, after an existence of four years, abandoned. That this should have been the case is not surprising if the enormous temptations to fraud, which a tax so levied must present, are considered, as well as the stringent and irritating measures of supervision by which alone fraud could be prevented, even supposing that any measures would suffice for its prevention.

The supervision employed between 1799 and 1803 certainly did not achieve its object, for the produce of the tax under the system established in 1799, when the charge was at the rate of 10 per cent, scarcely exceeded the produce of the tax under the system established in 1803, though the rate was reduced to 5 per cent.

At the present time it is not too much to say that under Schedules A, B, and C fraudulent evasion is very difficult; and that under Schedules C and D, in a large number of instances, no temptation to fraud exists, inasmuch as the tax is paid for the taxpayer instead of by himself; and that, in fact, successful frauds can scarcely now be perpetrated excepting when the assessments must depend either entirely or in part on the returns furnished by the persons concerned.

It is probably owing to these considerations that proposals which have been made from time to time for a graduated income tax have never been received with favor by anyone who has had practical experience of the working of the income tax acts. A graduated income tax could only be made dependent on personal returns of income and the doors would thus be widely reopened to fraud.

In conclusion we may point out that the income tax in its first shape lasted only one year and in its second shape for only four years, while in its third and present shape it lasted for thirteen years before its abolition in 1816, and has remained so now for more than fifty years since its re-imposition in 1842. The contrast is striking, and the advantages of the present system could scarcely be more conclusively proved. If, however, additional proof were needed it might be found in the fact that the present system has met with the approval of every eminent statesman who, since the days of Mr. Pitt, has had to control the finances of the country.

[Extract from Bradstreet's, May 13, 1893.]

One of the most interesting features of the recent budget speech of the British chancellor of the exchequer was the showing there made as to the growth of the income tax during recent years. In introducing the subject he said that the maintenance of the strength of this tax and the continual growth of its yield were simply marvelous, and that nobody who had studied the question could understand how, in all the vicissitudes of trade and apparent oscillation of property, the income tax was a source of constantly increased and increasing revenue. It had been shown, the chancellor said, by his predecessor, Mr. Goschen, that the yield of the income tax did not mainly depend on the principle of conspicuous trade or decline with its depression. In estimating the yield of the income tax for the fiscal year just ended Mr. Goschen calculated a fall of only £400,000 on a total of £12,800,000 in the preceding year, which was the highest point at which the yield of the income tax had ever stood. As a matter of fact the income tax yielded a total of £13,470,000, or £70,000 more than the estimate of Mr. Goschen, and £220,000 more than for the preceding fiscal year.

Mr. Goschen's estimate, his successor recalls, was received with scepti-

cism by many people, who thought it impossible to believe that the yield of the tax would not fall off to a greater degree. In noticing the existence of this state of feeling at the time Mr. Goschen said: "If I am to judge simply by the statistical returns, by the gossip of the city, by complaints in Lancashire, or by the position in Yorkshire, and if I am to listen to the committee, or to be influenced by the general feeling, I might come to the conclusion that there would be a very large gap in the income-tax returns for the year." He then proceeded to show that while public attention was fixed on the great staple industries of the country—cotton, gold, iron—"there is a mighty trade going on, there is a wealth being rolled up—wealth of which no published statistics exist, but which is nevertheless accumulating and adding to the capital of the country." He pointed out that the profits of the cotton trade were less than the aggregate profits of the medical profession, and that the profits of the coal mines were still less than those of the lawyers. As has been shown, events bore out the substantial correctness of his estimate.

Sir William Harcourt, in discussing the question further, said:

"The growth of the income tax is one of the most remarkable features of our finance. In 1889, when it was reduced to 6d., its yield was £12,700,000; in 1892, only three years later, it was £13,810,000, or an increase of £1,100,000; and even with the decline last year it is still £700,000 more than it was in 1889. I have had some remarkable figures on this subject taken out which give the yield for the penny for the last eight years on each of the several schedules separately, a far better test than taking it upon the whole. They are new figures, and they are very deserving of the attention of the House. They give accurately the real yield of the tax, and are not merely the exchequer receipts for the year, which vary very much. Now, sir, in the year 1886, that is the commencement of the last Parliament, the income tax yielded £1,900,000 for the penny, and in 1893, which is just concluded, it yielded £2,251,000 for the penny."

"It will surprise many people to learn that the produce of Schedule A, lands and houses, has actually risen from £670,000 for the penny in 1883 to £675,000 in 1893. As everybody will anticipate, it has fallen heavily upon agricultural land—it has fallen from £217,000 for the penny to £191,000; but it has risen upon houses from £452,000 to £484,000, so that taking the two together there is an actual rise upon Schedule A. Schedule B, the occupiers of land schedule, has, as might be expected, heavily fallen. It has fallen from £48,000 for the penny to £36,000. As to Schedule D, the profits of the trade companies, etc., the yield in 1886 was £968,000 for the penny, and in 1893, in spite of the ruin which is said to attend all trade and to have destroyed all profits, it is £1,208,000—the highest that it has ever been. Schedule E, which represents the growth of salaries, the salaries of public employés and the employés of companies, has a remarkable figure, too. In 1882, ten years ago, the yield of that schedule was £118,000 for the penny, and in 1893 it is £152,000. When Sir Robert Peel imposed the income tax in 1842 the yield was £770,000 for the penny; it is now three times as much, and it would have required in his time an income tax of 1s. 6d. in the £1 to raise a similar amount. I have laid these figures before the House because I think that even in times of depression, and apparently of what are called bad times, it is well that the House and the country should know what is the actual condition of things."

In reviewing these figures the chancellor of the exchequer said that the steady and vast growth in the produce of the income tax and of the probate duties constituted the most irrefragable evidence of the solid advance in wealth, both in the annual income and the accumulated capital of the nation, and formed a conclusive answer to those pessimists who assured the country that it was being ruined by a vicious commercial system. "It is true," he added, "that this trade or that trade, this industry or that industry may have its ups and downs, its adversity and prosperity, but there is a perpetual compensation in all directions; the small rivulets of increasing income from every source, and the accumulated savings of the country supply the deficiencies of the larger stream, and year after year more capital is invested, and therefore there is a larger income earned."

The chancellor of the exchequer, it may be remarked, shows his confidence in the staying qualities of the income tax by adopting for the current fiscal year the estimate made by Mr. Goschen last year, namely £13,400,000. Furthermore, in order to meet the deficit shown by the balance sheet for the current fiscal year, he proposes an increase of a penny in the pound in the income tax, viz., from 6d. to 7d. in the pound. It is estimated that a penny in the pound will yield £1,750,000 the first year, which will just cover the deficit, estimated at £1,574,000, and leave a slight margin for contingencies.

PRUSSIA.

As the Kingdom of Prussia so largely preponderates over its fellow members in the German Union in wealth, population, and other resources, Prussian legislation on income taxation would seem to merit paramount consideration, and in the subjoined report, embodied in the answers given to the series of questions submitted to this legation, attention has for this reason been given exclusively to the provisions of that legislation.

The first Prussian income tax law, sufficiently general and uniform in its application to deserve that name, was enacted May 1, 1851. Further legislation on this subject ensued in 1873, 1875, 1877, and 1883. Those laws, however, are no longer in force, a law adopted some two years since having replaced them. The purpose of this report being a practical one, it will suffice to state that the tendency of the legislation on this subject has been to simplify progressively this species of taxation, and make its operation more general and uniform: to increase the amount of income which is exempted as being necessary to the support of its owner; to tax small incomes less, great ones more; and to abolish in its application distinctions based on the source of the income, or on residence, trade, or profession. This tendency has resulted in the present income tax law, enacted June 24, 1891.

Legislation on this subject, in great part of very recent date, and enacted since and largely modelled upon the present Prussian law, exists in nearly all of the twenty-four states, which, together with Prussia, constitute the German Empire.

The Imperial Government imposes no income tax. The existing laws on this subject are the laws of the individual German states, and the revenues accruing from them belong to the individual states, the means needed to defray the expenses of the Imperial Government being derived mainly from customs, and, in case of need, contributions, called matricular contributions, from the individual states.

In Prussia the income tax law of June 24, 1891, together with the regulation respecting its execution of August 5, 1891, which will be found in inclosure 1a to 1c, constitute the law on this subject now in force.

The historical development of the income tax existing in Prussia will appear from a consideration of the following laws relating to the subject: the law of May 30, 1829 (Law Collection, page 140), respecting the introduction of a class and classified income tax; the law of May 25, 1873 (Law Collection, page 213), respecting the amendment of the law last above mentioned, and the income tax law of June 24, 1891.

In reply to the particular questions submitted the following answers are given:

I. ANSWER TO QUESTION 1.

"How long has the income tax been collected?"
It appears to have been collected in Prussia for about twenty years past.

II. ANSWER TO QUESTION 2.

"What rate is levied and what exemptions are allowed?"

The rate levied by the present income tax will appear in the provisions of section 17 of the law of June 24, 1891 (see following answer). The exemptions from the tax are stated in sections 3, 5, and 6 of that law, and are as follows:

EXEMPTIONS.

The following persons are exempt from income taxation:
a. 1. The members of the royal house and of the princely house of Hohenzollern.

2. The members of the former royal house of Hanover, and of the former princely houses of the Electorate of Hesse and the Duchy of Nassau.

3. The representatives of foreign powers accredited to the Emperor and King, and the plenipotentiaries to the Bundesrat of other states of the German Union, the officers assigned to them, as well as the persons, in so far as they are foreigners, who are in their service or in that of their officers.

4. Other persons who, in accordance with the principles of international law, or pursuant to particular agreements concluded with other states, are entitled to claim exemption from the income tax. The exemptions granted under Nos. 2 and 3 do not extend to certain income declared taxable by section 2 of this law: that is to say, to income consisting of salaries, pensions, etc., paid by the Prussian state treasury, etc. Nor do these exemptions extend to those cases in which the foreign states concerned do not accord reciprocity.

b. All incomes under 900 marks are exempt.

c. Incomes derived as follows are exempt:

1. Income from realty situated in other states of the German Union or in a German protectorate, or from industries conducted therein, as well as from salaries, pensions, and "waiting money" (money paid by the state to a person to whom a place is promised, until a vacancy occurs), accruing to German military persons and civil officials or to relatives entitled in case of death from the treasury of another state of the German Union.

2. Income accruing to foreigners liable to taxation pursuant to section 1, No. 3 of the law, from foreign realty or industrial pursuits, when such persons neither reside in Prussia nor sojourn there for business purposes.

3. The military income of noncommissioned officers and privates, as well as the military income of all persons in the standing army or navy, while they belong to a part of the army or navy which has been placed on a war footing.

4. That part of the military service income, exceeding the amount of salary which entitles to pension, of such state and imperial officials and officers as have their service domicile abroad. In so far as such persons may be required to pay corresponding direct taxes abroad, such excess also remains exempt.

5. Income consisting of increases of pensions and of additions on account of mutilations sustained which have been accorded to war invalids, pursuant to legal provisions, as well as salaries *honoris causa* connected with war decorations.

Reductions in rates are granted as follows:

For each member of a family who is under 14 years of age and is not liable to be independently assessed pursuant to section 11 (i. e., children who have income wholly independent of the parent and not subject to his control) a reduction is allowed of 50 marks in the taxable income, not exceeding 3,000 marks, of the head of the house; with a further provision that if there be three or more such members of a family, the reduction shall in any case amount to that represented by an entire rate-group (section 17).

In making an assessment it is permissible (section 19), in view of particular economic conditions affecting essentially the ability to pay of the person to be taxed, to make such allowance in his behalf, that in the case of a taxable income of not more than 9,500 marks, a maximum reduction to the extent of three of the rate-groups prescribed in section 17 may be granted. The circumstances to be considered in this connection are exceptional burdens arising from the support and education of children, the obligation to support helpless relatives, permanent sickness, indebtedness, and particular misfortunes.

III. ANSWER TO QUESTION 3.

"Is the tax graded, and what is the total annual income from the tax?"

GRADE OF TAX.

There are grades with a progressive percentage according to the height of the income on which tax is to be paid: less than 1 per cent is charged on incomes up to 1,200 marks; on incomes of 1,200 marks, 1; of 3,000 marks, 2; of 10,000 marks, 3; and of 100,000 marks, 4 per cent of the income.

RATE OF TAX.

The following schedule will show the gradually increasing rates levied, beginning with incomes of more than 900 marks, and ending with incomes of 100,000 marks, which latter pay the maximum rate of 4 per cent.

These are the tax-groups herein referred to:

| Income of more than— | And up to (inclusive)— | Rate. | Income of more than— | And up to (inclusive)— | Rate. |
|----------------------|------------------------|---------------|----------------------|------------------------|---------------|
| <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> |
| 900 | 1,050 | 6 | 3,900 | 4,200 | 92 |
| 1,050 | 1,200 | 9 | 4,200 | 4,500 | 104 |
| 1,200 | 1,350 | 12 | 4,500 | 5,000 | 118 |
| 1,350 | 1,500 | 16 | 5,000 | 5,500 | 132 |
| 1,500 | 1,650 | 21 | 5,500 | 6,000 | 146 |
| 1,650 | 1,800 | 26 | 6,000 | 6,500 | 160 |
| 1,800 | 1,900 | 31 | 6,500 | 7,000 | 174 |
| 2,100 | 2,400 | 36 | 7,000 | 7,500 | 192 |
| 2,400 | 2,700 | 44 | 7,500 | 8,000 | 212 |
| 2,700 | 3,000 | 53 | 8,000 | 8,500 | 232 |
| 3,000 | 3,300 | 60 | 8,500 | 9,000 | 252 |
| 3,300 | 3,600 | 70 | 9,000 | 9,500 | 276 |
| 3,600 | 3,900 | 80 | 9,500 | 10,500 | 300 |

The rate is increased as follows for the following incomes:

| Income of more than— | Up to (inclusive)— | For each— | By— |
|----------------------|--------------------|---------------|---------------|
| <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> | <i>Marks.</i> |
| 10,500 | 30,500 | 1,000 | 30 |
| 30,500 | 32,000 | 1,500 | 60 |
| 32,000 | 78,000 | 2,000 | 80 |
| 78,000 | 100,000 | 2,000 | 100 |

For incomes of more than 100,000 marks up to (inclusive) 105,000 marks the tax is 4,000 marks, and increases for larger incomes by 200 marks for each additional 5,000 marks of income.

The annual revenue from the tax:

For the year 1892-'93, 124,842,848 marks, about \$30,210,712; for the year 1893-'94, 123,172,858 marks, about \$30,7,3,214.

These are, however, not the final amounts, but only those assessed in the first instance by the appropriate authorities, and reached, therefore, without consideration of increases or diminutions occurring in consequence of decisions on appeal or otherwise.

IV. ANSWER TO QUESTION 4.

"What important changes have been made during the existence of the tax? Has the rate increased, or have the exemptions been changed, and what is meant by 'income'?"

The tax rates prevailing under the law of June 24, 1891, are for smaller incomes lower and for larger incomes higher than those that prevailed previously. For instance, according to the law of 1873, incomes of 3,000 marks (about \$750) or less were uniformly taxed with 3 per cent. Now the tax on them is 2 per cent. More and more from time to time have the smaller incomes been relieved from taxation. The law of 1851 taxed all incomes. The law of 1873 exempted all incomes up to 420 marks (about \$105); the law of May 26, 1883 (Law collection, page 37), all up to 900 marks (about \$225); and thus it stands under the law of June 24, 1891.

AS TO WHAT IS MEANT BY INCOME.

What is meant by taxable income is determined by section 7 of the law of June 24, 1891, which declares that all annual income accruing in money or money's worth from the following shall be regarded as taxable, viz:

1. Capital.

2. Real estate, leases, and rents, including the rent value of the house, or the part of the same, belonging to and occupied by the taxpayer himself.

3. Trade and commerce, including mining.

4. Occupations from which pecuniary profit may be derived, all rights (all "gettings" in the very comprehensive word used in the law) to receive periodical payments or profits from sources not mentioned above (i.e., premiums, royalties, annuities, or payments in the nature thereof), and all advantages of any kind from which profit is derivable, however they have come to or been acquired by the holder of the rights.

V. ANSWER TO QUESTION 5.

"Is the tax assessed by an officer or does the citizen make return under oath?"

With respect to the assessment of taxpayers, a distinction must be made between those having an income up to 3,000 marks (about \$750), and those with an income exceeding that sum.

The latter are required to make each year a written declaration of the amount of their income, which declaration is to be verified by an assertion (not an oath) at the end of it that the statements are made according to the best of the declarant's knowledge and upon his conscience "nach bestem wissen und gewissen" (section 24 of the law). The tax is fixed on the basis of the statements contained in the declaration if considered satisfactory by the income-tax assessment commissions, of which one is constituted pursuant to the provisions of section 34 of the law, for each of the circuits of the Kingdom of Prussia. The assessment of taxpayers with incomes up to 3,000 marks (about \$750) is made by primary assessment commissions, who act for one or more communities or landed estate districts (section 31). The estimates of these latter commissions are subject to the confirmation of the chairman of the income-tax assessment commission, who, if he proposes a change in the rate fixed, must submit the matter to the decision of the commission (section 36 of the law).

VI. ANSWER TO QUESTION 6.

"What punishment is provided for a failure to make proper return of income?"

The provisions respecting punishment for failure to make proper returns of income are contained in sections 66 and following of the law.

Sec. 66. Whoever, in the tax declaration, or when answering the questions put to him by the appropriate authority, or in order to secure relief under the law, knowingly makes false or insufficient statements regarding his taxable income, or regarding the income of those whom he represents which are calculated to secure a reduction of the tax, or withholds information regarding his taxable income, which, according to the regulations of this law, he is bound to make known, will be punished with from four to ten times the amount of the loss—in case a loss has been suffered by the state—otherwise with from four to ten times the amount of the annual tax of which it was intended to defraud the state, but [in this latter case] at least with a fine of 100 marks.

Instead of this punishment a penalty of from 20 to 100 marks shall be paid, if the circumstances indicate that the incorrect or incomplete statements, or the withholding of information regarding taxable income, were, though made or done wilfully, not made for the purpose of evading the payment of tax.

A person who has made an incorrect statement before the appropriate authority may escape punishment by disclosing the error and paying (within the time limited by law) the tax; providing such disclosure and payment be made before a charge has been made or an investigation begun on the subject.

Sec. 67. The collection of tax fraudulently withheld takes place in addition to and independently of that of the penalty.

The liability to pay tax fraudulently withheld is barred by limitation in ten years and passes to the heirs but not beyond the amount of their inheritance, and when it devolves on them it is barred by limitation in five years. The period of limitation in the case of the taxpayer begins with the end of the tax-year in which the fraud takes place.

The fixing of the amount of the tax to be paid in case of fraud rests with the government [the chief local administrative authority] from whose decision appeal lies only to the minister of finance.

Sec. 68. Whoever refuses to give the information demanded of him, pursuant to section 22, or upon insufficient grounds of excuse does not within the period limited furnish the same at all, or furnishing the same furnishes it incompletely or incorrectly, is punishable with a fine of 300 marks.

Whoever does not, in accordance with the duty prescribed by section 61, in due season give notice of his arrival and departure [in matter of residence] is to pay a penalty of 20 marks.

Sec. 69. The officials who participate in the assessment of tax, and the members of the commissions, are liable to a penal fine up to 1,500 marks (about \$375), or to imprisonment for three months, if they, without authorization, make known the circumstances as to the earnings, property, or income of the taxpayer, and especially the contents of a tax declaration, or of the proceedings which have taken place in relation to the same.

Prosecution in such case takes place, however, only at the instance of the government [the chief local administrative authority] or the taxpayer.

Sec. 70. The pecuniary penalties, to be determined according to sections 66, 68, and 69, are, if they can not be collected, to be changed into imprison-

ment according to the existing regulations of the penal code of the German Empire. (Sections 28 and 29.)

The investigation and decision respecting the punishable acts designated in sections 66 and 68 rest with the court, unless the accused, within a specified period of which he is to have notice, voluntarily pays the fine in the amount primarily fixed by the Government together with the costs that have arisen in consequence of the procedure taken against him.

The chief governmental administrative officers are empowered to impose a milder punishment than is prescribed in section 66.

If the accused has no residence in Prussia, judicial proceedings take place, without the provisional determination of the punishment by the Government. This is also the case where the Government for other reasons determines that it will for the present desist from fixing the punishment, or where the accused waives such previous provisional determination.

The decision regarding tax fraudulently withheld rests in all cases with the administrative authorities, but proceedings for violation of the provisions respecting the duty of secrecy (section 69) are to be in the courts.

VII. ANSWER TO QUESTION 7.

"Does the tax grow in popularity or is it becoming more distasteful; and if there is complaint is it from those who pay or those who escape the tax?"

It will have been seen that taxation of incomes has existed in Prussia for more than forty years. It is one of various taxes, and the result of my observation on the subject is that the fact that it is a tax upon incomes does not of itself constitute in the popular mind an objection to it. In other words, it does not appear that objection is made that in order to raise the money which is obtained by that tax, other things should be taxed instead of incomes, and that incomes should not be taxed.

As will have been seen, the burdens of income taxation in Prussia fall most heavily on those who are best able to bear them. The law exempts all incomes under 900 marks (about \$225), and the taxation is graded. While an income of 1,200 marks (about \$300) is taxed at the rate of 1 per cent, one of 3,000 marks (about \$750) is taxed at 2, one of 10,000 (about \$2,500) at 3, and one of 100,000 marks (about \$25,000) at 4 per cent. Favor is shown in the law to those who have to bear exceptional burdens arising from support and education of children, the obligation to support helpless relatives, permanent illness, indebtedness, and particular misfortunes. It may be remarked that the taxpayer is not required to make oath to the statement which he must make for taxation of his income, but it is to be made under his solemn declarations or asseverations on "knowledge and conscience."

VIII. ANSWER TO QUESTION 8.

"Is the tax collected through local authorities or by a representative of the general government?"

The collection of the income tax is, as regards incomes up to 3,000 marks, in several provinces confided to the communities, who receive for this service 2 per cent of the income actually collected (section 73, subdivision 3 of the law). Otherwise this duty devolves upon the royal treasury officers, of which one exists in each circuit of Prussia. These officers are so organized that there is but one state officer in each, the rent-master, who, upon his own responsibility, may employ private assistants.

BAVARIA.

I. ANSWER TO QUESTION 1.

"How long has the income tax been collected?"

An income tax has existed in Bavaria since October 1, 1848.

According to the laws of June 4, 1848 (Bavarian Law-sheet, page 154), and of July 11, 1850 (Bavarian Law-sheet, page 205), income tax was to be paid on all net incomes, whether reached by some of the other species of taxation or not, and whether consisting of money, or money's worth, or of "selbstbedienung" [the value of the use or occupation of a thing, or property by the owner of it himself], whether permanent or temporary, and whether dependent on legal obligation or the free will of other persons. This income tax remained in force until 1853.

From the 1st of October, 1856, in pursuance of the law relating to income tax of May 31 of that year—the general income tax previously existing was replaced by a particular income tax, intended to reach income not reached by any direct tax; that is to say, income derived from the following sources: from earnings acquired in liberal occupations (not carried on in a regular business like way), from scientific and artistic occupations; from salaries and service emoluments; retired pay and contributions to support; from jointures, stipends granted to prebendaries; receipts arising from peasant holdings consisting of cottages without land, annuities and the like. This particular income tax has in respect to its underlying principles been retained in the income-tax law now in force, of May 19, 1881 (Law-sheet No. 31, page 441), which, together with the regulation concerning its execution of July 29, 1881 (Law-sheet No. 46), is herewith transmitted—inclosures 2^a and 2^b. Details respecting the subject of this income tax will be found in articles 1 and 2 of this law.

II AND III. ANSWER TO QUESTIONS 2 AND 3.

(2) "What rate is levied and what exemptions are allowed?" and

(3) "Is the tax graded, and what is the total annual income from the tax?"

The rates levied are treated of in three groups, and within these groups are graded in the manner stated in article 5 of the law. The rate is in the first group one-third of 1 per cent, in the second it increases from about four-tenths of 1 per cent to a little more than 1 per cent, while in the third the rate up to an income of 1,020 marks, amounts to one-third of 1 per cent, and even in the highest grade remains something less than 1 per cent. According to a provision of a law relating to finance, an additional tax of 6 pfennig on the mark in the case of Groups I and II, and of 11 pfennigs on the mark in that of Group III is levied. The annual yield of the income tax for the year 1892 was 2,110,038 marks. The exemptions from the income tax are enumerated in articles 12, 13, and 14 of the law of May 19, 1881.

IV. ANSWER TO QUESTION 4.

"What important changes have been made during the existence of the tax? Has the rate increased or have the exemptions been changed, and what is meant by income?"

The important change which has taken place in the taxation system of Bavaria since an income tax has existed there has been discussed already in the answer to question 1. This also answers the question "What is meant by income?" in the sense of the Bavarian income-tax law now in force. The changes in the tax rates since the law of May 31, 1856, consist solely in the conversion of their expression in florins into the present money of the Empire. The addition imposed by a finance law (hereinbefore referred to) was, however, increased from the year 1882 by 1 per cent.

As regards the exemptions enumerated in the income-tax law of May 19, 1881, the same were contained in the law of 1856 in article 12, number 1 and numbers 3 to 8, but were expressed in a somewhat different form. In this connection it should be added that the amounts stated in number 6 at 500 marks were, in the law of 1856, put at 200 florins each, and in the before-mentioned law of February 25, 1880, at 350 marks each. The exemption under number 2 of article 12 was newly introduced in the text of the law of 1881.

A similar exemption had, however, been in fact conceded as early as 1856. Finally, the exemptions under articles 13 and 14 of the law of 1881 are also new.

V. ANSWER TO QUESTION 5.

"Is the tax assessed by an officer or does the citizen make return under oath?"

Pursuant to the income-tax law of May 19, 1881, all persons from whom income tax is due are required to make a declaration respecting their taxable income. The declaration is not under oath. After the receipt of the declaration the amount of taxable income is fixed by a tax committee, in which the local revenue officer is entitled to take part in discussion, but not to vote.

VI. ANSWER TO QUESTION 6.

"What punishment is provided for a failure to make proper return of income?"

A failure to make the required declaration is punishable by a fine up to 50 marks (article 68, number 3, of the law). Incorrect statements, knowingly made, which are calculated to lead to a loss of tax to the Government are, by articles 65 and 66 of the law, made punishable with a fine of from five to ten times the amount of the annual tax of which it was intended to defraud the Government.

VII. ANSWER TO QUESTION 7.

"Does the tax grow in popularity, or is it becoming more distasteful, and if there is complaint is it from those who pay or those who escape the tax?"

This question has already been answered in the first reply to the instructions to which this is a further response.

VIII. ANSWER TO QUESTION 8.

"Is the tax collected through local authorities or by a representative of the general government?"

The collection of the income tax takes place in the seven governmental districts of the Kingdom situated on the right side of the Rhine by Government officials (rent officers). In the palatinate the collection is by the local communal authorities.

WURTEMBERG.

In the Kingdom of Wurtemberg there is no general income-tax law embracing incomes. The Wurtemberg income tax reaches income only from appanages, capital sums, and securities on the one hand and from salaries and professional practice on the other. In addition there are particular direct taxes on realty, buildings, and industries.

An official publication of the law of September 19, 1852, relating to the taxation of income from capital sums, securities, and professional practice, edited with application to the most recent conditions, accompanies this report as inclosure 4.

In replying to the questions propounded, the law itself is referred to where particular items are best answered in that way.

I. ANSWER TO QUESTION 1.

"How long has the income tax been collected?"

Direct taxation of income from capital sums and securities, salaries, and pensions was introduced in the year 1820 as an auxiliary to the ordinary direct taxation of realty, buildings, and industries. Something (but it was but little) had been done before in the way of this kind of taxation. The law of September 19, 1852, already referred to, is in force to-day.

II. ANSWER TO QUESTION 2.

"What rate is levied, and what exemptions are allowed?"

At present the tax rate is 4.4 per cent of the taxable annual amount (see answer to question 3); from the 1st of April, 1894, it will be 4.8 per cent. The exemptions allowed are enumerated in article 3 of the law.

III. ANSWER TO QUESTION 3.

"Is the tax graded, and what is the total annual income from the tax?"

The tax on income from capital sums and securities is not graded; the entire annual income is regarded as the taxable annual amount. On the other hand, the tax on income from salaries and professional practice is graded, as appears in article 5 of the law.

The yield of the tax on income from capital sums and securities for the year 1891-'92, in round numbers, was 4,000,000 marks, and on income from salaries and professional practice 1,400,000 marks.

The yield is gradually increasing.

IV. ANSWER TO QUESTION 4.

"What important changes have been made during the existence of the tax: has the rate increased or have the exemptions been changed, and what is meant by 'income'?"

The law of 1852 has not been changed in important respects. The various changes affecting minor points are stated in the inclosed "Manual Edition."

The tax rate was originally for income from salaries and professional practice, 8 per cent; for income from capital sums and securities, 5 per cent.

From the 1st of July, 1858, it was uniformly 4 per cent; from the 1st of July, 1868, 4.4 per cent; from the 1st of July, 1871, 4.8 per cent; from the 1st of April, 1889, 4.4 per cent of the taxable annual amount, and from the 1st of April, 1894, it will be 4.8 per cent again.

As regards changes in the exemptions, Article 3 of the law, as published in the accompanying Manual Edition, is again referred to.

V. ANSWER TO QUESTION 5.

"Is the tax assessed by an officer, or does the citizen make return under oath?"

The tax is based on declarations by those from whom tax is due, which are not under oath.

VI. ANSWER TO QUESTION 6.

"What punishment is provided for a failure to make proper return of income?"

Improper returns of income are punishable with ten times the amount of the sum withheld. Article 11 and following of the law.

VII. Question 7, as to the popularity of the tax, has been answered in the reply to the instructions to which this is a further reply.

VIII. ANSWER TO QUESTION 8.

"Is the tax collected through local authorities or by a representative of the general government?"

The tax is collected by persons in the service of the state—the so-called local tax officials appointed for each community.

BADEN.

I. ANSWER TO QUESTION 1.

"How long has the income tax been collected?"

In the Grand Duchy of Baden an income tax has been levied since the 1st of January, 1886. The tax is based on the law of June 24, 1884 (inclosure 5a).

II. ANSWER TO QUESTION 2.

"What rate is levied, and what exemptions are allowed?"

Since the 1st of January, 1892, the tax rate levied is 2 per cent.

The exemptions are stated in article 6 of the law. The most important one is that which frees from the tax all incomes under 500 marks.

III. ANSWER TO QUESTION 3.

"Is the tax graded, and what is the total income from the tax?"

The manner in which the tax is graded is shown in article 13 of the law.

The entire net yield of the income tax for the year 1891 was 5,723,754 marks. For the year 1892-'93 (for which year the tax rate has been reduced from 2 to 2 per cent) the net yield is estimated at 4,530,123 marks.

IV. ANSWER TO QUESTION 4.

"What important changes have been made during the existence of the tax: has the rate increased or have the exemptions been changed? And what is meant by income?"

Since the introduction of the income tax, one change has taken place, viz., that effected by the law of the 6th of May, 1892 (inclosure 5b), and the "regulation" issued to carry it out (inclosure 5c). By this amendment co-operative societies doing an open business, registered associations which conduct a business resembling that of banking, and insurance companies based on mutuality and employing agents, are to be exempt from income tax after the 1st of January, 1894.

The tax rate was from the 1st of January, 1886, until the 31st of December, 1891, 2½ per cent. From the 1st of January, 1892, it has been reduced to 2 per cent.

No changes have taken place in the exemptions stated in article 6 of the law.

What is meant by income is defined in articles 2 to 4 of the law and in sections 1 to 11 of the auxiliary regulation of the ministry of finance of the 17th of February, 1885 (inclosure 5).

V. ANSWER TO QUESTION 5.

"Is the tax assessed by an officer or does the citizen make return under oath?"

The person owing tax is required to make a declaration (not under oath). See Articles 12 and 14 to 19 of the law. On the basis of and after examination of such declaration it devolves upon the board of estimate to fix the amount of the taxable income.

In each community the board of estimate consists of the burgomaster and, according to the size of the community, of from three to twelve other members, who are appointed by the district councillor, a local administrative officer, from the number of persons in the place who are assessed for income or other direct taxation. The taxpayer has the right to appeal from the decision of the board of estimate to the superior tax authorities, and, as against the decision of the latter, to the court of administration.

VI. ANSWER TO QUESTION 6.

"What punishment is provided for a failure to make a proper return of income?"

Whoever fails to make a declaration of the tax he owes or makes an incorrect one is punishable by a fine of eight times the amount of the loss the Government would have sustained. (See articles 26 and 27 of the law.)

VII. Question 7, as to the popularity of the tax, is answered in the first reply of these interrogatories.

VIII. ANSWER TO QUESTION 8.

"Is the tax collected through local authorities or by a representative of the general government?"

The tax is collected by state officers.

BREMEN.

I. ANSWER TO QUESTION 1.

"How long has the income tax been collected?"

An income tax has been levied since the year 1818.

II. ANSWER TO QUESTION 2.

"What rate is levied and what exemptions are allowed?"

The rate levied has been for incomes taxed at a specific rate of percentage as follows for the following periods:

From 1848 to 1871, 1 per cent; for 1872, 1½ per cent; for 1873 and 1874, 2 per cent; for 1875, 2 per cent; for 1876, 3 per cent; for 1877, 4 per cent; for 1878, 3 per cent; from 1879 to 1892, 4 per cent.

For the year 1893 the rate is 4 per cent with an addition for incomes of over 6,000 marks—as shown by the accompanying law of the 14th of March, 1893 (inclosure 11a). See also answer to question 3.

The exemptions allowed are stated in section 3 of the law of the 17th of December, 1874 (inclosure 11b).

III. ANSWER TO QUESTION 3.

"Is the tax graded, and what is the total annual income from the tax?"

Compare section 4 of the law of the 17th of December, 1874, and the scale in inclosure A, accompanying the same, which scale has been changed by the law of the 16th of November, 1880. The scale of the last mentioned law is still in force.

The yield of the tax varies considerably. It was as follows for the last ten years:

| | Marks. | | Marks. |
|--------------|-----------|--------------|-----------|
| For 1883 | 2,618,540 | For 1888-'89 | 2,427,643 |
| For 1884 | 2,501,474 | For 1889-'90 | 2,844,315 |
| For 1885-'86 | 2,237,977 | For 1890-'91 | 3,231,396 |
| For 1886-'87 | 2,164,623 | For 1891-'92 | 3,633,794 |
| For 1887-'88 | 2,186,490 | For 1892-'93 | 3,225,053 |

IV. ANSWER TO QUESTION 4.

"What important changes have been made during the existence of the tax: has the rate increased or have the exemptions been changed, and what is meant by 'income'?"

A material change in the manner of levying the tax was introduced by the law of the 25th of October, 1874 (inclosure 11d). See answer to question 5. As regards changes in tax rates, see answer to question 2. Up to the year 1874 the rate was from incomes of from 250 up to 400 reichsthaler s. gold, 1 reichsthaler (1 reichsthaler = 3 marks 3½ pfennigs); for incomes of from 400 to 500 reichsthalers, gold, 2½ reichsthalers, and for incomes of 500 reichsthalers or more, 1 per cent. In 1872, and again in 1873, the rate was changed somewhat, especially the amounts to which a specific rate of percentage applied. In 1874 the scale appended to the law of the 17th of December, 1874, and in 1881, that now in force pursuant to the law of the 16th of November, 1880 (inclosure 11c), were introduced. The following exemptions existed: Until 1872, incomes under 250 reichsthalers, gold (about 830 marks); in 1873 and 1874 incomes under 750 marks, and since 1875 (law of 1874), incomes under 600 marks; otherwise exemptions have not been materially changed.

What is meant by taxable income, is told in section 5 of the law and its inclosure B; see also amendments thereto of 1880 and 1885 (inclosure 11c, page 119; inclosure 11e, and inclosure 11f).

V. ANSWER TO QUESTION 5.

"Is the tax assessed by an officer, or does the citizen make return under oath?"

Until 1874 the tax was paid for incomes not taxed at a specific rate of percentage, but at a fixed sum, publicly, as was also the tax for incomes taxable at a specific rate of percenta. Whatever sum in excess was due the taxpayer was required, not on oath, but upon the faith of his oath as a citizen (*Bürgerleid*) to cast (no control whatever in regard to the amount cast in being exercised) into a chest, the so-called castle-chest (*schloss-kiste*). Whoever, for instance, had an income of 100,000 reichsthalers, gold, was required (until 1871) to pay 5 reichsthalers publicly, and to throw (covered up, enveloped) into the box 995 reichsthalers; i.e., as to the amount so thrown into the chest, it was put in secretly; and, indeed, there was no guaranty that the true or any amount was put in. This system was replaced in the year 1875 by that introduced by the law of the 17th of December, 1874 (inclosure 11b), which is based on the declaration (subject to official examination and determination) of the taxpayer. It may be incidentally remarked in this place that a comparison of the yield of the tax under the present system with the yield under the former system, without such examination and determination, shows that the returns made under the former system were essentially correct.

Details respecting the new system will be found in sections 8 to 10 of the law of the 17th of December, 1874 (see also amendment of the 5th of January (inclosure 11g) as also the law of the 23rd of October, 1874 (inclosure 11d) declaring what authorities shall be competent to collect the income tax (see also amendments of the 24th of January, 1886, and of the 26th of March, 1892, (inclosures 11h and 11i)). From the above-mentioned laws it will be perceived, it may be added, that the "assessment board" consists of 4 members of the Bremen senate and of 12 members of the popular representative body of that city.

VI. ANSWER TO QUESTION 6.

"What punishment is provided for a failure to make proper return of income?"

See sections 11 and 12 of the law.

VIII. ANSWER TO QUESTION 8.

"Is the tax collected through local authorities, or by representatives of the general government?"

The tax is collected by state authorities, viz., by the general tax office in Bremen, and subordinate tax offices.

AUSTRIA.

In 1892 the Austrian Government collected about \$10,000,000 from an income tax.

In volume 28 of Consular Reports (1888) the consul-general at Vienna makes the following report in regard to the income tax (his report was submitted to this Government April 30, 1887):

"An income tax has existed in Austria since the beginning of the nineteenth century. It was repealed in 1829 and re-enacted in 1849.

"This tax is divided into three classes:

"First class. Under the first class the following income is taxed: (a) the income derived from all those trades and occupations which are subject to a license tax; (b) the income of mining and smelting establishments; (c) the profits made by the tenants of agricultural lands and of tenants of tolls and consumption tax districts.

"Second class. (a) Income from services rendered or labor performed in occupations not subject to a license tax; (b) annual income or dividends paid by life insurance or other companies or societies.

"Under this class are included the salaries of public and private officers and servants; pensions, donations, and other pecuniary assistance received by public functionaries, servants, and officers retired from active service; pensions of the widows and children of civil and military officers; also the pecuniary donations made out of the public funds, either national or local, to cloisters or theological orders; also the incomes of authors, artists, physicians, and veterinary surgeons, midwives, and private teachers (the latter only in towns of less than 4,000 souls); the income of university professors from lecture and examination fees. Servants are only taxed under this class if their total income exceeds 630 florins (\$226.16) per annum.

"Third class. Under this class are embraced: Interest from loans and other outstanding demands and claims; interest from invested capital; income from savings banks and life-insurance companies. Benevolent and mutual assistance corporations and stipends are also included in this class.

"*Exemptions from income tax.*—The pay of officers and soldiers in active service, also that of reserve officers; the income of cloisters devoted to the care of the sick, of schools and benevolent institutions; the pensions of the members of the Maria Theresa Order (declaration); the donations connected with the medal for bravery; day laborers; the interest on deposits in savings and post savings banks, all incomes not exceeding 315 florins (\$113.08) per annum; the income of mutual laborers' insurance companies; the income from the following public bonds: (a) The 5 per cent Austrian stock or bonds; (b) the Austrian gold bonds; (c) bonds of the city of Vienna of 1867; (d) bonds of the Danube regulating commission of 1878; (e) certain bonds of Tyrol; (f) state railroad bonds; (g) bonds of all railroads subject to tax; (h) bonds of the Austro-Hungarian Bank; (i) bonds of the Mortgage Bank of Bohemia; (j) bonds of the national debt and of the lottery loans of 1854 and 1860; a number of other corporation bonds.

"*Fines and penalties.*—In case the party subject to the income tax makes either a false return or intentionally neglects to make any return, thrice the amount of the tax is imposed, payment of which, however, includes the tax itself, so that the fine proper is double the amount of the tax.

"*The percentage paid as income tax.*—Additional percentages have been imposed from time to time, and numerous amendments of the original law have been enacted, and a careful perusal of this mass of legislation furnishes as final result the following:

"Under the first class above-mentioned the income tax collected under the laws now in force is progressive and amounts to from 8 per cent to 10 per cent of the net income. Under the second class from 17 per cent to 20 per cent, and under the third class to 10 per cent."

ITALY.

In 1892 the Italian Government raised about \$45,000,000 from an income tax.

In volume 28 of Consular Reports (1888), the consul-general reports from Italy the following (date of report September 23, 1887):

"The tax on incomes is 12 per cent, and an additional sum amounting to one-tenth of this amount as a contribution to the war fund, making a total of 13.20 per cent on the income. (To certain communes there is a restitution of one-tenth of the amount collected for an income tax within their limit.)

"This tax is levied on all incomes derived from any source whatsoever, except from lands and buildings, the manner of assessing differing, however, according to the sources of incomes.

"(a) Permanent incomes, those derived from interests on loans, are taxed at their full amount.

"(b) Temporary incomes accruing from the use of capital and the results of labor and industry are taxed six-eighths of their gross amounts.

"(c) Temporary incomes in which capital and labor are not employed, such as professional incomes, stipends, pensions, etc., are taxed at five-eighths of their gross amounts.

"(d) Incomes derived from stipends, pensions, etc., paid by the State, are taxed at four-eighths of their gross amounts.

"In the above classification, incomes included under the head of b, c, and d, are exempted from taxes whenever the amount of the income does not exceed \$7.20, and they are reduced according to a graduated scale \$48.26, \$38.60, \$28.96, and \$19.30 if not exceeding \$154.40."

SWITZERLAND.

[Extracts from an article entitled "Income and property taxes in Switzerland," by Gustav Cohn, in volume 4, Political Science Quarterly, 1889.]

ZURICH.

Two different tendencies, accordingly are leading to the same result, viz., to the introduction of heavy direct taxation: first, the change of opinion concerning the equities; and secondly, the great increased demand which is itself the product of advanced views regarding the duties of state and community. Both tendencies form part of the general democratic drift of the age. First, the effort is to remove the burdens from the shoulders of the majority of the people and to put them on the shoulders of the wealthy; secondly, an attempt is made to render the public organs of state and community serviceable to the interests of the majority in a greater degree than formerly through improved institutions of learning, means of communication, etc. This democratic movement has gone furthest in the canton of Zurich, whose constitution of April 18, 1889, promulgates the following characteristic principles:

"ART. 28. The people exercise the legislative power in conjunction with the cantonal council.

"ART. 30. The popular vote on the legislative acts of the cantonal council (referendum) takes place twice a year, in spring and autumn."

Among the economic principles (article 19) are to be noticed:

"All persons liable to taxation must contribute to the burdens of state and community in proportion to the means at their disposal.

"The property and income tax is to be arranged according to classes on the principle of moderate and just progression.

"Property of small value belonging to persons unable to work, as well as that part of all incomes which is absolutely necessary to life, is exempt.

"The progression shall not exceed five times the simple rate in the case of income nor double the simple rate in case of property.

"Property can be assessed only proportionally for local burdens. The state levies the tax on inheritances progressively according to the remoteness of relationship and the size of the inheritance. No new taxes on the consumption of necessities can be introduced. The salt tax is to be reduced forthwith."

* * * * *

In the tax law of Zurich the scale of progression is fixed according to this method, with one scale for property and a second scale, connected with the first, for personal income. The rate for the property tax is so fixed that of the first 20,000 francs of each individual mass of property only five-tenths is put in the tax lists, of the succeeding 30,000 francs only six-tenths, of the next 50,000 francs only seven-tenths, of the next 100,000 francs only eight-tenths, of the next succeeding 200,000 francs only nine-tenths, and only the surplus over and above the sum last mentioned is entered at the full amount. We have here a relief in favor of the smaller property, which in the case of the smallest property amounts to one-half of the total sum, a relief which did not exist in the older tax laws of Zurich (1832 and 1861). The amount of the tax to be levied is fixed annually by the cantonal council on motion of the government. The second scale, for personal income, is connected with the first scale in such wise that, according to the provision of the law, 2 francs are paid as taxes on each 100 of the income rate wherever 1 franc is paid on a thousand of the property rate, which means that the average income from property is assumed to be 5 per cent.

The scale of the rate for personal income is then developed in much more rapid progression. In the first place the minimum of existence declared exempt by the constitution of 1889 is interpreted to include, for every income, the first 500 francs. On the succeeding 1,500 francs only two-tenths is to be put into the tax list, of the next 1,500 francs only four-tenths, of the next 3,000 francs only six-tenths, of the next 4,000 francs only eight-tenths; the full rate beginning with amounts above 10,500 francs. In the income tax, as in the property tax, the relief accrues to every individual income, no matter how large. With the rate as it stands since 1877 (four per mill) an income of 50,000—100,000 francs pays almost 8 per cent, but an income of 2,000 francs only 1½ per cent.

* * * * *

Reckoning together all communal and cantonal taxes paid by an inhabitant of Zurich, the average sum per capita is 32 francs in direct taxes and but 2 francs in indirect taxes. Adding to these the indirect taxes levied for the confederation (principally import duties), we obtain an additional sum of 7½ francs per capita. Altogether, therefore, fully three-fourths is raised in the form which corresponds to the demands of modern radicalism—by income and property taxes.

Mr. BLACK of Illinois. Mr. Chairman, stories of suffering always appeal strongly to the humane heart. One of the consummate arts of the orator, of which I submit we have this day had a shining and lustrous example, is to so intertwine righteous sentiments with errors of conclusion and statement as to confuse the judgment of men upon really existing facts.

The gentleman from Michigan [Mr. BURROWS] has depicted suffering in its extreme form. Whether it is as widespread, as deep and universal as he has declared, is a question susceptible, possibly, of proof. What we do know is, that every instance of suffering is caught up and repeated here until it would appear as if, throughout the entire American Union, misery, famine, and starvation were stalking hand in hand. If it be admitted that a tithe of the terrors depicted by the gentleman exists, the picture would still be a very sorrowful one. But organized charity has gone forth, and from the stored-up wealth of the American people has so far relieved the suffering in every city

and hamlet of the American Union that not a single instance comes to us of that extreme destitution, penury, and death which mark the end.

NOT DUE TO DEMOCRATIC LAWS.

I am not disposed, however, to undervalue or to underestimate the extent of the suffering actually prevailing. Beginning with the grecous picture quoted by the gentleman as drawn by Mr. Greeley as long ago as 1855, down to this time, under all circumstances and under all administrations some suffering has prevailed in our land and in every other. There is no community in the world, there never was; there is no system of industry in the world, there never was, in which and under which, at some time or other, human misery has not waited upon human improvidences and human mistakes.

But it is worth noting that the strength of the assault upon the measure before this House is made before that measure has taken effect, months, probably, before one line of it can be operative in any part of the Republic. The suffering that is depicted, supposing it to exist, comes after a period of thirty years of laws written, every one of them, by the Republican party, and not one of them formed by the Democratic party.

The Democratic party during that time has compelled relief and action in regard to certain measures; but the whole responsibility of Government has not been upon us until with the coming in of this Congress on the 4th of March, 1893. And at that time it is a matter of fact susceptible of demonstration, and clear to every gentleman on the floor of this House, that the widespread misery dwelt upon had already descended. Until this hour not a single provision of the protective system which culminated in the McKinley law had been qualified in any degree, either in recital or in operation.

On the contrary, the Democratic Administration which succeeded that of Mr. Harrison enforced that law and is enforcing it to-day as honestly as though it had been written in the statute book by its own Congress.

So, that if the existing condition of affairs may be said to be due to the operation of law, you can not say we did it. So far as the law has produced the ruin that the gentleman depicts, in that far the law has been a law of high protection, rising higher and higher, and finally culminating in the prohibitive tariff of 1890.

THE FARMING INTERESTS ARE ADVANCED BY LABOR AND NOT BY PROTECTION.

I represent in part on this floor the State of Illinois, which, along with her great commercial development, her municipal growth, and her manufacturing progress, is still the foremost agricultural State in the Union; her population fairly represents that of the entire United States. About one-half of our people are upon the farms, and the others are in all the varied industries of the time. Such is the general proportion of the entire population of the United States.

Now, during the last thirty years that population has worked, has progressed, and has produced an extraordinary amount of wealth; not because the products of their farms were protected, because we all know that while certain clauses of pretended protection for farmers have been written into law, as a matter of fact they have neither required nor received any genuine protection. It is talking idly to say that because a statute of the United States gives nominal protection to grain, that that has conferred either a market or protection upon the farmers of the country.

It has not done so, but after thirty years of sham protection, here or abroad, all the products of the farm are selling for a less figure than they ever sold before since records were kept of American industries: while "protection" has increased, products have steadily diminished in price until 45 or 50 cents is the best price for wheat, and a like low rate for corn and oats, in spite of the boasted home market reserved by the policy of protection.

But I am not making a speech for the farmer. He spoke for himself in November, 1892, from every hillside and from every prairie in the land. [Applause.] I am seeking to show by statistics that the American farmer has produced a vast amount of wealth, set forth better in two statements which I here insert; one made by the Statistician of Agriculture in 1889, and one compiled by the Statistician of the Agricultural Department from the census of 1890:

As far back as 1880 the value of the farms of the United States exceeded \$10,000,000,000. To the unremitting industry of their owners these farms yielded an aggregate annual value of nearly \$4,000,000,000, in the production of which a vast population of nearly 8,000,000 toilers utilized nearly half a billion worth of farm implements. The value of live-stock on farms, estimated in the last census to be worth over \$1,500,000,000 is shown by the reliable statistics collected by this Department, to be worth to-day \$2,507,00,000. A low estimate of the number of farmers and farm laborers employed on our 5,000,000 farms places it at nearly 10,000,000 persons, representing 30,000,000 people, or nearly one-half of our present population.

STATISTICS OF AGRICULTURE.

TABLE I.—Summary for the Eleventh Census, 1890.

| Divisions, etc. | Number of farms. | Acres in farms. | | | Valuation. | | |
|-------------------------|------------------|-----------------|------------|-------------|------------------------------|---------------------------|----------------------------------|
| | | Total. | Improved. | Unimproved. | Land, fences, and buildings. | Implements and machinery. | Live stock on hand June 1, 1890. |
| North Atlantic Division | 658,569 | 62,743,523 | 42,338,025 | 20,405,501 | \$2,539,200,537 | \$116,868,252 | \$313,902,504 |
| Maine | 62,013 | 6,179,925 | 3,044,666 | 3,135,259 | 98,567,730 | 5,499,413 | 18,280,140 |
| New Hampshire | 29,151 | 3,489,018 | 1,727,387 | 1,731,631 | 66,162,600 | 3,594,850 | 10,450,125 |
| Vermont | 32,572 | 4,395,646 | 2,655,943 | 1,739,703 | 80,427,490 | 4,733,560 | 16,644,320 |
| Massachusetts | 34,374 | 2,998,282 | 1,657,024 | 1,341,258 | 127,588,284 | 5,938,940 | 14,200,178 |
| Rhode Island | 5,500 | 469,281 | 274,491 | 194,790 | 21,873,479 | 941,030 | 2,364,970 |
| Connecticut | 26,350 | 2,253,432 | 1,379,419 | 874,013 | 95,000,595 | 3,075,495 | 9,974,618 |
| New York | 226,223 | 21,961,562 | 16,389,380 | 5,572,182 | 968,127,286 | 46,659,465 | 124,523,96 |
| New Jersey | 30,828 | 2,662,009 | 1,999,117 | 662,892 | 159,262,840 | 7,378,624 | 15,511,430 |
| Pennsylvania | 211,557 | 18,364,370 | 13,210,597 | 5,153,773 | 922,240,233 | 39,046,855 | 101,652,758 |
| South Atlantic Division | 749,600 | 100,157,573 | 41,677,371 | 58,480,202 | 1,135,319,670 | 36,444,018 | 161,631,801 |
| Delaware | 9,381 | 1,055,692 | 762,655 | 293,037 | 39,586,080 | 1,835,570 | 4,198,810 |
| Maryland | 40,798 | 4,952,390 | 3,412,908 | 1,539,482 | 175,058,550 | 6,540,060 | 19,194,320 |
| District of Columbia | 382 | 11,745 | 9,898 | 1,847 | 6,471,120 | 79,760 | 129,120 |
| Virginia | 127,600 | 19,104,951 | 9,125,545 | 9,979,406 | 254,490,600 | 6,593,688 | 33,404,281 |
| West Virginia | 72,773 | 10,321,326 | 4,554,000 | 5,767,326 | 151,880,300 | 3,116,420 | 23,964,610 |
| North Carolina | 178,359 | 22,651,896 | 7,828,569 | 14,823,327 | 183,977,010 | 7,183,210 | 25,547,280 |
| South Carolina | 115,008 | 13,184,652 | 5,255,237 | 7,929,415 | 99,104,600 | 4,172,282 | 16,572,410 |
| Georgia | 171,071 | 25,200,435 | 9,582,866 | 15,617,569 | 152,006,230 | 5,764,978 | 31,477,990 |
| Florida | 34,228 | 3,674,486 | 1,145,693 | 2,528,793 | 72,745,180 | 1,168,040 | 7,142,980 |
| North Central Division | | | | | | | |
| Ohio | 251,430 | 23,352,408 | 18,338,824 | 5,013,584 | 1,046,738,247 | 29,475,346 | 116,181,690 |
| Indiana | 198,167 | 20,362,516 | 15,107,482 | 5,255,034 | 754,789,110 | 21,172,255 | 93,361,422 |
| Illinois | 240,681 | 30,498,277 | 25,669,060 | 4,829,217 | 1,262,870,587 | 34,456,938 | 180,431,662 |
| Michigan | 172,344 | 14,785,636 | 9,865,350 | 4,920,286 | 556,190,670 | 22,182,600 | 69,564,985 |
| Wisconsin | 146,409 | 16,787,988 | 9,793,931 | 6,994,057 | 477,521,507 | 19,167,010 | 63,784,377 |
| Minnesota | 116,851 | 18,663,645 | 11,127,953 | 7,535,692 | 340,059,470 | 16,916,473 | 57,725,683 |
| Iowa | 201,903 | 30,491,541 | 25,428,899 | 5,062,642 | 857,581,022 | 36,665,315 | 206,436,242 |
| Missouri | 238,043 | 30,780,290 | 19,792,313 | 10,987,977 | 625,858,361 | 21,830,719 | 138,701,173 |
| North Dakota | | | | | | | |
| South Dakota | | | | | | | |
| Nebraska | 113,608 | 21,593,444 | 15,247,705 | 6,345,739 | 402,358,913 | 16,468,977 | 92,971,920 |
| Kansas | 166,617 | 30,214,456 | 22,303,301 | 7,911,155 | 559,726,046 | 18,869,790 | 128,068,305 |
| South Central Division | 1,086,772 | 156,448,294 | 66,288,824 | 90,159,470 | 1,440,022,598 | 58,343,772 | 351,028,828 |
| Kentucky | 179,264 | 21,412,229 | 11,818,882 | 9,593,347 | 346,339,360 | 10,906,506 | 70,924,400 |
| Tennessee | 174,412 | 20,161,583 | 9,362,555 | 10,790,028 | 242,700,540 | 9,936,880 | 60,254,230 |
| Alabama | 157,772 | 19,853,000 | 7,698,343 | 12,154,657 | 111,051,390 | 4,511,645 | 30,776,730 |
| Mississippi | 144,318 | 17,572,547 | 6,849,390 | 10,723,157 | 127,423,157 | 5,968,865 | 33,986,435 |

a State not completed as to farms, acreage, valuations, and cost of fertilizers.

STATISTICS OF AGRICULTURE—continued.

| Divisions, etc. | Number of farms. | Acres in farms. | | | Valuation. | | | | | | | | | |
|--|------------------|------------------|---------------|-------------|------------------------------|---------------------------|------------------------------------|--|-----------------|------------------|-------------------|-------------------|------------------|----------------|
| | | Total. | Improved. | Unimproved. | Land, fences, and buildings. | Implements and machinery. | Live stock on hand June 1, 1890. | | | | | | | |
| North Atlantic Division—Continued. | | | | | | | | | | | | | | |
| Louisiana | 69,294 | 9,544,219 | 3,774,668 | 5,769,551 | 85,381,270 | 7,167,355 | 17,898,380 | | | | | | | |
| Texas | 228,126 | 51,496,937 | 20,746,215 | 30,660,722 | 399,971,289 | 13,746,541 | 103,259,503 | | | | | | | |
| Oklahoma | 8,826 | 1,605,423 | 563,728 | 1,042,695 | 88,581,170 | \$133,580 | \$3,203,270 | | | | | | | |
| Arkansas | 121,760 | 14,891,356 | 5,475,043 | 9,416,313 | 118,574,422 | 5,672,430 | 30,772,880 | | | | | | | |
| Western Division | 145,878 | 47,282,223 | 23,020,410 | 24,261,823 | 1,094,942,650 | 30,366,110 | 186,958,178 | | | | | | | |
| Montana | 5,603 | 1,964,197 | 915,517 | 1,048,680 | 25,512,340 | 1,356,010 | 21,620,687 | | | | | | | |
| Wyoming | 3,125 | 1,830,432 | 476,881 | 1,353,601 | 14,460,880 | 522,250 | 15,348,331 | | | | | | | |
| Colorado | 16,388 | 4,598,941 | 1,823,520 | 2,775,421 | 85,038,180 | 2,728,850 | 22,594,010 | | | | | | | |
| New Mexico | 4,458 | 787,882 | 233,106 | 524,776 | 8,140,800 | 291,140 | 7,247,180 | | | | | | | |
| Arizona | 1,426 | 1,297,033 | 104,128 | 1,192,905 | 7,222,230 | 196,50 | 3,257,630 | | | | | | | |
| Utah | 10,517 | 1,323,705 | 516,223 | 775,482 | 28,402,780 | 1,161,660 | 6,815,830 | | | | | | | |
| Nevada | 1,277 | 1,661,416 | 723,052 | 958,364 | 12,339,410 | 537,480 | 5,891,820 | | | | | | | |
| Idaho | 6,603 | 1,302,256 | 606,362 | 695,894 | 17,431,580 | 1,172,460 | 7,553,430 | | | | | | | |
| Washington | 18,056 | 4,179,190 | 1,320,832 | 2,358,358 | 83,461,660 | 3,150,200 | 14,113,110 | | | | | | | |
| Oregon | 25,530 | 6,909,888 | 3,516,000 | 3,393,888 | 115,819,00 | 4,556,770 | 22,648,830 | | | | | | | |
| California | 52,894 | 21,427,293 | 12,222,839 | 9,204,454 | 697,116,630 | 14,689,710 | 60,259,230 | | | | | | | |
| Live stock on hand June 1, 1890, and life-stock products on farms in 1889. | | | | | | | | | | | | | | |
| Divisions, etc. | Horses. | Mules and asses. | Working oxen. | Milch cows. | Other cattle. | Swine. | Sheep, not including spring lambs. | Number of fleeces shorn spring of 1890 and fall of 1889. | Pounds of wool. | Gallons of milk. | Pounds of butter. | Pounds of cheese. | Pounds of honey. | Pounds of wax. |
| United States | 14,969,467 | 2,295,532 | 1,117,494 | 16,511,950 | 23,734,128 | 57,409,583 | 35,935,354 | 32,126,888 | 165,449,239 | 5,209,125,567 | 1,024,223,468 | 18,726,818 | 63,897,327 | 1,163,588 |
| North Atlantic Division | 1,738,864 | 43,683 | 167,943 | 3,351,061 | 1,942,720 | 2,753,349 | 4,133,027 | 3,335,733 | 18,446,578 | 1,435,739,255 | 246,788,544 | 6,693,671 | 7,882,690 | 127,229 |
| Maine | 109,156 | 278 | 33,105 | 157,278 | 106,727 | 91,297 | 370,484 | 352,806 | 1,864,009 | 57,969,791 | 15,593,315 | 696,052 | 260,481 | 4,119 |
| New Hampshire | 52,458 | 123 | 23,648 | 109,423 | 89,817 | 58,585 | 131,611 | 123,158 | 717,149 | 42,633,268 | 7,942,840 | 341,235 | 112,114 | 1,674 |
| Vermont | 89,969 | 330 | 21,249 | 231,419 | 142,620 | 92,083 | 333,947 | 315,322 | 2,118,883 | 90,712,230 | 23,314,063 | 609,586 | 379,096 | 5,793 |
| Massachusetts | 63,638 | 196 | 9,831 | 172,046 | 74,251 | 91,483 | 51,438 | 47,862 | 241,314 | 82,571,924 | 8,358,703 | 122,900 | 90,929 | 1,690 |
| Rhode Island | 9,864 | 51 | 2,603 | 23,943 | 8,225 | 12,055 | 11,400 | 9,950 | 41,021 | 10,610,547 | 985,456 | 24,631 | 13,740 | 358 |
| Connecticut | 43,764 | 279 | 21,019 | 127,892 | 54,750 | 62,087 | 37,652 | 30,919 | 126,508 | 54,413,822 | 7,196,095 | 112,566 | 130,632 | 3,683 |
| New York | 664,430 | 4,636 | 37,293 | 1,440,230 | 653,869 | 843,342 | 1,528,979 | 1,187,120 | 6,715,686 | 663,917,240 | 98,241,813 | 4,324,028 | 4,281,964 | 66,654 |
| New Jersey | 86,925 | 8,227 | 1,825 | 161,576 | 48,661 | 224,388 | 55,409 | 41,927 | 180,814 | 64,003,953 | 8,367,218 | 23,613 | 160,310 | 3,381 |
| Pennsylvania | 618,660 | 29,563 | 17,384 | 927,254 | 761,800 | 1,278,029 | 1,612,107 | 1,226,669 | 6,441,164 | 388,906,480 | 76,803,041 | 439,060 | 2,453,424 | 30,877 |
| South Atlantic Division | 880,758 | 417,393 | 262,982 | 1,369,466 | 2,257,659 | 5,082,321 | 2,445,386 | 1,844,260 | 6,555,151 | 331,728,677 | 78,270,911 | 271,291 | 8,668,791 | 305,005 |
| Delaware | 25,656 | 4,819 | 3,846 | 32,574 | 15,424 | 44,981 | 12,265 | 10,731 | 47,281 | 10,699,362 | 2,026,498 | 359 | 66,468 | 1,612 |
| Maryland | 130,395 | 14,161 | 17,066 | 142,198 | 107,925 | 312,020 | 132,320 | 101,535 | 543,225 | 46,601,218 | 9,999,602 | 9,573 | 301,157 | 5,946 |
| District of Columbia | 826 | 41 | | 863 | 125 | 1,306 | 14 | | | 459,978 | 13,769 | | 341 | 20 |
| Virginia | 242,512 | 37,583 | 61,571 | 273,634 | 412,129 | 795,691 | 495,313 | 355,741 | 1,449,219 | 78,143,459 | 17,949,966 | 109,187 | 1,531,147 | 44,114 |
| West Virginia | 154,722 | 7,390 | 29,366 | 188,492 | 348,208 | 411,018 | 785,063 | 568,014 | 2,500,859 | 55,449,066 | 14,063,627 | 74,372 | 1,218,686 | 22,109 |
| North Carolina | 131,451 | 100,011 | 58,192 | 223,416 | 349,295 | 1,251,006 | 402,247 | 322,573 | 733,705 | 55,250,655 | 13,129,374 | 60,760 | 2,373,560 | 126,447 |
| South Carolina | 59,888 | 86,306 | 22,150 | 107,184 | 134,959 | 494,696 | 79,421 | 61,064 | 157,707 | 23,833,631 | 5,737,557 | 2,476 | 856,888 | 27,739 |
| Georgia | 103,501 | 157,377 | 49,108 | 287,717 | 537,101 | 1,396,362 | 440,459 | 349,768 | 841,141 | 52,234,508 | 14,483,323 | 12,833 | 1,757,758 | 49,935 |
| Florida | 31,807 | 9,755 | 17,083 | 113,388 | 352,493 | 374,241 | 98,275 | 74,834 | 221,954 | 5,056,790 | 867,195 | 1,731 | 562,986 | 27,083 |
| North Central Division | 8,571,177 | 657,653 | 181,329 | 8,240,999 | 16,150,072 | 37,624,632 | 12,332,084 | 9,854,644 | 60,965,237 | 2,719,414,765 | 520,625,636 | 6,669,421 | 29,766,640 | 353,338 |
| Ohio | 880,067 | 18,058 | 14,935 | 794,833 | 953,619 | 3,275,922 | 4,060,729 | 3,683,823 | 20,987,574 | 326,925,396 | 74,990,307 | 1,068,083 | 2,894,059 | 33,520 |
| Indiana | 720,035 | 59,614 | 6,563 | 579,287 | 926,058 | 3,320,817 | 1,081,131 | 779,755 | 4,863,404 | 200,510,797 | 48,477,766 | 360,948 | 2,105,817 | 24,864 |
| Illinois | 1,335,289 | 107,875 | 6,579 | 1,087,889 | 1,968,654 | 5,924,818 | 922,631 | 649,394 | 4,490,773 | 307,269,464 | 57,121,486 | 343,456 | 4,602,941 | 50,420 |
| Michigan | 516,117 | 3,822 | 29,705 | 497,611 | 519,365 | 1,126,141 | 2,400,318 | 1,971,315 | 12,378,318 | 224,537,488 | 50,197,481 | 328,682 | 2,487,134 | 26,759 |
| Wisconsin | 460,740 | 5,752 | 30,481 | 792,620 | 834,846 | 1,347,750 | 984,972 | 761,775 | 4,981,083 | 303,701,134 | 46,295,623 | 906,266 | 3,515,761 | 46,058 |
| Minnesota | 461,509 | 9,511 | 32,505 | 593,908 | 747,166 | 853,715 | 399,049 | 312,861 | 1,945,249 | 182,968,973 | 34,766,409 | 676,642 | 1,161,390 | 12,050 |
| Iowa | 1,312,079 | 41,648 | 2,307 | 1,498,418 | 3,394,765 | 8,266,779 | 547,394 | 361,642 | 2,649,652 | 480,961,411 | 72,893,079 | 1,038,356 | 6,813,412 | 67,339 |
| Missouri | 946,401 | 251,714 | 14,006 | 851,072 | 2,104,634 | 4,987,432 | 950,562 | 672,935 | 4,040,084 | 193,931,103 | 43,108,521 | 288,620 | 5,492,178 | 75,670 |
| North Dakota | 130,931 | 8,709 | 21,339 | 88,299 | 172,246 | 92,213 | 136,413 | 76,412 | 510,417 | 26,566,112 | 5,712,566 | 131,374 | 990 | 8 |
| South Dakota | 250,305 | 7,671 | 22,496 | 210,240 | 455,183 | 590,465 | 228,448 | 157,371 | 1,073,909 | 59,666,525 | 13,127,244 | 303,951 | 55,833 | 1,568 |
| Nebraska | 626,789 | 46,512 | 5,708 | 565,045 | 1,031,781 | 3,815,647 | 209,243 | 118,364 | 791,531 | 144,768,263 | 27,818,078 | 463,831 | 746,212 | 6,282 |
| Kansas | 930,305 | 95,937 | 4,495 | 741,786 | 2,441,752 | 4,022,933 | 401,192 | 308,997 | 2,253,240 | 201,608,099 | 46,117,076 | 759,210 | 890,913 | 8,880 |
| South Central Division | 2,354,662 | 1,093,722 | 488,764 | 2,829,657 | 8,406,062 | 10,894,270 | 6,217,868 | 6,038,810 | 21,911,238 | 509,693,633 | 135,192,272 | 318,367 | 11,914,123 | 237,290 |
| Kentucky | 401,356 | 151,649 | 58,926 | 364,516 | 642,649 | 2,036,746 | 937,124 | 663,337 | 2,777,533 | 118,497,289 | 29,038,406 | 64,822 | 2,310,615 | 37,225 |
| Tennessee | 311,842 | 203,639 | 40,630 | 345,311 | 579,398 | 1,922,912 | 540,996 | 455,653 | 1,397,666 | 107,657,116 | 28,314,387 | 69,919 | 2,284,155 | 63,290 |
| Alabama | 121,207 | 134,800 | 97,300 | 292,088 | 486,588 | 1,421,884 | 286,380 | 251,716 | 768,589 | 55,508,657 | 14,548,435 | 6,131 | 1,824,286 | 68,884 |
| Mississippi | 155,050 | 156,755 | 95,577 | 310,159 | 509,042 | 1,163,141 | 451,779 | 374,936 | 1,038,186 | 50,803,371 | 12,988,687 | 4,898 | 822,673 | 21,926 |
| Louisiana | 128,797 | 88,028 | 41,975 | 167,223 | 371,905 | 569,935 | 186,167 | 143,173 | 440,683 | 12,881,927 | 2,089,774 | 3,939 | 271,962 | 8,584 |
| Texas | 1,026,002 | 227,432 | 98,284 | 1,003,439 | 5,039,829 | 2,252,476 | 3,454,888 | 3,826,721 | 14,917,068 | 118,475,320 | 32,100,560 | 145,730 | 3,288,386 | 65,509 |
| Oklahoma | 25,554 | 4,923 | 1,627 | 16,756 | 108,572 | 21,962 | 16,585 | 12,201 | 59,114 | 1,544,280 | 387,929 | 1,600 | 2,300 | 25 |
| Arkansas | 183,874 | 126,496 | 54,445 | 330,105 | 608,079 | 1,505,214 | 243,999 | 211,013 | 512,395 | 54,325,673 | 15,724,144 | 21,328 | 1,111,246 | 24,811 |
| Western Division | 1,424,006 | 83,081 | 16,476 | 720,767 | 4,977,615 | 1,055,011 | 10,806,999 | 11,053,421 | 57,571,035 | 202,549,207 | 43,346,105 | 4,774,068 | 5,665,088 | 93,666 |
| Montana | 142,959 | 959 | 546 | 24,143 | 667,209 | 17,132 | 1,859,016 | 1,426,096 | 9,335,551 | 6,038,096 | 1,062,185 | 11,512 | 20 | |
| Wyoming | 87,403 | 1,242 | 630 | 11,684 | 673,655 | 6,794 | 712,520 | 545,892 | 4,146,773 | 3, | | | | |

STATISTICS OF AGRICULTURE—continued.

| Divisions, etc. | Cereal production in 1889. | | | | | | | | | | | |
|-------------------------|----------------------------|------------|------------|------------|--------------|---------------|------------|-------------|-----------|------------|------------|-------------|
| | Barley. | | Buckwheat. | | Indian corn. | | Oats. | | Rye. | | Wheat. | |
| | Acres. | Bushels. | Acres. | Bushels. | Acres. | Bushels. | Acres. | Bushels. | Acres. | Bushels. | Acres. | Bushels. |
| The United States | 3,220,834 | 78,332,976 | 837,164 | 12,110,349 | 72,087,752 | 2,122,327,547 | 28,350,677 | 809,250,666 | 2,171,604 | 28,421,398 | 33,579,514 | 468,373,968 |
| North Atlantic Division | 406,032 | 9,587,050 | 549,498 | 8,750,506 | 2,172,038 | 72,191,305 | 3,141,114 | 86,891,504 | 682,930 | 8,085,361 | 1,917,709 | 32,012,544 |
| Maine | 11,972 | 286,262 | 22,395 | 466,411 | 10,891 | 380,662 | 121,612 | 3,668,909 | 791 | 6,664 | 4,116 | 79,826 |
| New Hampshire | 4,934 | 112,378 | 3,117 | 75,048 | 23,746 | 988,806 | 26,618 | 892,243 | 1,056 | 11,962 | 2,027 | 35,192 |
| Vermont | 16,427 | 420,761 | 13,429 | 271,216 | 41,790 | 1,700,688 | 101,582 | 3,316,141 | 3,379 | 43,256 | 8,397 | 164,720 |
| Massachusetts | 1,785 | 38,715 | 2,473 | 31,300 | 34,010 | 1,330,101 | 14,331 | 388,819 | 10,665 | 117,091 | 112 | 1,813 |
| Rhode Island | 363 | 8,009 | 41 | 349 | 7,819 | 253,810 | 3,648 | 100,520 | 779 | 9,617 | 11 | 91 |
| Connecticut | 273 | 5,747 | 4,006 | 46,104 | 40,445 | 1,471,979 | 24,428 | 593,691 | 16,100 | 214,935 | 443 | 7,482 |
| New York | 349,311 | 8,220,242 | 280,029 | 4,675,735 | 493,320 | 15,109,969 | 1,417,371 | 38,896,479 | 236,874 | 3,065,623 | 462,561 | 8,304,539 |
| New Jersey | 47 | 1,043 | 13,520 | 114,626 | 267,648 | 8,637,011 | 121,327 | 2,837,293 | 77,245 | 874,049 | 121,570 | 1,823,382 |
| Pennsylvania | 20,950 | 493,893 | 210,488 | 3,069,717 | 1,252,369 | 42,318,279 | 1,310,197 | 36,197,409 | 336,041 | 3,742,164 | 1,318,472 | 21,595,499 |
| South Atlantic division | 4,755 | 64,482 | 28,978 | 277,897 | 9,623,254 | 181,455,786 | 2,203,751 | 23,736,705 | 184,640 | 1,268,879 | 2,670,335 | 27,485,104 |
| Delaware | 12 | 205 | 325 | 3,081 | 174,796 | 3,097,164 | 19,374 | 382,900 | 775 | 6,625 | 94,368 | 1,501,050 |
| Maryland | 818 | 18,778 | 7,569 | 96,747 | 586,817 | 14,928,142 | 99,195 | 2,019,658 | 34,302 | 352,596 | 510,727 | 8,348,177 |
| District of Columbia | | | 2 | 20 | 349 | 10,755 | 63 | 1,371 | 111 | 1,099 | 30 | 600 |
| Virginia | 2,051 | 40,982 | 5,170 | 41,199 | 1,600,690 | 27,172,493 | 495,508 | 5,695,100 | 50,063 | 397,334 | 737,510 | 7,904,092 |
| West Virginia | 326 | 5,387 | 13,696 | 120,469 | 592,763 | 13,730,506 | 180,815 | 2,946,652 | 14,962 | 117,113 | 349,016 | 3,634,197 |
| North Carolina | 302 | 3,521 | 1,800 | 12,621 | 2,360,627 | 25,785,823 | 541,851 | 4,512,762 | 56,496 | 276,339 | 666,509 | 4,292,035 |
| South Carolina | 688 | 9,428 | 65 | 472 | 1,345,990 | 13,770,417 | 308,056 | 3,019,119 | 4,129 | 17,303 | 115,510 | 658,351 |
| Georgia | 549 | 6,053 | 332 | 3,162 | 2,582,316 | 29,261,422 | 516,886 | 4,767,821 | 20,949 | 87,021 | 196,633 | 1,096,312 |
| Florida | 9 | 128 | 19 | 126 | 378,906 | 3,701,264 | 42,003 | 391,321 | 853 | 13,389 | 32 | 290 |
| North Central Division | 1,838,266 | 47,257,785 | 254,975 | 3,042,395 | 44,873,346 | 1,598,870,008 | 19,859,736 | 645,127,344 | 1,176,117 | 17,951,629 | 22,581,556 | 321,316,830 |
| Ohio | 37,092 | 1,059,915 | 14,052 | 162,833 | 3,189,553 | 113,892,318 | 1,215,355 | 40,136,732 | 59,643 | 1,007,156 | 2,269,585 | 35,559,208 |
| Indiana | 10,280 | 250,200 | 9,548 | 99,959 | 5,586,190 | 108,843,094 | 1,102,479 | 31,491,661 | 62,890 | 877,532 | 2,570,017 | 37,318,798 |
| Illinois | 41,390 | 1,197,206 | 9,763 | 107,080 | 7,863,025 | 289,697,256 | 3,870,702 | 137,624,828 | 165,598 | 2,628,046 | 2,240,932 | 27,388,444 |
| Michigan | 99,305 | 2,522,376 | 70,046 | 811,977 | 994,597 | 28,785,579 | 1,085,756 | 36,961,193 | 140,754 | 2,101,713 | 1,501,228 | 24,771,171 |
| Wisconsin | 474,914 | 15,225,872 | 77,458 | 1,064,178 | 1,120,341 | 84,024,216 | 1,627,151 | 60,739,052 | 275,058 | 4,250,582 | 744,080 | 11,698,922 |
| Minnesota | 358,510 | 9,100,683 | 22,090 | 281,705 | 901,690 | 24,696,446 | 1,579,258 | 49,958,791 | 62,869 | 1,252,663 | 3,372,627 | 52,300,247 |
| Iowa | 518,729 | 13,406,122 | 25,243 | 286,746 | 7,585,522 | 313,130,782 | 3,752,141 | 146,679,289 | 93,707 | 1,445,233 | 585,548 | 8,249,786 |
| Missouri | 1,504 | 34,863 | 2,802 | 28,440 | 6,072,121 | 196,999,016 | 1,676,705 | 39,820,149 | 24,288 | 308,807 | 1,946,785 | 30,113,821 |
| North Dakota | 109,400 | 1,570,717 | 147 | 939 | 11,954 | 178,729 | 402,855 | 5,773,129 | 1,568 | 12,195 | 2,709,421 | 26,403,365 |
| South Dakota | 97,370 | 902,005 | 1,561 | 11,423 | 753,300 | 13,152,008 | 580,289 | 7,469,846 | 9,923 | 65,183 | 2,250,846 | 16,541,138 |
| Nebraska | 82,590 | 1,822,111 | 15,358 | 120,000 | 5,480,279 | 215,895,996 | 1,503,515 | 43,843,640 | 81,372 | 1,085,083 | 798,855 | 10,571,059 |
| Kansas | 7,201 | 165,715 | 6,907 | 67,115 | 7,314,765 | 259,574,568 | 1,463,526 | 44,629,034 | 199,146 | 2,917,386 | 1,582,635 | 30,399,871 |
| South Central Division | 12,587 | 282,552 | 2,510 | 22,251 | 15,164,533 | 314,101,239 | 2,560,328 | 37,853,361 | 82,493 | 686,607 | 2,313,200 | 24,502,856 |
| Kentucky | 5,776 | 165,959 | 384 | 3,804 | 2,960,382 | 78,434,847 | 645,316 | 8,775,814 | 45,546 | 423,847 | 808,694 | 10,707,462 |
| Tennessee | 3,585 | 63,866 | 1,231 | 7,143 | 2,791,324 | 63,635,350 | 588,135 | 7,355,100 | 28,443 | 165,621 | 877,361 | 8,300,789 |
| Alabama | 200 | 1,996 | 352 | 4,622 | 2,127,302 | 30,072,161 | 344,788 | 3,230,455 | 2,190 | 14,618 | 39,641 | 208,591 |
| Mississippi | 80 | 875 | 56 | 345 | 1,706,352 | 26,148,144 | 133,361 | 1,362,290 | 406 | 3,544 | 2,519 | 16,570 |
| Louisiana | 41 | 598 | 1,268 | 3,070,907 | 69,112,150 | 528,924 | 12,581,360 | 297,271 | 73 | 374 | 41 | 257 |
| Texas | 2,782 | 48,152 | 99 | 1,268 | 3,070,907 | 69,112,150 | 4,331 | 234,315 | 5,255 | 62,370 | 352,477 | 4,283,344 |
| Oklahoma | 17 | 112 | 1,268 | 3,070,907 | 69,112,150 | 234,315 | 4,446 | 76,194 | 110 | 1,052 | 2,003 | 30,175 |
| Arkansas | 106 | 994 | 388 | 5,074 | 1,648,443 | 33,982,388 | 288,332 | 4,180,877 | 2,470 | 15,181 | 140,464 | 955,668 |
| Western Division | 959,145 | 21,121,107 | 1,203 | 17,300 | 254,581 | 5,109,209 | 555,748 | 15,635,752 | 45,424 | 428,922 | 4,096,714 | 63,106,834 |
| Montana | 4,652 | 160,902 | 13 | 128 | 1,019 | 14,295 | 52,768 | 1,535,615 | 74 | 188 | 18,696 | 457,607 |
| Wyoming | 486 | 11,763 | 20 | 140 | 1,977 | 25,172 | 14,607 | 388,505 | 141 | 2,085 | 4,584 | 74,450 |
| Colorado | 12,086 | 331,556 | 117 | 2,081 | 119,310 | 1,511,907 | 87,959 | 2,514,480 | 4,615 | 54,158 | 120,999 | 2,845,439 |
| New Mexico | 1,484 | 35,024 | 81 | 744 | 22,539 | 583,489 | 9,314 | 193,832 | 69 | 810 | 21,853 | 343,484 |
| Arizona | 10,644 | 252,992 | 15 | 316 | 4,331 | 82,535 | 1,473 | 33,996 | 29 | 207 | 6,225 | 100,328 |
| Utah | 6,440 | 163,328 | 274 | 5,782 | 84,760 | 22,747 | 597,947 | 3,389 | 33,928 | 84,505 | 1,515,465 | |
| Nevada | 8,081 | 237,192 | 274 | 5,782 | 84,760 | 22,747 | 597,947 | 3,389 | 33,928 | 84,505 | 81,485 | |
| Idaho | 10,004 | 235,471 | 16 | 395 | 1,367 | 24,695 | 21,997 | 587,407 | 1,092 | 10,800 | 63,704 | 1,170,878 |
| Washington | 51,551 | 1,269,140 | 27 | 430 | 9,583 | 156,413 | 65,089 | 2,273,182 | 1,763 | 19,188 | 372,658 | 6,345,426 |
| Oregon | 37,722 | 874,353 | 250 | 2,678 | 12,101 | 228,203 | 218,736 | 5,948,594 | 6,845 | 63,206 | 553,052 | 9,296,734 |
| California | 815,995 | 17,548,386 | 664 | 10,388 | 70,303 | 2,381,270 | 57,569 | 1,463,068 | 27,413 | 243,871 | 2,840,807 | 40,869,837 |

| Divisions, etc. | Fiber, 1889. | | | | | | Sugar and molasses, 1889. | | | | | |
|-------------------------|--------------|-----------|-----------|----------------|----------------|--------|---------------------------|---------|------------------|----------------------|------------------|----------------------|
| | Cotton. | | Flax. | | Hemp. | | Cane. | | | Maple. | | |
| | Acres. | Bales. | Acres. | Seed, bushels. | Fiber, pounds. | Acres. | Tons. | Acres. | Pounds of sugar. | Gallons of molasses. | Pounds of sugar. | Gallons of molasses. |
| The United States | 20,172,896 | 7,471,116 | 1,318,698 | 10,250,410 | 241,389 | 25,051 | 11,511 | 276,806 | 302,731,895 | 25,398,954 | 32,952,927 | 2,258,376 |
| North Atlantic Division | | | 3,467 | 25,568 | 17,610 | 47 | 25 | | | | 29,037,260 | 1,019,578 |
| Maine | | | 24 | 46 | 1,611 | | | | | | 84,537 | 71,818 |
| New Hampshire | | | 1 | 20 | | | | | | | 2,124,515 | 81,997 |
| Vermont | | | 1 | 4 | | | | | | | 14,123,921 | 218,252 |
| Massachusetts | | | 1 | | | | | | | | 558,674 | 33,632 |
| Rhode Island | | | | | | | | | | | 8,617 | 1,437 |
| Connecticut | | | | | | | | | | | 10,485,623 | 457,658 |
| New York | | | 2,922 | 21,307 | 15,826 | 47 | 25 | | | | 210,991 | 210 |
| New Jersey | | | 2 | 8 | | | | | | | 1,763 | 134 |
| Pennsylvania | | | 517 | 4,183 | 173 | | | | | | 1,651,163 | 154,650 |
| South Atlantic Division | 6,746,292 | 2,238,600 | 311 | 1,052 | 34,778 | | | 35,108 | 4,667,12C | 5,078,062 | 368 | |

STATISTICS OF AGRICULTURE—continued.

| Divisions, etc. | Fiber, 1889. | | | | | | | Sugar and molasses, 1889. | | | | |
|-----------------------------------|--------------|-------------|----------|----------------|----------------|------------|-------------|---------------------------|---------------------------|----------------------|-----------------------|----------------------|
| | Cotton. | | Flax. | | | Hemp. | | Cane. | | | Maple. | |
| | Acres. | Bales. | Acres. | Seed, bushels. | Fiber, pounds. | Acres. | Tons. | Acres. | Pounds of sugar. | Gallons of molasses. | Pounds of sugar. | Gallons of molasses. |
| North central Division—Continued. | | | | | | | | | | | | |
| Illinois | | | 4,672 | 35,013 | 57,776 | 1,178 | 556 | | | 13,260 | 13,978 | |
| Michigan | | | 417 | 3,719 | 31,610 | | | | | 1,641,402 | 197,775 | |
| Wisconsin | | | 5,973 | 68,227 | 4,591 | | | | | 128,410 | 48,006 | |
| Minnesota | | | 303,635 | 2,721,987 | 8,609 | | | | | 34,917 | 12,091 | |
| Iowa | | | 230,085 | 2,282,359 | 6,281 | | | | | 45,120 | 14,413 | |
| Missouri | 54,886 | 14,461 | 56,421 | 450,831 | 1,458 | 79 | 31 | | | 20,182 | 8,333 | |
| North Dakota | | | 43,724 | 164,319 | 568 | | | | | | 3 | |
| South Dakota | | | 354,951 | 1,801,114 | 3,278 | | | | | | | |
| Nebraska | | | 163,900 | 1,401,104 | 1,025 | 134 | 54 | | | 12 | 39 | |
| Kansas | 731 | 212 | 114,069 | 994,127 | 36,093 | 60 | 20 | | | | | |
| South Central Division | 13,300,909 | 5,083,728 | 277 | 2,178 | 14,985 | 23,468 | 10,794 | 241,698 | 298,064,775 | 20,320,892 | 20,761 | 11,654 |
| Kentucky | 2,629 | 873 | 186 | 1,321 | 12,295 | 23,468 | 10,794 | | | 11,259 | 10,468 | |
| Tennessee | 747,471 | 190,579 | 17 | 51 | 2,664 | | | | | 9,167 | 1,186 | |
| Alabama | 2,761,165 | 915,210 | | | | | | 18,981 | 390,835 | 2,301,538 | | |
| Mississippi | 2,883,278 | 1,154,725 | | | | | | 12,627 | 67,860 | 1,516,931 | | |
| Louisiana | 1,270,154 | 659,180 | | | | | | 193,704 | 292,124,050 | 14,341,081 | | |
| Texas | 3,934,525 | 1,471,212 | 72 | 734 | | | | 16,386 | 5,482,030 | 2,161,342 | | |
| Oklahoma | 1,109 | 425 | | | | | | | | | 335 | |
| Arkansas | 1,700,578 | 691,494 | 2 | 12 | 26 | | | | | | | |
| Western Division | | | 13,506 | 135,689 | | 22 | 11 | | | | | |
| Montana | | | | | | | | | | | | |
| Wyoming | | | | | | | | | | | | |
| Colorado | | | 422 | 1,994 | | | | | | | | |
| New Mexico | | | | | | | | | | | | |
| Arizona | | | | | | | | | | | | |
| Utah | | | | | | | | | | | | |
| Nevada | | | | | | | | | | | | |
| Idaho | | | 8,002 | 83,409 | | | | | | | | |
| Washington | | | 4,270 | 42,285 | | | | | | | | |
| Oregon | | | 563 | 3,871 | | | | | | | | |
| California | | | 249 | 4,130 | | 22 | 11 | | | | | |
| Indian Territory | 70,075 | 34,115 | | | | | | | | | | |
| | Rice. | | Tobacco. | | Hops. | | Broom corn. | | Pulse. | | | |
| Divisions, etc. | Acres. | Pounds. | Acres. | Pounds. | Acres. | Pounds. | Acres. | Pounds. | Dry Canada peas, bushels. | Cow peas, bushels. | Beans (dry), bushels. | |
| The United States | 161,312 | 128,590,934 | 895,301 | 488,256,645 | 50,212 | 39,171,270 | 93,425 | 38,557,429 | 2,812,437 | 3,402,912 | 3,163,554 | |
| North Atlantic Division | | | 44,080 | 50,133,320 | 36,809 | 20,150,940 | 1,058 | 491,052 | 218,456 | 63,059 | 1,365,860 | |
| Maine | | | 1 | 200 | 37 | 24,873 | | | 18,780 | 4,366 | 149,710 | |
| New Hampshire | | | 57 | 86,593 | 15 | 9,083 | | | 2,749 | 776 | 44,589 | |
| Vermont | | | 50 | 70,518 | 81 | 51,705 | | | 9,240 | 1,141 | 31,880 | |
| Massachusetts | | | 2,012 | 2,794,848 | 2 | 800 | 1 | 800 | 2,310 | 618 | 11,300 | |
| Rhode Island | | | | | | | | | 300 | 138 | 1,637 | |
| Connecticut | | | 6,331 | 8,874,924 | | | 1 | 543 | 961 | 961 | 1,731 | |
| New York | | | 8,029 | 9,316,135 | 36,670 | 20,063,029 | 993 | 450,380 | 177,835 | 50,891 | 1,111,510 | |
| New Jersey | | | 45 | 33,855 | | | 6 | 3,010 | 2,423 | 2,028 | 2,164 | |
| Pennsylvania | | | 26,955 | 28,956,247 | 4 | 1,500 | 57 | 36,319 | 3,888 | 2,148 | 11,356 | |
| South Atlantic Division | 74,395 | 51,753,952 | 234,981 | 100,843,545 | | | 466 | 288,077 | 56,977 | 2,149,786 | 128,635 | |
| Delaware | | | 20 | 29,680 | | | 14 | 2,430 | 167 | 81 | 517 | |
| Maryland | | | 20,274 | 12,356,838 | | | 8 | 3,368 | 3,812 | 860 | 1,485 | |
| District of Columbia | | | | | | | | | 203 | 10 | 148 | |
| Virginia | 8 | 360 | 110,579 | 48,522,655 | | | 140 | 43,159 | 7,547 | 12,317 | 24,048 | |
| West Virginia | | | 4,647 | 2,602,021 | | | 31 | 13,743 | 435 | 464 | 31,269 | |
| North Carolina | 12,241 | 5,846,404 | 97,077 | 30,375,258 | | | 15 | 6,155 | 9,967 | 427,317 | 36,909 | |
| South Carolina | 42,238 | 30,338,951 | 394 | 222,898 | | | 54 | 14,463 | 7,803 | 690,478 | 8,018 | |
| Georgia | 18,126 | 14,556,432 | 800 | 263,752 | | | 33 | 7,939 | 19,371 | 955,299 | 19,619 | |
| Florida | 1,787 | 1,011,805 | 1,190 | 470,443 | | | 171 | 196,820 | 7,672 | 62,960 | 6,613 | |
| North Central Division | | | 86,789 | 77,604,307 | 1,184 | 526,936 | 88,047 | 36,090,935 | 2,411,679 | 37,472 | 812,645 | |
| Ohio | | | 44,303 | 37,853,563 | | | 1,574 | 801,957 | 17,225 | 3,293 | 30,213 | |
| Indiana | | | 9,373 | 7,710,297 | 29 | 10,464 | 413 | 157,281 | 10,513 | 2,231 | 34,988 | |
| Illinois | | | 4,155 | 3,042,936 | 44 | 22,300 | 34,340 | 15,932,502 | 2,746 | 6,264 | 21,308 | |
| Michigan | | | 22 | 11,984 | 121 | 64,815 | 11 | 5,079 | 1,427,968 | 487 | 434,014 | |
| Wisconsin | | | 17,241 | 19,389,166 | 967 | 428,547 | 157 | 92,468 | 918,517 | 541 | 117,144 | |
| Minnesota | | | 49 | 22,285 | 2 | 500 | 80 | 42,090 | 8,965 | 1,288 | 61,009 | |
| Iowa | | | 124 | 74,396 | | | 1,108 | 507,072 | 18,890 | 8,360 | 33,769 | |
| Missouri | | | 11,350 | 9,424,823 | 1 | 310 | 2,618 | 1,051,139 | 1,973 | 12,513 | 29,632 | |
| North Dakota | | | 2 | 590 | | | | | 703 | 152 | 584 | |
| South Dakota | | | 1 | 195 | | | | | 117,200 | 887 | 132 | |
| Nebraska | | | 46 | 11,049 | | | | | 16,792 | 6,514,763 | 491 | |
| Kansas | | | 123 | 62,083 | | | | | 30,717 | 10,809,434 | 1,720 | |
| South Central Division | 86,917 | 76,836,982 | 329,379 | 259,650,580 | | | 2,550 | 949,385 | 39,750 | 1,103,543 | 113,087 | |
| Kentucky | | | 274,587 | 221,880,303 | | | 195 | 93,063 | 2,775 | 5,670 | 56,046 | |
| Tennessee | | | 51,471 | 36,368,395 | | | 1,439 | 409,436 | 6,442 | 90,530 | 29,780 | |
| Alabama | 810 | 399,270 | 679 | 162,430 | | | 61 | 25,698 | 5,409 | 321,004 | 4,841 | |
| Mississippi | 1,543 | 676,746 | 234 | 62,111 | | | 41 | 24,776 | 4,205 | 250,321 | 2,890 | |
| Louisiana | 84,377 | 75,645,433 | 169 | 46,845 | | | 24 | 11,420 | 3,058 | 78,642 | 542 | |
| Texas | 178 | 108,423 | 423 | 175,706 | | | 596 | 315,741 | 9,850 | 195,812 | 10,273 | |
| Oklahoma | | | | | | | 59 | 16,550 | 6 | 369 | 145 | |
| Arkansas | 9 | 7,110 | 1,876 | 954,790 | | | 135 | 52,701 | 8,005 | 161,165 | 8,570 | |
| Western Division | | | 72 | 24,834 | 12,239 | 18,493,394 | 1,304 | 737,980 | 85,575 | 49,042 | 743,306 | |
| Montana | | | (a) | 25 | 2 | 750 | | | 3,464 | 5,148 | 602 | |
| Wyoming | | | | | | | | | 181 | 1 | 232 | |

STATISTICS OF AGRICULTURE—continued.

| Divisions, etc. | Rice. | | Tobacco. | | Hops. | | Broom corn. | | Pulse. | | |
|-------------------------------|--------|---------|----------|---------|--------|-----------|-------------|---------|---------------------------|--------------------|-----------------------|
| | Acres. | Pounds. | Acres. | Pounds. | Acres. | Pounds. | Acres. | Pounds. | Dry Canada peas, bushels. | Cow peas, bushels. | Beans (dry), bushels. |
| Western Division—Continued... | | | 2 | 120 | 20 | 18,300 | 301 | 60,165 | 20,572 | 24,698 | 7,235 |
| Colorado | | | 6 | 1,415 | 102 | | | 24,500 | 2,046 | 5,384 | 7,843 |
| New Mexico | | | (a) | 2 | | | | | 30 | | 6,946 |
| Arizona | | | | | | | 16 | 14,000 | 1,483 | 385 | 482 |
| Utah | | | | | | | | | 15 | 2 | 236 |
| Nevada | | | | | | | 13 | 4,240 | 881 | 226 | 1,060 |
| Idaho | | | | | | | 55 | 22,000 | 20,668 | 4,855 | 1,358 |
| Washington | | | 25 | 7,040 | 5,113 | 8,313,280 | 2 | | 1,100 | 4,697 | 6,517 |
| Oregon | | | 12 | 3,325 | 3,130 | 3,613,727 | | | | | 3,712 |
| California | | | 27 | 12,907 | 3,974 | 6,547,338 | 815 | 611,975 | 30,528 | 1,826 | 713,480 |

a Less than 1 acre.

To-day there are 6,000,000 farms in America; there are 9,000,000 farming people, owners and laborers; there are 35,000,000 people upon these farms depending immediately upon that industry; the value of the farms is \$13,000,000,000; the annual product of the farms is \$4,500,000,000; and, more than that, the farmers of the United States, by their "raw material," pay three-fourths of all of the foreign exchanges of the country.

Unburdened by the protection system they would be a prosperous, mighty people; what their condition is will appear later. They are as good, as clean, as honest as their forbear. They have been as frugal in most cases as those who have gone before them; and we all recognize that as a matter of fact, what they produce is the measure of values of all that is produced by any people, unless you shall add the little of the raw products of the mines and fisheries, because all men come to his mill; because all that all men do in the way of labor and accumulation they do that they may enjoy the fruits of the earth; the best measure of a people's prosperity is the condition of the farming classes. The manufacturer exchanges for the product of their labor. The work of the mechanic, of the lawyer, of the merchant, of the doctor are all exchanged with them, and they can get no more than the farmers raise.

DEBT ACCUMULATIONS OF A PROTECTION PERIOD.

Yet, despite the productiveness of our soil and the vast wealth yielded to agricultural toil, there exists in degree the condition of misery described by the gentleman from Michigan, and in addition a vast indebtedness that balances to a large extent the presumed prosperity described as existing prior to 1893. I have a statement from the Treasury dated January 4, 1894, which I here offer.

DEPARTMENT OF THE INTERIOR, CENSUS OFFICE,
Washington, D. C., January 4, 1894.

MY DEAR SIR: Inclosed is the statement in regard to the public and private indebtedness of the United States, which was promised you to-day.

In the item of real-estate mortgages the estimate covers less than \$200,000 for four States, the remainder of the \$6,000,000,000 being actual figures, as shown by census tables.

Very truly yours,

J. H. WARDLE, Chief Clerk.

Hon. JOHN C. BLACK, Washington, D. C.

MINIMUM DEBT OF THE UNITED STATES.

Private debt.

| | | | | | | | | | | | |
|--|--|-----------------|--|--|--|--|--|--|--|--|--|
| Quasi-public corporations: | | | | | | | | | | | |
| Steam railways (funded) | | \$4,631,473,184 | | | | | | | | | |
| Street railways (funded) | | 151,872,289 | | | | | | | | | |
| Telephone companies (funded) | | 4,992,565 | | | | | | | | | |
| Telegraph, public water, gas, electric lighting, and power companies (estimated) | | 200,000,000 | | | | | | | | | |
| Other quasi-public corporations (to make round total) | | 11,661,962 | | | | | | | | | |
| Total | | | | | | | | | | | |
| Private corporations and individuals: | | | | | | | | | | | |
| Real-estate mortgages (estimated) | | 6,000,000,000 | | | | | | | | | |
| Crop liens in the South (estimated) | | 350,000,000 | | | | | | | | | |
| Chattel mortgages (estimated) | | 30,000,000 | | | | | | | | | |
| National banks (loans and overdrafts) | | 1,986,058,320 | | | | | | | | | |
| Other banks (loans and overdrafts, not including real-estate mortgages) | | 1,172,918,415 | | | | | | | | | |
| Other private debts (to make round total) | | 1,191,023,265 | | | | | | | | | |
| Total | | | | | | | | | | | |
| Total private debt | | | | | | | | | | | |

Public debt.

| | | | | | | | | | | | |
|------------------|---------------|--|--|--|--|--|--|--|--|--|--|
| United States | \$891,960,104 | | | | | | | | | | |
| States | 228,997,389 | | | | | | | | | | |
| Counties | 145,048,045 | | | | | | | | | | |
| Municipalities | 721,463,060 | | | | | | | | | | |
| School districts | 36,701,948 | | | | | | | | | | |

Total

2,027,170,546

Grand total

18,027,170,546

I will only dwell upon two of the totals. They show that the public debts of the United States to-day are \$2,000,000,000, and

that the private debts of the people of the United States are \$16,000,000,000. At the beginning of the period of high protection there was scarcely any public indebtedness and very little private indebtedness in this country. This is the accumulation of burdens which has been made by some process during thirty years of protection. Now, gentlemen, we can afford to deal with utter fairness with each other. I do not claim that the protective tariff is responsible for all of this indebtedness. I know that it represents something of progress, but you and I know that it also represents a vast amount of poverty, that it is all debt; and to-day upon this debt accumulated during the period of boundless protection the American people are paying yearly at the rate of \$90,000,000 of interest.

Now, it seems to be very clear that where there has been a process of law according to a given system, acting without interruption and universally for a long period, the result is fairly chargeable to the system itself. What we know is that in some way or other, in spite of the vast products which I have described, and instead of the vast wealth which the American people believed they were accumulating, it is found at the end of this period that a great mass of the people are miserably poor, and that our communities and individuals are indebted in immense sums, while, on the other hand, enormous accumulations of property are found in the hands of private parties.

I make no raid upon private wealth. I pass by all attack upon it. I point to the fact that everywhere throughout favored sections of the country, those favored by the tariff laws, enormous fortunes have been accumulated by individuals, and it is out of the surplus of those fortunes that the deeds of charity are being done which are to-day found necessary in this land. If the wealth produced had remained distributed in anything like a reasonable degree of proportion; if it had not, by some secret process, been drawn off into these special side-pockets it would be found reasonably distributed among the people of the country, and the sight of poor men begging for bread, while a very few of our people enjoy all the proceeds of thirty years of labor and prosperity, would not be possible. Now, Mr. Chairman, if there is any other thing that will account for this disproportionate distribution of wealth I should like to know where it has appeared and what record there is of it.

EXTENT OF DIRECT AND INDIRECT TAXATION.

We know that year after year the Government of the United States has taken from the consumers of this country from two to three hundred million dollars of revenue, and we know that at the same time under the operation of the same laws sums equivalent to four or five times that amount (according to the different calculations of economists) have also been taken from those consumers and given to the protected industries of the land. This has been done upon two pretexts. One has been that a home market was to be created by this system and preserved for the benefit of the farmers and mechanics, the laboring men, and all American citizens.

Is that true? If it is true, where is that market to-day? It is dissipated, gone; and to-day the poorest home market in the world is that which is contained within the tariff protection of the McKinley act.

Another thing that is claimed for the policy of protection is that it increases wages of the workingmen employed under this home-market arrangement. I doubt if it can possibly be established as a fact that it has had that effect. The subject has been gone into very extensively by the gentleman from West Virginia [Mr. WILSON], and I am inclined to accept the conclusions that he has reached. I doubt if it can be shown that, running through the whole period of time covered by the protective system, the average wages of the average American laborer have been greater than the wages of such workers in other lands that are equally or anything like equally favored of nature.

But, averaging the times of depression, of poverty, and of idleness with the flush times, is it true that the general average of wages has been increased? I doubt it very much.

The skill of the statistician would have to be called in to establish the fact. But what we do know is that upon several occasions the wages have absolutely ceased in the American home market, and that this is one of those occasions. Protection has not kept the wage market up at this hour, nor for a twelve-month past. And the same thing has occurred three times during the ascendancy of the protective system. Gentlemen, if protection is the beneficent power that you believe it to be, why is it that in 1873 a ruin more widespread than that which now prevails in the land shook the financial structure of America?

There was no thought then that the Democratic party was about to come into power. It had scarcely votes enough left in the electoral college the year before to make a record: Republicanism was in the affluence of the successful administration of its own system. Yet, in 1873, such a paralysis as we are now suffering under passed over American industries; then, as now, railroads were put into the hands of receivers, trades were checked in their establishment, properties were mortgaged, and the most active industry in the land was the industry of the sheriff.

Why was it that long before the narrow contest of 1884 was decided by less than 1,300 votes in the city of New York—why was it that while every energy of a clean and kindly Administration was put forward to enforce the laws of the country in regard to the collection of its revenue—why was it that 1884 was a year of commercial disaster and ruin, widespread indeed, although not as widespread as this, if protection has the power claimed for it? You knew that the Senate would be held, that no law overthrowing that system could be passed without the consent of the Republican Senate, and that you were secure in the administration of the protective laws of the Government for two years at least, as you really were until 1892.

Yet with this system in full force there was in 1884 another earthquake period, another period of disaster to business, another period of poor wages. And so it is that three times within thirty years, saying nothing of the failures of intervening years, which ran up to one hundred and fifty, one hundred and sixty, one hundred and ninety million dollars a year, the fact is that three times in thirty years under a completed system of protection the business industries of this country have been shaken and overwhelmed. To show the extent of these misfortunes I insert from the United States Statistical Abstract a table of failures:

Number and per cent of commercial failures and the liabilities involved in failures in the United States for each calendar year from 1879 to 1892, inclusive.

[From the annual circular of R. G. Dun & Co., New York.]

| Calendar years. | Number of failures. | Number of business concerns. | Per cent of failures. | Liabilities. |
|-----------------|---------------------|------------------------------|-----------------------|--------------|
| 1879 | 6,658 | 702,157 | .95 | \$98,149,053 |
| 1880 | 4,735 | 746,823 | .63 | 65,752,000 |
| 1881 | 5,582 | 781,689 | .71 | 81,155,932 |
| 1882 | 6,738 | 822,256 | .82 | 101,547,566 |
| 1883 | 9,184 | 863,993 | 1.06 | 172,874,192 |
| 1884 | 10,968 | 904,759 | 1.21 | 226,313,427 |
| 1885 | 10,637 | 919,990 | 1.16 | 124,220,321 |
| 1886 | 9,834 | 969,841 | 1.01 | 114,644,119 |
| 1887 | 9,634 | 994,281 | .90 | 167,560,944 |
| 1888 | 10,679 | 1,016,662 | 1.02 | 123,829,973 |
| 1889 | 10,882 | 1,051,140 | 1.04 | 148,784,337 |
| 1890 | 10,907 | 1,110,590 | .98 | 189,856,964 |
| 1891 | 12,273 | 1,142,951 | 1.07 | 189,868,638 |
| 1892 | 10,344 | 1,172,705 | .88 | 114,044,167 |

THE PANIC YEAR, 1893—LARGEST NUMBER OF BUSINESS FAILURES EVER RECORDED IN THE UNITED STATES.

NEW YORK, December 29.

Bradstreet's will to-morrow publish a review of the business troubles during the year. It says it will doubtless be known as the "panic year, 1893," and has brought with it the largest number of business failures ever recorded in the United States, the total amounting to 15,560.

Continuing, Bradstreet's says:

The increase in the number of mercantile failures in 1893, as compared with the year before, is more than 51 per cent, which it is unnecessary to explain, is the heaviest annual increase on record. The proportion of individuals, firms, and corporations having a recognized place in business communities throughout the United States which failed during the past year has been 1.51 or 1 $\frac{1}{4}$ in every 100, as compared with 1 in 100 or 1 per cent in 1892, and as compared with 1.32 per cent, or nearly 1 $\frac{1}{4}$ in every 1,000 in the last preceding important panic year, 1884.

The grand total of estimated liabilities of individuals, firms, and corporations in business, including banks which reported liabilities in excess of their actual assets, amounts to \$403,000,000 in round numbers, or nearly four times the corresponding total of 1892, when the total number of failures was two-thirds as large as this year. The next largest aggregate of liabilities was in the panic year, 1884—\$248,700,000, and after that in 1891—\$193,100,000, and next in order in 1883—\$175,900,000, and fifth in rank in 1890—\$175,000,000.

Protection does not protect the financial interests of the country. It creates at times a feverish interest. It gives a false im-

petus. It may advance a particular industry at the expense of others, but in weighing upon the whole body of the people it is inevitable that it should produce the two results of heavy taxation and discrimination in the benefits of government. And it always has done so.

HARD TIMES NOT DUE TO DEMOCRATIC SUCCESS.

But, say gentlemen, the existing condition may be attributed to the installment in power of the Democratic party. In all the rounds of fact we ask for one that proves this. What section of altered law, what minute of changed fiscal administration, what single alteration in the forces heretofore prevailing has occurred since the 4th of March last? It is well enough in the poetic and splendid style of my esteemed friend to dwell upon the cause that he has assigned, but when you ask for the fact upon which it is built, that fact is lacking.

BALANCE OF TRADE AGAINST US.

I offer what I regard as reasonable additional explanations of the existing condition of affairs. In 1890 and 1891 we raised the greatest crops that ever were raised in this country. Our excess of corn was 500,000,000 bushels in a year. Our excess of wheat and other products was proportionally great. About that time, too, the agitation began for bringing the World's Fair to these shores, and agents were sent to Europe in every direction, who stimulated intercourse; and the result was that we shipped abroad the largest exports we had ever made up to that time, of grain, which had to be had by Europe, met there by a corresponding deficit in the natural output. Europe needed our produce and took it in an extraordinary extent; and she sent back to us vast quantities of our obligations. But still the balance against her in the transaction arising out of the year 1891 amounted to nearly \$200,000,000.

But in the next year our people discounted the crop that they thought was to come. They traded with Europe more extensively, or as extensively as they had done on the crop of the year 1891. And when the crop of the last year, 1892, was summed up, it was found to be greatly short of reasonable expectations. By that process the trade balance against us, as is shown by the figures from the Treasury Department, published in its tables, shifted in a single year nearly \$300,000,000. And we had to pay the balance as Europe had to pay the preceding balance in our favor.

That payment has been made during 1893, and it accounts, in my judgment, to a large extent, for the prevailing hard times which set in about the time that American gold was being shipped to Europe. And when you reflect that the active currency of the country is probably less than \$1,500,000,000, and that in a single year the trade balances against us were shifted \$300,000,000, you can well understand that at the close of this year there would be a tightening in every part of our business.

EXTRAVAGANT PUBLIC EXPENDITURES SPENDING THE SURPLUS.

Nor was that all. During the year 1891 and a part of the year 1892 this Government was engaged in expending the surplus which had been accumulated through years of frugality. The legislation entered into by the preceding Congresses and maturing during this year, maturing in the shape of appropriations, maturing in the shape of largesses, stripped the Treasury bare, and have rendered it necessary for it to hold on with the grip of financial despair to every dollar that it can hold. So that before the middle of the year the surplus in the Treasury was already exhausted, not by changing revenues, not by reducing the income, but by extraordinary expenditures, by having to pay the balances of trade against us and by enormous private payments of our people going abroad. The consequence is that to-day, when we come to settle up, we are "short;" and the cash we should have in the hands of our manufacturers and operators and laborers is in the coffers of Europe.

Now, it seems to me that all of these forces actually existing, naturally working, have produced the condition of affairs now existing. It is unnecessary to call upon fancy and say that it was the incoming of the Democratic party and its installment in power that has produced this result. That is an old wife's fable, unsusceptible of proof, resting simply in common rumor.

NOT DUE TO PERIODICITY.

It has been sought to explain this condition of affairs by the very ingenious hypothesis of the gentleman from Maine [Mr. REED], that it was inevitable in human affairs that periods of inflation and depression would occur. I do not believe it. I believe that every time a financial crisis occurs it is directly traceable to and caused by disregard of some wise and just law of business. It is because some honest method has been forgotten, or some mistake made in fiscal legislation. And so in the depressions which have come, followed by alternations, it has not been owing to any fatalism or any chance that recurs as regularly as a baleful comet, but has been due to a disregard of the laws of taxation, equality, and economy. [Applause on the Dem-

ocratic side.] It is because the insidious hand, the inevitable hand of tariff-protection law has been reaching out and gathering in taxes from every quarter of the land.

The gentleman from Michigan [Mr. BURROWS] has said very earnestly that the industries of this country were waiting to know upon what terms the Democratic party proposed to allow them to continue in business. Upon terms of absolute and honest equality! [Applause on the Democratic side.] Upon terms that will tax them, not for the benefit of their neighbor, but for the revenues of the Government.

The gentleman seems to have been greatly disturbed by the fact that the pending bill puts 131 articles more on the free list. He seems to forget that these articles, if they are sought for in America, will be sought for by the consumers of these 131 articles and that they will come with less of expense to the consumer than they would otherwise have done but for the intervention of the Wilson bill. And pursuing the same line, the gentleman spoke with upraised hand of the terrible consequences that were to happen to this country from opening the doors between Canada and the United States.

Canadian products are selling no cheaper to-day than American products. Canadian labor crosses the line freely, and but within a few days a remonstrance was forwarded here by some association of workingmen up near the northern line, complaining because Canadian workmen cross the boundary in the morning, do a day's work in the United States, and return to their homes at night. The spirit of protection is abroad in that association, and they were seeking to "protect" the American laborer against his brother who happened to be born across the line.

PROHIBITIVE PROTECTION AND IMMIGRATION AS AFFECTING LABOR.

This, Mr. Chairman, is an instance of the false position into which the public mind has been forced by long worshiping at the altars of protection. It seems to me that the gravest charge that can be brought against the protective system, as it has been developed under our laws, is that it not only is excessive in its taxation, but it tends to disorganize society and to perpetuate the artificial divisions between peoples who otherwise would slowly but certainly come together. It seems to me that possibly the worst effect produced by the system of protection, independent of the ruin that has fallen on the laborers of the country, who have the world's markets withdrawn from them, is the fact that it produces unnatural immigration of great bodies of men from one country to another.

Mr. REED. What may unnatural immigration mean?

Mr. CANNON of Illinois. My colleague, if he will permit me an interruption, instances the case of a Canadian laboring man coming over into our country, working a day and returning, not bearing the burdens of citizenship, but returning again to his own home, as being complained of by the American laborer. Does my colleague mean to say that we should pursue a policy of permitting the coming of foreign citizens here in competition with our own people, and who do not bear the burdens of citizenship?

Mr. BLACK of Illinois. I will answer the gentleman's question. There is to-day setting in, and there has been for ten years past, from Europe, especially from Poland and Hungary, from Italy, and from other countries largely dominated by what are known as the Latin races, a vast immigration of people averaging about half a million each year for the last ten years. Now, if they came here naturally—

Mr. REED. How would that be?

Mr. BLACK of Illinois. I will answer the gentleman. I say if they came here naturally without artificial attraction, if they were a part of the great migratory masses that at one time or another have left their domiciles and sought new lands, "unawed by influences and unbought by gain," I should be willing to welcome the arrival of every one amongst them. But in so far as the protective system of laws has been responsible for their departure from their homes and their lodgment amongst us, I look upon their coming with doubt.

The pretense has been published abroad, it has been translated into all the languages of the world wherever newspapers are circulated, that under the protective system higher wages were being paid to the American than to any other workingman in the world. Now, I am aware that this is not the sole cause of this extraordinary migration. I know that the steamship and railroad companies have sent their agents abroad to harry the mountains and the valleys for the purpose of bringing men here who in the first place would pay their fares, so as to enable these companies to run their lines with profit, and if the second place, to ship them on to our great unsubdued regions, in order that railroad lands might be taken up and occupied by them, to such an extent that to-day, in the settlements of the far Northwest, there are regions where not a word of English, or any other lan-

guage cognate to it, is spoken by the inhabitants in their daily intercourse.

But the strongest reason that has induced this unprecedented immigration, that which has been the mainspring to all this, is the false and alluring cry, dinned in the ear of the laborer, formerly contented in Europe and elsewhere, that here he could have higher wages; and the consequence of these causes combined, and especially of the last, has been that, until the opening of last year, when the cholera scare came upon us and for a time a rigid quarantine checked the movement, there was a movement of foreign populations into this country as great almost as the movement of the Moors out of Spain or of the Israelites out of Egypt. I denominate an immigration so obtained as artificial.

And what was the consequence? When, in addition to the expenditure of the surplus, paying it out upon every hand till there was a bankrupt Treasury at the national capitol, in addition to a vast balance of trade against us which had to be paid, we found 500,000 men and women and children coming into our midst each year to be taken care of; we did not find them seeking these homes in the far West in full extent, but, as the flies are drawn to the honey, they went to the places where they were told these wages were to be had. They went to the great cities of Boston and Chicago and New York and Philadelphia. They have jammed in there and the result has been that the American workingmen have suffered.

I do not mean the American by birth, but I mean the man who has been fitted here for workmanship; who has been coming here in natural and ordinary fashion for many years, attracted by our institutions and the love of liberty; who has been trained in our life and our industries. He has been crowded away, and his place has been taken by this vast incoming mass, or else his wages have been cut down and he has been compelled to take half a loaf where formerly a whole loaf was granted him.

Mr. CANNON of Illinois. Will my friend allow me—

Mr. BLACK of Illinois. One moment. Now, I will proceed to answer your question, which was whether I thought that the Canadian, who did not bear the burdens of this Government, ought to be allowed to cross the line and to share, with the American, the labor to be had on this side the line?

Mr. CANNON of Illinois. Where he returns to his own country?

Mr. BLACK of Illinois. Where he returns to his own home at night. The distinction there is not a distinction of race. It is not a distinction of blood. Brothers are found on both sides of that line. Sons upon each side have the same father. I would not interdict the coming of that man. I would let him come until it was demonstrated that the folly which sought to deepen the lines of political division between two kindred nations was unworthy of being longer continued in American legislation.

Mr. REED. That is, until the wages are equal.

Mr. CANNON of Illinois. Will my colleague allow me another question?

Mr. BLACK of Illinois. Yes.

Mr. CANNON of Illinois. My colleague refers to a half million of immigrants coming to this country each year, the most of whom are attracted by the larger wages here. Do I understand my friend, that the remedy which he would propose to prevent that immigration would be by decreasing the wages of the American workingman by bringing him into competition, not with the half million who come to our borders annually from abroad, but with the labor of the two hundred millions on the other side, who would send their products here free, in competition with our labor?

Mr. BLACK of Illinois. Well, the question is ponderous, but fair, and I will try to reply to it. If I was being chased by bees, I would throw the honey down. If I was being set upon by wolves, I would get the fresh meat out of their sight.

Mr. REED. Even if the children also did not get it?

Mr. BLACK of Illinois. If I was certain that the American workingman of to-day was being overwhelmed by a vast mass of men seeking these shores because they believed that wages were higher—a belief which is false in the long run—and if I believed that that delusion depended upon a system of misleading laws, I should seek to repeal those laws, to let wages have their natural place all around the world, and let people move all around the world in their own way. I would not tell them over here by a system of laws, the effect of which is to drive American workingmen from their places, and to delude into starvation those who are thus attracted here.

Mr. REED. Then the gentleman favors an equality of wages between this country and others from which we have immigration?

Mr. BLACK of Illinois. That is not a fair way to put the question.

Mr. REED. You can make it fair in answering.

Mr. BLACK of Illinois. I make answer by the removal of the artificial means by which we create a fictitious value of the article of wages, and let wages have its natural level, as it does elsewhere.

Mr. REED. If we have, then, a higher level, if we keep a portion of the honey, and still keep a portion of the meat, they will be after it. Now, when you take away the honey and the meat and hide it, do you take it away from the children?

Mr. BLACK of Illinois. I have not been talking about children, I had been talking about men.

Mr. REED. Say men, then, if that pleases you better.

Mr. BLACK of Illinois. In answer I would restore a natural condition of affairs by taking down the protective system, which pretends to give higher wages here than otherwise would be given.

Mr. REED. You say, pretend to give higher wages! Do these people go back disappointed?

Mr. BLACK of Illinois. Yes, sir; they are going back in large numbers now—

Mr. REED. Now! That is true. [Laughter on the Republican side.]

Mr. BLACK of Illinois. And protective laws are still in force.

Mr. REED. Why, you talk about the law being still in vogue. You might as well talk about having a policeman protect a community when you put him in jail. [Laughter on the Republican side.]

Mr. BLACK of Illinois. Well, I do not think so.

Mr. REED. I know you do not.

Mr. BLACK of Illinois. There has been no law repealed.

Mr. REED. But do you not know that the act of 1890 is practically suspended in its operation; and that you have had, as it were, a pistol at its head?

Mr. TALBOTT of Maryland. It was not before the election.

Mr. REED. Before the election! Which election?

Mr. TALBOTT of Maryland. The election of 1892.

Mr. REED. The election of 1892, before we entered this disastrous period.

Mr. BLACK of Illinois. I know that it has not been, and that this year the revenues collected under it are greater than they were last year.

Mr. REED. This year?

Mr. BLACK of Illinois. Yes, sir.

Mr. REED. The Treasury accounts tell a different story. [Laughter on the Republican side.]

Mr. BLACK of Illinois. Our sources of information seem to be different. I want no mistaken impression left on the mind of the gentleman from Maine—

Mr. REED. You have not left it.

Mr. BLACK of Illinois (continuing). Or any other person here as to the exact meaning that should be attached to what I have said in regard to this question of foreign immigration. I believe it is wrong to the American workman and to the American people to put up a system of taxation which produces a false system of wages, and which, when it is reached by the workers for it, instantly disappears. I am not opposed in any way to a free and untrammeled movement of the races of man about this earth. I believe that to be one of the high purposes of the Democratic party. I think that in its mission of peace and fraternity, of fair taxation, and the removal of unnatural barriers, the Democratic party has yet to pave the way for a universal kindly fraternity of all men where doctrines of equality and brotherhood will prevail; where the narrow opinions of locality will disappear, and where a man's boast will be that he is a citizen, not of some pent-up Utica, but a citizen of the world.

DEMOCRACY MUST ADVANCE IN ITS WORK.

The Democratic party must stand ready to advance upon the line of fair and honest taxation, no matter what conclusions its enemies may draw, or what gloomy prognostics they may indulge in with regard to the future. I do not believe that the unshackled energies of the American people will work out such doleful results as we have had depicted. I can not think that mills will close all over the Union; that there will be a complete cessation of business, and that starvation's hordes will increase. With the passing of winter will come the renewal of life, and when the Democratic party has established, as it will establish, the right doctrine of commercial intercourse, the results of its wisdom and justice will begin to be felt and prosperity will return.

SEEK TRUTH REGARDLESS OF ITS SURROUNDINGS.

The gentleman from Michigan [Mr. BURROWS] chose to indulge in a stricture which I thought had become worn and obsolete. In criticising the platform of the Democratic party, as adopted at Chicago, he told us that he had found a marvelous resemblance between its enunciation of the doctrine of commercial freedom, and the nullification ordinance of South Carolina and

certain recitals in the Confederate constitution. I have examined the constitution of the State of Michigan somewhat, and I find that it contains many declarations word for word the same as those that were found in the Confederate constitution. The Confederate constitution guaranteed the advantages of the writ of habeas corpus; it guaranteed freedom from unusual search and seizure; it guaranteed equality before the law, and it recognized the existence of Almighty God. So does the constitution of the State of Michigan; so does the constitution of the State of Illinois.

But, Mr. Chairman, does it make any difference in the value of a truth where it has been recited or where it is found? Because a constitution, in the overthrow of which I had some small and humble part, because that constitution contained truths that are the heritage of our race, truths that have been written in every charter of freedom from Magna Charta down to the present day, because the doctrines of personal liberty and of commercial liberty and of equality before the law and the acknowledgement of a Divine Ruler of the world were contained in the Confederate constitution, shall we therefore blot them out of our own constitutions?

If it was a truth, as announced in the Confederate constitution, that the tariff should be for revenue only, are we to reject that truth to-day upon a cry which is addressed, not to reason, but to prejudice? We are to search for the truth wherever it can be found, and this House knows that every truth the people prize, every truth that free men of all races prize, has been first of all wrested by rebels from the control of tyrants. That was true of the Declaration of Independence, it was true of the Federal Constitution, it was true of the Bill of Rights granted by English kings, it is true of every enunciation by which human liberty has been established and human liberty secured; and it is idle at this time in the century to attempt to belittle an issue by referring to the fact that South Carolina may have asserted a proposition or the Confederate constitution declared it. We welcome truth wherever we find it, and place it in its proper relation.

DUTY OF THE DEMOCRATS OF THE HOUSE.

The Democratic party has pledged itself to carry out the policy embodied in this bill, some of whose provisions I think will bear amendment, for, as the Chairman of the Committee on Ways and Means well said, it is not a perfect instrument. Very few perfect instruments fall from human hands. It has been brought into this House that we may work upon it; it has been brought into this House that we may consider it; it has been brought into this House that we may mold and improve and pass upon it. It is not the completed work either of the party or of the Congress. I say that the duty of the Democratic party with regard to it is to advance along the line of this bill, which points to free raw materials, to reduced taxation, to enlarged commerce, and to a broader and kinder intercourse with our fellow-men.

The gentleman from Michigan grew eloquent upon the question of free raw wool, and thought it was very dreadful that \$14,000,000 of taxation should be remitted to the American people and that \$51,000,000 of free goods should be added to those already coming in over the border. I wonder whether it occurred to the gentleman that if the poor who are now in the land had had their share of that free trade earlier they would not now be suffering as they are. But it happens that I have a single illustration which will close what I have to say upon this subject. Here in the midst of winter we are assured that thousands and hundreds of thousands of laborers, their wives and children are receiving charity, and free raw materials, worked up by American genius and American machinery, certainly would not have tended to bring about that condition of affairs.

But to my illustration. A gentleman departing from these shores a few weeks ago wrote me, after he had passed through London and had gone to the Mediterranean, that while in London he had bought a suit of wool clothing in the open market for which he had paid thirteen dollars and some cents. That suit was not shoddy; it was the same sort of goods as the writer wore at home, and for which he would have been obliged to pay at least \$35.

Mr. Chairman, if upon each of the backs that are now suffering the pangs of cold such a suit could have been put in time by the policy we advocate, commercial freedom, or free trade, if you please, would not have been without its compensations. And if free trade or fair commercial freedom will tend to furnish more cheaply to the toilers of America the essential supplies of life, I am in favor of that commercial freedom even if branded with the name "free trade." [Applause on the Democratic side.] I do not see why we should shrink back from the name of free traders. [Applause.] It seems to me that everything that the human race has won that is worth having has borne upon its banners and set in plumes that decked its highest frontlet the word "free." Free speech, free press, free

thought, everything you have that is worth having has "free" woven into it; and in the end we will add commerce that is free from unjust exactions to the mighty list. [Applause.]

The American people voted that we should do this thing. The American people voted that we should strike off every unjust, discriminating, and unnecessary burden of taxation. And I am in favor, gentlemen, of executing their will, even though from the ambush of protection on every side arrows of hate and misrepresentation continue to be hurtled. We did not expect when we entered on this crusade that the monopolists of the land would be with us. We do not expect it now. We are not seeking their co-operation. We, the American people, and the party of the American people, are great enough and strong enough to succeed in this reform of the tariff, and in the enactment substantially of this Wilson bill without the aid of any monopolist in America. [Loud applause on the Democratic side.]

Mr. HOPKINS of Illinois obtained the floor.

Mr. CANNON of Illinois. Mr. Chairman, it is now half past 4 o'clock. My colleague [Mr. HOPKINS], who has just been recognized, can not complete his speech this afternoon. I suggest, therefore, that he yield for a motion that the committee rise.

Mr. HOPKINS of Illinois. If that is the pleasure of the committee, it will be satisfactory to me.

The CHAIRMAN (Mr. O'NEIL in the chair). The Chair did not hear the request of the gentleman from Illinois.

Mr. CANNON of Illinois. I remarked that it is now half past 4 o'clock, and that my colleague, who has just been recognized, can not complete his speech this evening. I believe the House meets at 11 o'clock in the morning, does it not?

Several MEMBERS. Yes.

Mr. CANNON of Illinois. Therefore, as my colleague can not complete his remarks this evening, I suggest that he yield now for a motion that the committee rise.

Mr. REED. Perhaps some other gentleman would like to go on.

Mr. DALZELL. There is an hour left yet.

Mr. CANNON of Illinois. This will not interfere, as I understand, with the night session.

Mr. HOPKINS of Illinois. I am content to go on—

Several MEMBERS. Oh, no.

Mr. CANNON of Illinois. I move that the committee rise.

Mr. SPRINGER. I understand my colleague [Mr. HOPKINS] to say that he is ready to proceed now.

Mr. HOPKINS of Illinois. If it is the wish of the committee, I will do so.

Mr. CANNON of Illinois. Well, this motion is a good way to test the sense of the committee.

The CHAIRMAN. Does the gentleman press his motion?

Mr. CANNON of Illinois. I will make that motion; it can do no harm to take the sense of the committee.

The CHAIRMAN. Under the order adopted by the House, as the Chair understands, the Committee of the Whole must sit each day until half past 5 o'clock. Therefore it would require unanimous consent for the adoption of the motion of the gentleman from Illinois.

Mr. CANNON of Illinois. Do I understand that the Committee of the Whole must remain in session until half past 5?

The CHAIRMAN. It must, except by unanimous consent.

Mr. CULBERSON. If the gentleman from Illinois does not wish to proceed now, there is a member over here who will be glad to speak.

Mr. SPRINGER. My colleague has said that he is ready to proceed.

Mr. DALZELL. If the gentleman from Illinois gives way now, that would not deprive this side of the House of the hour?

The CHAIRMAN. The Chair does not understand that it would.

Mr. HOPKINS. If I should yield now I would be recognized for the first hour in the morning?

The CHAIRMAN. That is not for the present occupant of the chair to say. According to the impression of the Chair, the side of the House represented by the gentleman from Illinois would not lose this hour, if some gentleman on the other side should go on at the present time. The Chair has no doubt that in the morning the occupant of the chair would recognize the gentleman from Illinois.

Mr. HOPKINS of Illinois. Very well.

Mr. SICKLES. We are to take the regular recess to-day?

The CHAIRMAN. The order fixes a recess for half past 5 o'clock.

Mr. RICHARDSON of Tennessee. I do not want to interrupt the regular course of business, but I observe that an effort is being made now to induce a gentleman on this side to speak who is entitled to the floor at the evening session to-night. If he speaks now the present arrangement will be broken up; and it occurs to me that we had better adhere to the plan originally contemplated.

Mr. HOPKINS of Illinois. I am perfectly willing to proceed now as I had intended.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. HOPKINS of Illinois. Mr. Chairman, the resolution in the platform that was adopted by the Democratic party at its last national convention, asserting as a fundamental principle of that party that the Federal Government has no constitutional power to impose and collect tariff duties, except for the purposes of revenue alone, brought that question prominently before the American people in the great Presidential campaign of 1892. It is not surprising that many misguided Democrats interpreted the overwhelming defeat of the Republican party in that memorable campaign as an indorsement by the American people of their denunciation of protection and all tariff legislation.

The exultant spirit with which the Democratic members of the Committee on Ways and Means of the House commenced their labor in the preparation of the bill which was intended to carry out the pledges of their party contained in their national platform has been very materially cooled by the recent elections in all of the Northern States. Their interpretation of the political victory of 1892 has not been accepted by the industrial North, and if we can judge from protests which have been heard from Birmingham, Ala., West Virginia, Louisiana, and other sections in the South where the spirit of industry has found lodgment, it has not been accepted by the people of the South either.

The bill which has been reported by the Committee on Ways and Means is certainly an anomaly in Congressional legislation. It neither comes up to the standard of the bold and defiant declarations of their party platform, nor meets the approval or expectations of the more conservative element of their party. As a revenue measure it is a confessed failure. With the Treasury almost depleted and the Government marching on the high road to bankruptcy, this bill still further reduces the revenues of the Government and cuts off its power to meet its obligations to the enormous amount of \$70,000,000 annually.

It ignores the fundamental principle of the Democratic party, that the Federal Government has no constitutional power to impose and collect tariff duties, except for the purpose of revenue only, by putting and keeping upon the free list all the staple and leading articles of import where the duty would be a duty for revenue only, such as a duty upon tea, coffee, sugar, and many other articles which, under Republican legislation, have been placed upon the free list, Republicans contending that these are the necessities of life and should be brought in free of duty. This in itself is a cowardly surrender of the boasted principles which the Democrats claim are so dear to their hearts.

While they have been loud and long in their denunciations of Republicans and of the Republican method of tariff legislation, they have not, in this bill, had the courage of their convictions to reverse the legislation of the Republican party in this respect, and put a revenue duty upon any of these articles. They have compromised with their consciences, however, by making a deadly assault in the bill upon every industry throughout the New England, Northern, and Western States. No industry that was giving employment to labor at remunerative wages and was developing a market for the products of American farmers has escaped.

I shall later on in my remarks pay more particular attention to the schedules in this most remarkable bill, and shall endeavor to show that those schedules have been prepared with no friendly interest in American manufactures, with no love or care for American wage-earners, and in a spirit which has called forth the most profound acknowledgments from foreign importers and foreign manufacturers. It will not escape the attention of the people throughout the North generally, that the controlling minds in the Democratic Committee on Ways and Means who have formulated and presented to the country this strange bill come from a section of the country that has in times past been pronounced in the advocacy of free trade, and has shown a keener appreciation for the friendship of free-trade England than any disposition to cultivate fraternal relations with that section of our Union which lies north of that imaginary division known as Mason and Dixon's line.

The subject of tariff legislation has become, and is now, one of absorbing interest to all classes and conditions of people in the United States. There is no subject which will so readily challenge the respectful attention of an audience as this much-talked-of tariff question. People have come to appreciate the fact that the adoption or rejection of the policy of protection as advocated and maintained by the Republican party, for now more than a generation, is one which affects the interest of every citizen, I care not what his calling may be or in what portion of this grand Union his home may be found. In view of this, it seems to me that it is not inappropriate to briefly review the legislation of this country from its earliest days upon this subject and to point out some of the leading historical facts con-

nected with this class of legislation, and from these draw such conclusions as in my judgment this legislation and these facts warrant.

It is important, too, that the people of this country should not forget that one of the great, if not the great cause for the rejection of the Articles of Confederation and the adoption of the Constitution of the United States was to enable our forefathers by proper tariff legislation to protect the interests of the recently emancipated colonists from the grasping avarice of English manufacturers and English importers, and to build up in the American Republic vast and varied industries in numbers and character which would be sufficient not only to meet the wants of the American people; but to make our country one of the important factors in the commerce of the world.

It is important, too, that the American farmers and the laboring people of the country should understand and remember that the doctrine of free trade as advocated by the Democratic party first found its birth and its subsequent support among the great leaders at the South, whose hearts never beat in sympathy with the cause of the laboring men, and who believed in establishing a social aristocracy in this country under which the men who obtained their livelihood by manual labor would forever "be hewers of wood and drawers of water" to the favored class, who arrogated to themselves all the rights and advantages that accrue to American citizenship, and looked upon their less fortunate brothers as but little better than the slaves who tilled the soil of their vast plantations.

The second bill that passed the first Congress that ever assembled under the Constitution, and that was signed by George Washington, was a tariff bill intended to be protective in its character. It was hailed by the farmers as well as the artisans of those days as a declaration of industrial emancipation from English power scarcely second to that great declaration of political independence which resulted in the establishment of the American Republic. This first tariff bill was fathered by a Virginian in the person of James Madison, one of the illustrious Presidents of the United States. Any person who will take the time to read the proceedings of Congress during the session which gave birth to this now famous piece of legislation, will affirm what I now assert, that the object and the purpose of legislation of that character was to build up in the different sections of the American Republic industries which would furnish all classes and kinds of products necessary to meet the wants of the American citizen.

There was no division of political parties on this question at that time. The feeling of patriotism was too active and too great to permit partisanship to sway the votes or control the voice of any of the people's representatives in preparing and in enacting into law legislation which would enable the Government to raise a revenue by levying and collecting import duties and at the same time would serve as a stimulus to induce capital to invest in manufacturing industries on this side of the Atlantic.

I have neither the time nor the inclination to follow in detail the various pieces of legislation that was from time to time enacted to enlarge and strengthen this first tariff bill. At this period in the history of our country the principles of protection, as now advocated by the Republican party, found its stanchest defenders in the Southern States. Whoever will take the pains to examine the debates of Congress when the tariff law of 1816 was being considered, will find that John C. Calhoun of South Carolina was the man who was most prominent in the advocacy of that measure and of protective legislation generally; and in a great speech in support of the bill when it was pending in this House advanced arguments in favor of protection which he himself at no subsequent date was ever able to overthrow, and which to-day stand unanswered by any of the advocates of free trade.

Up to this time in the history of our country the slave-owners of the South had not perceived that legislation which developed industries that required a high grade of mechanical skill and intelligence, to be successfully carried on, was destructive of the very principle of slave labor, and that in the race of prosperity and the accumulation of wealth they were being distanced by their sister States in the North.

John C. Calhoun, the protectionist of 1816, was one of the first great Southern leaders to discover this fact. He was seconded and supported by Senator Hayne, of his own State, and by McDuffie, one of the ablest, most eloquent, and fearless advocates of free trade who have ever discussed that doctrine on the floor of this House. No argument in favor of free trade and in support of the Democratic position on this question has been advanced during the present generation that was not touched upon, enriched, and embellished by the genius of McDuffie.

Democratic members of the Ways and Means Committee who framed the bill now under consideration, and who have presented to the country their report upon that bill, have gathered

their inspiration and their arguments from the rich field that was furnished them in reports and speeches made by this celebrated advocate of free trade during the time that he was chairman of the Committee of Ways and Means of the House. He lived in a different generation and under different conditions than the free traders of to-day and was a more fearless and frank advocate than his followers in this generation. The Republican party has ever contended that protection builds up the social as well as the material condition of the laboring men of America and that free trade has the directly opposite tendency. That the one system is to ennoble and the other to degrade the wage-earners of this country. The free-trade advocates of to-day attempt to avoid this logical conclusion by contending that American laborers can accomplish more in the same space of time, and that a reduction of import duty will not necessitate a corresponding reduction in the wages of the laborer.

I shall before I finish show the utter fallacy of this position. My purpose here and now, however, is to show that the men who formerly advocated free trade, and who are regarded as the fathers of the Democratic thought upon this subject, were too honest and too fearless in the advocacy of their opinions to resort to any such subterfuge. They planted their faith upon the peculiar institutions that existed in the South; they proposed an alliance with free-trade England because they believed that by such an alliance only could slavery be maintained. They saw at the North that the men who worked in the furnaces and wrought at the forges were men who had a controlling voice in the local, Congressional, and State, as well as national elections. They viewed with apprehension the onward march of this class of American citizens in the highways of intelligence and social advancement. They believed that the spirit of liberty could be best carried forward by the maintenance of an aristocracy such as that at time was held in the South, and that the laboring man should not participate in the rights that are accorded under the Constitution to an American citizen, and in support of this assertion I crave the indulgence of the House while I quote a few selections from a speech of Mr. McDuffie, of South Carolina, delivered in this House on the 11th day of May, 1830. In speaking upon this labor question and the influence that protection has in benefiting the wage-earners, he said:

Yielding to the influence of a mawkish and mistaken humanity, our own statesmen have generally conceded that slavery is a political evil as it regards the white population. Now, sir, I firmly believe that there never has existed a form of slavery so favorable to the happiness of the servants, and at the same time so conducive to political freedom, as that which we are considering.

Where those who perform the menial and degrading offices of society constitute a part of a political body and participate in the government of the country, through the elective franchise, this high privilege is degraded, and the spirit of liberty as well as its security diminished. It is not in the nature of things that a mere dependent who brushes your coat and cleans your boots can be regarded by you with a feeling of equality which is due to a freeman, nor is it expected that he should have the profound feelings that belong to a freeman.

A state of servile dependence is utterly incompatible with political freedom; and by conferring the right of suffrage upon persons in that condition, whatever may be their color, you do not elevate them to the character of freemen, but degrade liberty to their level. What, sir, would you expect from an election where hostlers and grooms, and postillions and footmen, should come to the polls and control the result? Where all the offices of dependent servitude are performed by a separate caste, distinguished by color, and wholly excluded from all participation in the Government, it is not to be doubted that the spirit of freedom is rendered much more proud and lofty by the very contrast.

Mr. McDuffie asserts in this speech what was believed and practiced by all the leading free traders at the South. In his elaborate and able argument he undertook to demonstrate how much better it would be for the South to sell their raw products, which consisted at that time principally of cotton, to the English manufacturers free of duty, and to permit the English manufacturers to import the manufactured products, not only of cotton, but of all other industries, into this country free of duty in exchange therefor. The tillers of the soil, such as our farmers at the North, and the men who labor in our mines, our foundries, and our factories, found no lot or place in his scheme of government. They belonged to a class who, in the opinion of this great free trader, ought to be thankful that they were permitted even to live in the same country with such choice spirits as himself and his free-trade associates.

The cardinal principle announced in the constitution of the so-called Confederate States was an absolute prohibition of any imposition of import duties. Free trade was there recognized as clearly and as fully as it has ever been asserted in any civilized government. The distinguished chairman of the Ways and Means Committee, and other leading members of the Democratic portion of the committee who are principally responsible for this bill with all its free-trade qualities and tendencies, not only rallied to the support of the constitution containing such declarations as these, but imperiled their lives upon more than one occasion in its defense, in the hope that it might become an established fact. While disappointed in their efforts to destroy

the Union and establish their ideal free-trade government, they have ever been constant to this doctrine.

It is therefore not surprising that a bill is here presented that is not only a menace to the industries that have developed and enriched the New England, Middle, and Western States, and would have made the Southern States blossom like a rose had the people in this favored section taken advantage of the legislation and developed the resources of their States, but is also antagonistic to the rights and dearest interests of the wage-workers in this country. Disguise it as they may in any form of rhetoric, the stern fact appears that in the whole history of our country, whenever the principles of free trade have temporarily obtained the ascendancy, we have had times of industrial depression and capital has remained uninvested. The furnace fires have gone out, the busy hum of the spindle and the loom has been hushed, and the laborer has walked the streets unemployed, while hunger and want have been the companions of his wife and children.

The import duties imposed under the law of 1816 were not high enough to protect American industries against the vast amount of imported goods that were shipped to this country by English manufacturers, and the universal judgment of history is that the people of this country for the years following that and preceding the legislation of 1824 and 1828 suffered financial and commercial distress to a degree that drove them well nigh into general bankruptcy. There was an almost universal demand for legislation that would guarantee a sufficient protection to American manufacturers against the onslaught that was being made upon them by foreign manufacturers. Mr. Bolles, in his *Financial History of the United States*, in speaking of this period, says:

During the four years between 1817 and 1821, the holders of property in the United States were supposed to have suffered a depreciation of nearly \$300,000,000. General bankruptcy spread its darkness over the land; many of the wealthiest families were reduced to poverty; laborers suffered for want of bread; improvements of all sorts were abandoned, and a scene of the most intense national distress ensued.

The same historian goes on to describe the condition of iron manufacturers at this period, and among other things says:

Every man who made it his principal business, who sold his iron and purchased his provision and stock, was ruined. His forges, his lands, his goods and chattels were all struck off under the sheriff's hammer at public auction; he himself was driven to jail; his workmen were unemployed; some of them followed their employer to prison; others emigrated to new countries; their families were reduced to abject want and were compelled to ask relief from the town or resort to beggary.

It was this condition of the American people, so graphically and truly described by this eminent writer, that led to the tariff legislation of 1824, and to the still stronger protective measure known as the tariff law of 1828. Those who are familiar with the history of our country immediately following this legislation will bear me out in the statement that I make, that every industry seemed inspired with new life; old mills were started up, and new ones were built; furnace fires were again lighted; and instead of feeding the laboring class, unemployed and walking the streets in idleness, they were given employment at good wages, and as if by magic a depressed and poverty-stricken country was changed into a happy, contented, and industrious people.

This condition of affairs continued until the agitation and aggression of the free traders of the South forced the country into the compromise measure of 1832, a measure which in many respects resembles the bill now under consideration. The avowed object of many of the supporters of that great measure was to reach absolute free trade by a system of deductions from import duties yearly until a period should be reached when a custom-house would be a thing of the past. I shall not take the time to go into an elaborate discussion of the history of that great measure and the results under it. It is enough for my purpose to show to this House what the facts of history demonstrate; that the scenes and incidents that followed the extraordinary importation of goods into this country from 1817 to 1821 were again experienced, and that the thriving mills and factories throughout the North were seized with an industrial paralysis, progressive in its nature, which threatened the ultimate extinction of the life of all such industries in our Republic.

The condition of the farmer was but little better than that of the laboring man. The richness of the earth yielded abundant crops to the cultivation of man, but there was no money in the country; there was no market for the surplus farm products; there was an abundance of foreign goods in the American markets, but no money or means possessed by the farmer with which to purchase them. It is stated by competent authority that so baleful was the influence of the compromise measure here referred to, on the industries of the country prior to the act of 1842, that more than 200,000 persons, chiefly factory hands, were out of employment in the section of the country east of the Hudson River. You must remember, gentlemen, that that was at a period when our country's population was scarcely over one-third of what it is now.

This vast army of unemployed factory hands was the sacrifice made to appease the wrath of the free-trade advocates of America. Their cry for work or for bread for their families touched the hearts of the American people, and a demand was made upon Congress to re-enact such legislation as would restore these men to their wanted callings. It was in response to such appeals that the tariff act of 1842 was enacted into law, and upon its passage every establishment was at once set in motion and every unemployed factory hand was given employment. I can not refrain in this connection from quoting from an article written by Freeman Hunt, a Democrat and the editor of the *Merchants' Magazine*, a periodical of wide circulation in those days, and one which voiced the sentiments of the manufacturing and commercial classes of the country. In speaking upon this subject he said:

The condition of the country at the date of the passage of the act of 1842 was humiliating in the extreme. The Treasury, unable to obtain at home the means required for administering the Government even on the most economical scale, had failed in all its efforts to negotiate a loan at 6 per cent, even in the same foreign markets in which it had but recently paid at par a debt bearing an interest of only 3 per cent. Many of the States, and some of the oldest of them, had been forced to suspend the payment of the interest of their debts. The banks to a great extent were in a state of suspension. Of the merchants, a large portion had become bankrupt; factories and furnaces being closed hundreds of thousands of persons were totally unemployed; commerce had scarcely an existence, those who could not sell their own labor being unable to purchase of others. Nevertheless, deep as was the abyss into which the nation had been plunged, so magical was the effect of the adoption of the system that had turned the balance of trade in its favor that scarcely had the act of August, 1842, become a law when the Government found that it could have all its wants supplied at home. Mills, factories, and furnaces long closed were again opened; labor came into demand, and before the close of its third year prosperity almost universally reigned.

It would seem, Mr. Chairman, that the experiences of the people of this country which have here been mentioned, would have been sufficient to have created an almost united sentiment in favor of ample and complete protection to all American industries, and I think, sir, had it not been for the influence that was exerted by the slave-owners of the South in favor of free trade, that the legislation of this country upon this subject would have, from 1842 to the present time, been uniform and continuous. But the great leaders who recklessly plunged this country into civil war had come to believe that the preservation of slavery depended upon the establishment of free trade in America, and they were sufficiently strong to enact a legislation that was intended to gradually reach this object of their ambition.

It was in pursuance of this, that the great measure known as the Walker law became a part of the legislation of our country in 1846; and it was the same influence, exerted, in my judgment, against the best interests of America, that enabled the same class of legislators to procure the still further free-trade legislation of 1857. The condition of our country under these laws is too well known to the American people to require a restatement at my hands here. It was a repetition of the same old story, a story of a depleted Treasury, of the balance of trade against our country, of idle mills and dead furnaces; general stagnation in business; all of the attendant hardships that follow the cultivation of agricultural products without adequate markets; factory hands without employment; homes without the comforts and necessities of life; and little children asking their mothers for bread where none was to be given. Mr. Greeley, in a few sentences, has given a picture of the condition of the people of New York during this free-trade period, which I commend to the consideration of my free-trade friends before they vote upon this pending bill. On January 15, 1855, there appeared in the *New York Tribune* the following article:

Who is hungry? Go and see. You that are full-fed and know not what it is to be hungry—perhaps never saw a hungry man—go and see. Go and see thousands, men and women, boys and girls, old and young, black and white, of all nations, crowding and jostling each other, almost fighting for the first chance, acting more like hungry wolves than human beings, in a land of plenty. It is only by the continuous efforts of two policemen that the crowd can be kept in order, or made to wait until the food is ready for distribution. Such a scene may be seen between 11 and 2 o'clock around the corner of Orange and Chatham streets, where charity gives a dinner to the poor, and soup and bread to others to carry to their miserable families. On Saturday we spent an hour there at the hour of high tide. We have never seen anything like it before. Upward of a thousand people were fed with a plate of soup, a piece of bread, and a piece of meat on the premises, and in all more than 1,600. On the same day 1,130 portions of soup were dealt out at Stewart's "soup kitchen," in the rear of the great store, corner of Reade street and Broadway.

At the rooms on Duane street, for the relief of the poor, on the same day, they gave food to 2,250. In the Sixth ward alone over 6,000 persons were fed by charity on Saturday, January 13. And this is only one day in one ward. Meanwhile scenes of a like nature are being enacted all over the city. A procession of several thousand persons kept marching about the streets yesterday, with flags and banners which bore such inscriptions as "Hunger is a sharp thorn;" "We want work." Such are the scenes that are being enacted daily before our eyes, while the cry of hard times reaches us from every part of the country. The making of roads is stopped, factories are closed, and houses and ships are no longer being built. Factory hands, road-makers, carpenters, bricklayers, and laborers are idle, paralysis is rapidly embracing every pursuit in the country. The cause of all this stoppage of circulation is to be found in the steady outflow of gold to pay foreign laborers for the cloth, the shoes, the iron, and the other things that could be produced by American labor, but which can not be so produced under our present revenue system.

The Republican party has been denounced by the Democratic party for its steady adherence to the principles of protection, and for its courageous support of legislation that has created and developed these vast and varied industries throughout the length and breadth of our land. Our principles have been denounced as a fraud and a robbery of the great majority for the benefit of the few, but I thank God that no such scenes as these, which have been so faithfully portrayed by Horace Greeley, have ever been repeated or witnessed during the entire period that the Republican party was in control of the destinies of this great Republic. No large classes of men have ever been compelled under Republican administration to appeal to charity for the support of themselves and those of their families who are dearer to them than their own lives. None of the great cities that have grown up under the beneficent legislation that has been given to the country by the Republican party have ever had within their borders to establish soup-houses to protect the poor of their numbers.

It is the boast of the Republican party and the glory of its administration that it has given to this country such laws and such legislation as have diversified labor and induced capital to invest in new industries and furnish employment at good wages to all who had a desire to earn a livelihood by honest industry.

For two hundred years England has been mistress of the seas. Her commerce has been carried on under English flags to every civilized port in the world. She has been selfish and aggressive in the extreme. The moneyed and manufacturing interests of England have directed her commercial and legislative policy. Like Alexander the Great, her ambition has been to commercially dominate and control all the great manufacturing interests in every part of the known world. Her colonial policy with America was to prevent the establishment of any new industries on the American continent, and to destroy those which had found a foothold.

The industry and the energy of this country under her colonial system were made to feed and increase her home manufactures. That illiberal and hostile policy which the mother country displayed to the colonies in our early history has been steadfastly pursued by her from that day to this. Whatever advancement has been made by American manufacturers has been over the protest and in spite of the piratical rivalry of that great manufacturing country. The sentiment on this question that has always prevailed in England was voiced by Lord Brougham in 1816, in a remarkable speech relating to the financial and industrial condition of England, in which he recommended to British manufacturers to export and sell their products in this country at a loss, holding that it was well worth while to incur a loss upon first exportations, in order by the glut to stifle those rising manufactories in the United States; stating that after this was done the British manufacturers could put their prices back where they could make a profit that would not only recompense them for the sacrifices made in destroying American manufactories, but would yield them a handsome profit besides.

This advice of this great statesman has been adopted by English manufacturers again and again during the last seventy years. There is scarcely a successful industry which is now amply and fully protected under existing law that has not felt the crushing effect of that policy under previous inadequate import duties; but in every instance where Congress has given the American producers a duty which would be sufficient to protect and encourage the industry, it has not only been successfully carried on, but has furnished the article to the American consumer at a less price than was exacted by the foreign competitor when he controlled the market.

For more than two generations English manufacturers and English importers have taken almost as lively an interest in our Presidential campaigns as the citizens themselves; and ever since the organization of the Republican party the English Government, regardless of political divisions at home, have been united in their opposition to the policy of the Republican party and to its political success. The reason is plain. The Republican party has advocated what Henry Clay so eloquently styled the American policy, while during this period the Democratic party has advocated a policy of free trade that found its ablest advocates and most fertile disseminators of that particular faith among English capitalists and English statesmen. The so-called Walker tariff of 1846 was framed on lines and political ideas congenial to the English mind; and it is said that the report of Secretary Walker, which treats upon this subject, received the unprecedented recognition of a publication in England by authority of the British Parliament.

During the campaign which resulted in the election of Mr. Polk as President over the protectionist, Henry Clay, the London Times said:

A subscription was recently opened to raise funds to circulate free trade tracts in foreign countries; about £440,000 were subscribed. Some of these tracts are to be printed in New York for circulation in the United States.

At this time it was published in Niles that at Manchester £100,000 was raised for the same purpose; and the same publication charges:

It has never been denied that most of the money thus raised was used to elect Polk, with the expectation or understanding that the tariff of 1842 would be radically modified in the direction of free trade.

Whether there was an understanding or not, it is a little remarkable that, immediately after the election of Polk as President, the Walker law of 1846 was formulated and passed by Congress, and was received with every mark of approval in England. English newspapers and English manufacturers have denounced every protective tariff measure that has been fathered and passed by the Republican party from the Morrill bill to the McKinley law. The Cobden Club, a famous free-trade organization, has increased its membership by establishing headquarters in New York, and many of the leading statesmen in the Democratic party to-day are members of this free-trade organization. The present Secretary of the Treasury is one of its shining lights. Its avowed object and purpose is to commit this Government to the doctrines of free trade.

When the McKinley bill was presented to the House of Representatives and was under discussion, the most virulent and scandalous criticisms and opposition were found in the English press and in utterances of English statesmen. No Democratic member in this House, in the discussion of that great measure, ever indulged in harsher language in the denunciation of it than can be found in the great English journals of that day. The election of President Cleveland and the restoration of the Democratic party to power, with full control of both Houses of Congress, after more than a generation, has been accepted by the people of Great Britain as a triumph of the free-trade doctrine, and ever since the preparation of this bill was commenced by the Committee on Ways and Means, foreign importers and foreign manufacturers have been maturing their plans to again take possession of the American markets.

The publication of the President's message in London before it was given out to the American people is in harmony with the present order of things and of the position of this great Democratic party. The Republican party is an American party. It believes in advancing the interests of the American citizen over that of the foreigner; it believes in protecting the wages of the American laborer over that of his foreign competitor; it believes that the American manufacturer has some claims upon the American Government that are not possessed by those in any foreign country, and it believes that the interests of all classes and shades of people in this country will be best subserved by holding the American market for the benefit of American laborers, American farmers, and American manufacturers. Holding these views, as we do, it is not strange that the principles of our party are not popular in Great Britain. It is not remarkable in view of all this that the Democratic party finds as strong support in England as they do in America; and defeat for them is felt as keenly abroad as it is by their own leaders here.

The recent election in the States of Massachusetts, New York, Ohio, and Iowa indicate that the people of this country are beginning to realize that their interests are jeopardized by the success of the Democratic party in 1892. This generation has grown up under Republican administration and protective laws. They know nothing by experience of free trade or Democratic ascendancy. It is true that history teaches that the best interests of this country are protected and subserved by maintaining adequate tariff laws; but so persistent have been the advocates of free trade, and so emphatic have been the denunciations by the Democrats of the Republican party and Republican measures, that many honest and true citizens believed that a change in the Administration would be followed by additional prosperity to the people and better times in all classes and grades of business.

Republicans in the campaign of 1892 pointed out again and again the evil results that would inevitably follow an overwhelming Democratic victory; but it seems that an object lesson was necessary to demonstrate fully and completely the inability of the Democratic party to govern and control a country composed of 67,000,000 people, and to prove that their industrial and economical policy was one which inured to the benefit of our great commercial rival, England, and to the detriment of our own people.

The fallacy that a properly graduated tariff law increases the price of the products manufactured in this country to the consumer, has been so often exposed that it seems almost useless to discuss it here, and I would not were it not for the fact that, both in the report of the committee and in the discussion that has been so far had upon this great measure, the contention is made that the import duty is added to the foreign price when the consumer purchases the imported article.

Mr. JOHNSON of Ohio. Mr. Chairman, in view of the fact that the gentleman from Illinois is a member of the Committee on Ways and Means, I ask unanimous consent that he have permission to continue his remarks without limit in the morning.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JOHNSON of Ohio. I now ask that the committee rise, as it is near the time fixed by the special order for taking a recess.

The CHAIRMAN. The committee must rise now, and go into the House.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. RICHARDSON of Tennessee reported that the Committee of the Whole House on the state of the Union, having had under consideration the bill H.R. 4864, had come to no resolution thereon.

PERSONAL EXPLANATION.

Mr. TALBERT of South Carolina. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. TALBERT of South Carolina. I desire to state, Mr. Speaker, in justice to myself, that on yesterday the Chair stated, in connection with the action of the House towards certain members who had been temporarily absent that the gentleman from New Jersey [Mr. CORNISH] had requested the Chair to present an application for a leave of absence until Monday, which had escaped the memory of the Chair, and that it was not the fault of the gentleman from New Jersey but the fault of the Chair. On that statement the gentleman from New Jersey was not published as a delinquent. Also in regard to the gentleman from Mississippi [Mr. ALLEN]. He said:

I simply wish to state that I have seen it in several newspapers that I was one of the delinquents. I was absent with the leave of the House in the first place, and I was at home, detained by sickness in my family.

The Chair stated in response to this that it appeared from the Journal the gentleman from Mississippi had leave of absence on account of sickness in his family, but in making up the list of absentees that fact was overlooked. The Speaker further stated that that being the fact, the gentleman's name would not be included in the list of delinquents.

Now, Mr. Speaker, in justice to myself, let me state that I had the advantage of both of these instances, and yet my name was published as a delinquent. I wish to call the attention of the House to this injustice that seems to have been done to me.

The SPEAKER. The gentleman from South Carolina had leave of absence, as he has stated: but all leaves of absence were revoked by order of the House. The gentleman from South Carolina had pending on the desk another application for leave of absence, which escaped the attention of the Chair.

Mr. TALBERT of South Carolina. That is the fact, Mr. Speaker, that I desired to have stated.

The SPEAKER. That is correct; it escaped the attention of the Chair.

Mr. TALBERT of South Carolina. And that oversight caused me to be published as a delinquent.

The SPEAKER. The facts of the case are that the gentleman was not here, but some request was placed upon the desk, and it would have been submitted to the House, but by some oversight it was not submitted.

Mr. TALBERT of South Carolina. That was what I desired to call the attention of the House to, Mr. Speaker, simply that this justice might be done to me.

ORDER OF BUSINESS.

The SPEAKER. The gentleman from Indiana [Mr. BROOKSHIRE] will preside at the evening session.

The hour of 5 o'clock and 30 minutes having now arrived, the Chair declares the House in recess until 8 o'clock p. m., the evening session to be devoted exclusively to debate on the pending bill.

EVENING SESSION.

The recess having expired, the House, at 8 o'clock p. m., was called to order by Mr. BROOKSHIRE as Speaker *pro tempore*.

The SPEAKER *pro tempore*. The House is now in session for the purpose of debate only on the bill the title of which the Clerk will read.

The Clerk read as follows:

A bill (H.R. 4864) to reduce taxation, to provide revenue for the Government, and for other purposes.

The SPEAKER *pro tempore*. The House will now resolve itself into Committee of the Whole under the special order for the purpose of considering this bill.

The House accordingly resolved itself into Committee of the Whole, Mr. RICHARDSON of Tennessee in the chair.

Mr. HAINES. Mr. Chairman, in a message which the President sent to Congress in December, 1885, he said that "The zealous watchfulness of our constituents, great and small, supple-

ments their suffrages, and before the tribunals they establish every public servant should be judged."

With a unanimity not often to be found among the constituents of a Representative, the people of the Nineteenth Congressional district of New York, which I have the honor to represent here, have taken a stand in regard to the bill now before the House, which will constitute the principle of the tribunal by which I, who am their public servant, shall be judged.

It is for me a source of infinite regret that, at a time when the interests of so great a constituency are in such jeopardy as they are placed in by the provisions of this bill, when the populations of the many surrounding towns and villages and the large farming district which are dependent upon it for their prosperity are watching with so much anxiety the conduct of their Representative in Congress, they have not upon the floor of this House at this crisis an advocate of more ability and experience. Fortunately for me, they have marked out the course which I should pursue, and fortunately, too, the course which they have thus marked out for me is one which meets with my heartiest approval, and which it is my pleasure as well as my duty to follow.

I have before me a memorial to this illustrious body, signed by 69,819 persons, 50,465 of whom are inhabitants of the city of Troy and vicinity, and which I shall present to the House tomorrow. I ask the Clerk to read said memorial.

The Clerk read as follows:

To the Congress of the United States:

The people of Troy, without regard to party affiliations, in mass meeting assembled, do respectfully petition your honorable body and represent as follows: That this city and the surrounding country is the center of the great collar, cuff, and shirt making industries of the United States. The capital invested in Troy alone in these industries is \$5,000,000; employment is here given to upwards of 15,000 persons, to whom more than \$4,000,000 in wages is annually paid. This money finds its way into all the channels of trade and its effect is beneficially felt by every interest in the community. Fully 90 per cent of the employés are women, and the work is done by them not only in the factories but at their homes, both in the city and the farming districts. The busy and prosperous communities which occupy this valley, the large number of individual property-owners and the thrifty and skillful body of artisans who have made their homes here, and who are sources of strength to the State in times of peace as well as war, are all powerful witnesses to the value and importance of these industries and are entitled to the favorable consideration of the National Legislature.

Indeed, the continued growth and prosperity of this city and the neighboring villages is absolutely dependent upon the success of these industries and the payment of fair wages to the employés. The recent census shows that the manufacture of shirts is carried on in 113 cities of the country, with a capital invested of more than \$12,000,000 and an annual product of nearly \$30,000,000. Labor is the chief item in these manufactures, being 60 per cent of the cost of production. Under the existing law the duties levied on foreign goods are 40 per cent ad valorem, and 30 cents per dozen on collars and cuffs made wholly or in part of linen, 35 per cent ad valorem and 15 cents per dozen on cotton collars and cuffs, 55 per cent ad valorem on shirts, and 35 per cent on shirting linens. By the Wilson bill it is proposed to entirely abolish the specific duties and to reduce the ad valorem rates to 35 per cent on collars, cuffs, and shirts, while nothing like a corresponding reduction is made in the duties on the raw materials of the manufactured product, linen being reduced from 35 per cent to 30 per cent ad valorem.

As to collars and cuffs these rates are less than the ad valorem rates which existed prior to the passage of the tariff law of 1890. It will be impossible to meet foreign competition with these rates of duties. A vast disproportion exists in the wages paid to employés in these industries in this country and those paid abroad; the average weekly wages being \$3 in Scotland, \$2.70 in France, \$2.70 in Londonderry, \$2.40 in Berlin, and \$1.50 in Saxony, while it is \$8 in Troy. The reductions in the present rates will result in the taking of wages from the home-workers for the benefit of foreigners and will seriously cripple, if they do not destroy, a considerable portion of the domestic manufacture. They will inevitably tend to degrade our labor to the inferior conditions that prevail in other lands. They will bring distress to thousands of homes, and idleness and want to a great body of deserving citizens, who will find it impossible to obtain employment in any other occupations where the labor of women can be fairly remunerated.

Your honorable body is undoubtedly aware of the ease with which ad valorem duties can be evaded by undervaluation. The practice, which it is conceded prevails in this respect, together with the facts already pointed out, make the proposed rates of practically no benefit to our manufacturers or wage-earners.

The present tariff has not raised the prices of these articles to consumers, nor has it created any combinations or trusts which control the business, nor has it proven to be prohibitory of all foreign competition; but, on the contrary, the domestic competition is greater than ever it was before, while the prices to the consumers have been reduced. We raise our voices, then, on behalf of thousands of wage-earners whose comfortable living is threatened by the proposed reduction and of an important domestic manufacture in which our fellow-citizens have large sums of money invested, and we earnestly protest against the enactment of the Wilson bill in its present form, and respectfully ask your honorable body to modify it by continuing the rates of duties that now exist upon the importation of collars, cuffs, and shirts.

Mr. HAINES. This memorial was adopted on Tuesday evening, December 19, at a meeting held in the city of Troy to protest against the provisions of this bill. The meeting was presided over by the Democratic mayor of the city and addressed by several of the principal Democratic officers of the city of Troy and the county of Rensselaer, and it was approved by the press of the two counties which constitute the Nineteenth Congressional district, without regard to party affiliations.

The principle upon which my constituents contend against this bill has been stated for them and for me by a President whom we have twice assisted in placing at the head of the Executive Department of the Government.

Justice and fairness dictate—

Said he in one of his messages—

that in any modification of our present laws relating to revenue, the industries and interests which have been encouraged by such laws, and in which our citizens have large investments, should not be ruthlessly injured or destroyed. We should also deal with the subject in such a manner as to protect the interests of American labor, which is the capital of our working-men.

Another principle by which we should be guided in the consideration of this question, and by which I shall be guided in the stand I take on this bill, has been stated by one of the most eminent and influential Democrats in the country:

That the tariff on manufactured articles should, as a general rule, be larger where similar articles are manufactured in this country than where they are not. That the tariff imposed upon all manufactured articles (other than those which, for good reasons, are placed on the free list) should equal the difference between the rate of wages paid in this and foreign countries, so far as labor enters into the cost of their production.

So far as concerns the interests which I have the honor to represent, these principles have been totally ignored by the framers of the bill before the House. The opposition of my constituents to the bill is not the opposition "that rallies behind the intolerance of monopoly or the power of concentrated wealth, or the inertia of fixed habits," or the alleged "honest errors of a generation of false teachers." We oppose the bill for the reason that, while its designers were "forced to consider," they did not consider in framing it, so far as my constituents are concerned, "that great interests do exist, whose existence and prosperity it is not part of our reform either to imperil or to curtail."

The framers of the bill themselves lay down a principle by which they claim to have been governed, and which, so far as the industries of my district are concerned, they altogether abandon, that "in adjusting duties upon what may be called the finished products we have tried to impose such rates as will not destroy or distress any of our own industries on the one hand, nor on the other secure to them absolute and oppressive monopoly of the whole market." If this rule had been strictly adhered to by the framers of this bill in considering the shirt, collar, and cuff industry the tariff now existing would not be disturbed; and that industry has not "an absolute and oppressive monopoly of the whole market;" while the change proposed by this bill in the existing tariff will not only distress but will go far to destroy the great industry upon which the prosperity of my district largely depends.

I will take the principle approved by the majority of the Ways and Means Committee, attributed by them in their report to the late President Garfield, that—

Duties should be so high that our manufacturers can fairly compete with the foreign product, but not so high as to enable them to drive out the foreign article, enjoy the monopoly of the trade, and regulate the prices as they please.

The population of the city of Troy is 70,000. From 15 per cent to 20 per cent of this population is directly interested in the collar and cuff industry. The city of Troy has \$5,000,000 of capital invested in that enterprise. The annual sales of those products amount to nearly \$10,000,000. The annual wages paid amount to \$4,300,000. There are 15,749 persons employed, the wages paid to whom amount to 44 per cent of the sales and 60 per cent of the cost.

In 113 cities of the United States the amount of capital invested in the shirt industry is \$12,151,900, and the value of the products nearly \$30,000,000. There are 26,560 persons employed in the shirt industry alone; and of this number 8,713 are engaged in that business in the city of Troy.

Ninety per cent of the persons employed in these industries in Troy are women. No other industry in the State of New York gives employment to so large a proportion of women. This industry gives them employment not only in the factories, but in their homes. About one-half the work is done in the factories; the rest is done in homes throughout the city and in the farming districts for many miles around. These industries are the principal source of income for families representing 50,000 persons in and around the city of Troy. They are the only source of ready-money income of the wives and daughters of the farmers in a wide extent of territory around that city.

The tariff of 1883 gave no recognition to these industries and practically no protection. In 1886 the factories ceased producing for some time, owing to a strike, and the foreign manufacturers of collars, cuffs, and shirts, taking advantage of the condition of the market here due to the cessation of work in Troy, sent over a considerable quantity of their products, the importation of which from that time to this has steadily increased.

It is important to bear in mind in connection with these importations that the foreign manufacturers are represented in this country by agents and sell directly to the consumer.

The advent of these products of the foreign manufacturers threatened to cripple the collar and shirt industry of this country, and made a substantial measure of protection necessary to preserve it. This protection was afforded by the "customs

laws of 1890." This protection did not exclude foreign goods, while it saved the principal industry of the city of Troy. The German goods especially were constantly growing in demand. For a few years after 1886 the shelves of the retail dealers were filled with them and, as I shall show later on, they would ultimately have driven the domestic article from the market if the tariff act of 1890 had not been passed. Troy had already suffered greatly from the closing and removal of various industries in which, for twenty years prior to 1890, a large part of its population had been engaged. Machine shops, iron and steel industries, woolen goods, door, sash, and blind factories, and upwards of thirty-seven concerns engaged in the manufacture of collars, bosoms, and shirts have gone out of business, and for the few years between 1886 and 1890 it looked as if the last important industry remaining to Troy was about to disappear.

The tariff on shirts provided for by the bill before the House is the same as it was before 1890, when this condition of things existed: and on collars, it proposes 5 per cent less than was levied prior to 1890.

The passage of the law of 1890, to which I have referred, did not increase the price of collars and shirts, and did not increase the profits of the manufacturers, as will appear later. Nor did the law of 1890 decrease importations, as the customs reports show that the importation of shirts increased 112 per cent in 1892 over 1891, and during the same period the importation of collars and cuffs increased 95 per cent.

I have said that the prices of these goods did not increase after the passage of the laws of 1890, known as the McKinley bill, and that that law was not prohibitive. Under the tariff laws of 1883 the duty on collars and cuffs was 40 per cent. Business increased under that tariff until the foreign competition to which I have referred and which commenced in 1886. The bill before the House reduces the tariff on linen collars 5 per cent; so that there is 5 per cent less protection to these industries than under the laws of 1883, although under the laws of 1883 the importations largely increased from 1886 to 1890, and, as I have stated, had not the tariff been materially increased in that year the domestic trade would have been ruined.

These questions as to whether the McKinley bill prohibited importation increased the price to consumers and the profits of the manufacturers were discussed before the Committee on Ways and Means, before which the foreign and the home manufacturers had a hearing; and it resulted from this hearing that the statements, the ideas, and the propositions of the foreign manufacturers were accepted to the letter by the majority of the committee, and the testimony of the home manufacturers and their claims have been totally ignored. The bill before the House embodies the ideas of the foreign manufacturers.

The position which the foreign manufacturers thought would be fair to them, and which they stated, the very duty which they proposed has been embodied in the bill; and it would appear that the representations of the home manufacturers were regarded as utterly without foundation, their position untenable, the great interests they represented and the vast amount and the character of the labor they employed entitled to no consideration whatever.

Permit me to say here that this is not a protest on my part in behalf of capitalists. My principal concern is for the labor engaged in these industries, which is the principal factor in shirt and collar making. This labor is nearly altogether performed by women, for whom the proposed change in the tariff laws means loss of work, reduction of wages, destitution, degradation.

At the hearing before the committee the foreign manufacturers were represented by an importer in the city of New York, a gentleman named Rosenfeld, who read a statement before the committee in which he stated that he believed "that justice to the consumer as well as to the manufacturer may be secured by the reduction of the rate of duty in the proposed new tariff bill on linen cloth of, say, from 35 to 25 per cent, and fixing the rate of duty on the finished articles at 35 per cent." These propositions were practically adopted by the committee. They make the duty upon linen cloth 30 per cent, and they fix the rate of duty on the finished article at the figure suggested by the foreign importer.

It is worth while considering, from some of the statements that this gentleman made in his testimony, what degree of credit he is entitled to, as at his suggestion the Ways and Means Committee of the House of Representatives of the United States propose to cripple a great industry and impoverish 50,000 of my constituents. In his written statement he replies to the committee as follows:

I am not controlled by selfish interests wholly, because under the tariff act of 1890 my importations have not been diminished.

Why, therefore, not being controlled by selfish interests in the matter which he represented, he should have imposed upon the committee the grossest misrepresentations in regard to the

most material questions, is not comprehensible to the disingenuous mind. He stated that the home concerns combined to form trusts and keep up prices; that they made from 75 to 100 per cent in Troy, and that he thought a man in business ought to make no more than 35 per cent. He said the importer of the foreign articles makes 30 per cent, and he wants to make 37½ per cent.

It was shown by the affidavits of the leading manufacturers of Troy:

That the collar and cuff business is localized in the hands of about thirty manufacturing concerns, among whom there are no combinations or trusts, but, on the contrary, a sharp and spirited rivalry and competition exists, compelling the offering of the productions at the lowest prices at which they can be made.

So that Mr. Rosenfeld's representation to the committee in regard to this alleged trust did not have the slightest foundation in fact; and Mr. Rosenfeld, being engaged in the business, must necessarily have known it.

It was shown before the committee by the representatives of the home manufacturers that instead of 75 and 100 per cent profit, as stated by Mr. Rosenfeld, the manufacturers received no more than from 2 to 7½ per cent, except in some extreme styles, where the profits reach as high as 12½ per cent. In some instances, on collars, it was shown that the profit was only 2 per cent. It was shown that a certain popular German shirt, which now sells for \$13.50 a dozen less 6 per cent, gives a profit to the German importer of 26 per cent on his selling price, or 35 per cent on his cost price, and that under the proposed bill before the House the importer could sell the same shirt for \$10.80 a dozen and make the same profit. To produce this shirt at their factories would cost the Troy manufacturers \$10.34; to manufacture the same shirt in Germany costs only \$5.76. Under the McKinley bill, the duty on such a shirt, at 55 per cent, amounts to \$3.17, and with 6 per cent freight, 34 cents, leaves the net cost delivered in New York, \$9.27; and as the shirt sells at \$13.50 less 6 per cent, making \$12.69 net, it leaves the importer a profit of 26 per cent.

Permit me to call your attention once more to the fact that these shirts are sold directly to the consumer by the German manufacturer through his agent at the port of entry.

Under the bill before the House the same shirt that cost in Germany \$5.76, 35 per cent duty; \$1.91, 6 per cent; freight, 34 cents; total cost delivered at the port of entry, \$8.01, being sold for \$10.80, leaves a net profit of 26 per cent. After the payment of the duty and freight, aggregating 41 per cent of the cost in Germany, these shirts, in the store of the importer in the city of New York, represent a cost of \$2.33 less per dozen than the same goods can be manufactured for by the manufacturers in the city of Troy.

It was shown before the committee that a collar manufactured in Germany, which can be sold in the city of New York at 77 cents a dozen, less 6 per cent, would cost to manufacture in the city of Troy 81 cents a dozen.

It was shown that a collar manufactured in Berlin, which, under the present tariff, after the payment of duty and freight, sells in the city of New York for \$1.98 a dozen wholesale, sells at retail at 25 cents, or more than one-third of the cost in the hands of the importer in New York.

It was shown that collars manufactured in the city of Troy, which Mr. Rosenfeld represented as being sold for 75 per cent profit, were sold by the manufacturer at 5½ per cent profit, and that a German collar, which it costs to land in New York duty and freight paid, \$1.69 a dozen net, costs \$1.33 to manufacture in Troy in material and labor alone.

It was shown that the average profit of the home manufacturer is 6 per cent.

The home manufacturers showed that they were satisfied if they got 5 per cent profit on the greater part of the articles they manufactured. The foreign manufacturer under the present tariff gets 26 per cent, and in some instances 31 per cent profit, and he thinks he ought to get 37½ per cent. Mr. Rosenfeld, therefore, grossly misrepresented the facts to the committee in regard to the alleged trusts and combinations among the manufacturers in Troy, in regard to the cost of manufacturing their goods, and in regard to their profits.

But the most serious misrepresentation made by Mr. Rosenfeld was in regard to the wages of the German operatives engaged in the shirt, collar, and cuff industry. He stated that the wages of girls in that business in Berlin is \$8 a week. During the sessions of the committee one of the Troy manufacturers telegraphed to Germany, asking how much an operative earned a week in a German shirt factory, and the answer, which came from Bielefeld, Germany, was: "Here, from 6 to 15 marks per week; United States currency, \$1.44 to \$3.60 per week." And in reply to a similar question telegraphed to Glasgow, the answer was: "Average in Glasgow, 12 shillings and 6 pence per week for cutters and machinists," which would be \$3 per week. It was

shown by one of the representatives of the home manufacturers that in Germany a forewoman gets \$3 a week, and here a forewoman gets \$12 and \$14 a week; and one firm was shown to pay more than that.

This bill proposes a reduction on linen used in the manufacture of shirts and collars at 5 per cent. The ratio of protection afforded to shirts and collars, by reason of this reduction, is thirty-five one-hundredths of 1 per cent on shirts, and three-fourths of 1 per cent on collars and cuffs. The ratio of value of the linen in a shirt to the total cost of the shirt is 7 per cent; and the ratio of value of the linen in collars to the total cost is 15 per cent. So that the increased tariff on linen will but very slightly decrease the cost of production of these articles, and as the additional cost of production, apart from the cost of labor that enters into their manufacture, will remain the same, and as the profits of the manufacturers are now down to a minimum, whatever reductions there may be in the items of cost fall principally on labor; and hence it becomes important, in considering this question, to take into view the condition of the labor market in regard to these industries in the United States and in Europe.

The average wages of an operative in Berlin is \$2.42 a week; in Saxony it is \$1.50 a week, and in Japan \$1 a week. The consular reports show that the wages of these operatives in recent years have not varied. It appears in No. 74 of Reports from the Consuls of the United States for February, 1887, at page 377, that the wages of a female operative in a factory in Germany averages \$1.71 per week; the lowest is \$1.61 per week, and the highest \$1.87 per week; and that young girls get as low as \$1.14 a week; that male adults average \$3.50 a week.

The report of Consul Miller, in No. 88 of the Consular Reports for January, 1888, shows that a skillful seamstress can only earn about \$3 a week; and that the greater part of the families engaged in the industries to which I have alluded can not earn sufficient wages to support themselves apart from their families. He says that among a large part of them potatoes form the principal food of the workers; that a large number eat no dinner; that in the summer they live during the week on bread and herrings or sausages, and "only eat a decent meal on Sundays." In Consular Reports No. 89 for February, 1888, page 208, it is shown that female workers in the Dresden district get from 2½ cents to 3½ cents an hour, or from \$1.32 to \$1.80 per week, if they work ten hours a day.

In Consular Reports, No. 117, the consul at Mannheim, in November, 1889, shows the manner in which these women live:

The lives of those toiling in these factories are like those of all other workers in German mills—whether they want little or not they get it. They prepare soft down and feathers for others, sleeping themselves on sea grass or common straw, when not on wood shavings. They live so poorly and closely huddled together that economists, urged, perhaps, by the investigation of philanthropists, are pushing upon the attention of the government the problem of building or having built better tenements for the working classes. Their food is uniformly simple, dry rye bread being its chief part. This they bring with them to the mill and eat during the "rests," the half-hour recesses at 8 to 8:30 and 4 to 4:30. The girls in the feather factories are far from healthy. They do not wonder. The dust and dirt are suffocating and disagreeable; still, all that mechanical skill and scientific research has been able to do has, perhaps, been done to ventilate such factories.

I say "perhaps," because I doubt whether the lives of those who toil in the dirt and dust of these mills are regarded as of sufficient importance to awaken enough interest to make a search half as thorough as a scientist would make to discover the causes of some physical disturbances around some million-mile-away planet. The heartless "Was wissen, was fühlen die Leute?" (What do the people know or feel?) on the part of the manufacturers more than justifies the governmental interference, which by all kinds of legislation paternally protective seeks to put about the persons of all parts and classes of the population safeguards against danger and securities and indemnities when injured.

The consul at Glasgow reported in February, 1890, in No. 115 of these Reports, that the highest wages paid to adult women is \$3.71 a week, and the lowest \$2.16. The consul-general at Berlin reported in February, 1890, that the average of the female operatives at present there get from \$1.52 to \$2.10 a week; and in other parts of Germany it is shown, by Consular Reports, No. 153, at page 173, that the wages of an adult female worker is from 72 cents to \$3.60 a week.

The wages of a female operative in Troy would have to be reduced 60 per cent, if the bill before the House goes into effect, to enable the manufacturer in Troy to compete with the manufacturer in Berlin.

A week's wages in Berlin is \$2.40 on the average, which, with 35 per cent duty added, 84 cents, makes \$3.24. For the same labor a female operative in Troy earns from \$7 to \$8, which is the average wages paid there.

The dread of this tariff reduction has already within the past year caused a loss of \$2,000,000 of wages to the workers employed in the shirt and collar industry of Troy. The wages have remained the same, but as Troy operatives are paid largely by the piece, reduction in the volume of the products of the factories have reduced the amount paid to the employees, so that the volume of wages paid the operatives now, compared with that of a year ago, shows a decrease of 50 per cent.

The bill before the House affords no protection to the workers, as these articles are protected only so far as the rate on the article exceeds the rate on the base of supply. When the rate under this bill on linen cloth is 30 per cent and on cotton cloth suitable for collars 40 per cent, an average of 35 per cent, and the rate on manufactured collars is 35 per cent, it follows that the bill affords no protection.

Hence, I think it has fairly been shown that so far as these industries are concerned the principle enunciated in the report of the majority of the Ways and Means Committee, that "duties should be so high that our manufacturers can fairly compete with the foreign product," has been abandoned in the bill before the House. The duties under the tariff laws of 1890 have not been so high as to enable the manufacturers to drive out the foreign article, as I have shown that the importation of the foreign article has increased since 1890; and hence, the home manufacturers do not enjoy a monopoly of the trade, and do not regulate prices as they please.

If the foreign manufacturer would sell his goods at the same profit with which the home manufacturer is content the foreign product might be sold in this country, under existing laws, very much cheaper than it has been sold since 1890. Thus the "measure of protection," which, according to the committee, "should extend only so far as to create competition," is the measure of protection, in regard to these industries, which has existed since 1890, and the result of the bill before the House will be to deprive these industries of the measure of protection which has created competition and give a monopoly to the foreign manufacturer.

The American female operatives can not live upon the wages which the home manufacturers could afford to pay them, if this bill goes into effect. Their habits of life are fixed; they do not live in luxury, but they lead a comfortable existence; the wages that are paid to them enable them to live in decency and comfort, to dress respectably, to procure wholesome food, to live in comfortable dwellings and amid comfortable surroundings. To deprive them of the protection which the present tariff laws afford them will result in changing all of the present conditions under which they live, and will leave a great number of them without any occupation at all. Nor can it be said that they can find employment in other walks of life. They can not find employment in other manufacturing centers in the East.

The manufacturers of the East are not increasing. The utmost they can do is to maintain the business they have already established. The disruption of all kinds of domestic and business relations, by throwing out of employment such vast numbers of persons as will result from the passage of this bill, will cause a general unsettling of the condition of things in all walks of life in great manufacturing centers like the city of Troy, and the discontented elements of society will be increased by a large number of persons who have heretofore exercised the most healthful influence in favor of order and good government.

These employés are, or may be under existing laws, in good circumstances; they are fairly well educated; they are intelligent; they are contented, or have every reason to be contented, with their condition; they receive steady employment. If they are deprived of the protection which confers these benefits upon them, they will be reduced to the condition, and physically, mentally, and morally will soon descend to the level, of the unfortunate workers in Germany, whose unhappy condition is a never-failing source of comment on the part of the consuls in Europe.

Some philanthropists and politicians have claimed that the remedy for the effects of a low tariff would be found if the manufacturers would share with their employés more liberally the wealth which they are alleged to accumulate with the aid of labor. I think it was sufficiently shown before the Ways and Means Committee that the manufacturers of Troy have not accumulated and can not, from the small profits which they make on their products, accumulate any great amount of wealth.

While I do not undertake the defense of the manufacturers, I must say, from a personal inquiry into the matter, that very few of them within the last twenty-five years have been enabled to make more than a fair competence, as the result of more than a quarter of a century of hard work and great risk of capital, and that the severe competition to which they are subjected in these days, even among the manufacturers of our own country, has resulted in the small profits to which I have alluded and in forcing a great many concerns to go out of business, whose places have not been filled up by new industries. The time when a manufacturer might commence upon a small capital and gradually increase his business in extent from profits has long since passed away, and only copartnerships or corporations with large capital can now expect to operate with any degree of success.

The opposition, therefore, to this measure does not come principally from the manufacturers, but from the workers. The

workers will be the first to suffer; and it will be difficult if not impossible for them to obtain employment in other fields of industry. The greatest destitution, followed by the usual labor troubles which bring so much disgrace to our form of government, will inevitably result.

I do not think that politics ought to enter into the discussion of a question like this. For my part I am here to take the position which I occupy on this question without any regard to the political result to myself. At the same time I have no hesitation in saying that I believe if this bill is passed I shall be the last Democratic Representative who will appear in this House from the Nineteenth Congressional district of New York.

If this bill is passed there will be an influx of foreign-made collars and shirts at such prices as will entirely displace the American-made product, a condition of things which will inevitably continue until the home manufacturer shall be enabled to meet the competition by forcing their employés to descend to the condition of the workers of Europe and Japan. The foreign-made goods will come from Austria, from England, from France, from Saxony, and from Japan.

An immense influx of cheap goods will come from Saxony, where the labor engaged in this industry can be had for \$1.70 a week. They will come from France, which to-day has the largest shirtfactory in the world, employing 6,000 hands. They will come from Berlin and from Glasgow, where the most skillful workers in the world can be had for \$2 and \$3 a week. They will come from Japan, where collars of the most finished design and workmanship are made at an expense for labor of \$1 a week. They will come from Austria, the collars and cuffs of which are already sold in and fill the markets of all the countries of America except the United States. That country had one of the most splendid exhibits at the World's Fair at Chicago, although they have never sought the trade of the United States; and a vast quantity of the goods of that country, made at a minimum cost of labor impossible of attainment here, will flood our markets if the bill before the House should be passed in its present form.

Nor is it Troy alone that will be affected by this result. The United States census reports show that shirts are manufactured in fifty-eight towns and cities in the United States, and that there are 776 firms engaged in the business, besides a vast number of small retail dealers, who will be proportionately affected. The census reports show that the shirt factories in the United States manufacture goods to the extent of more than \$28,000,000 a year and give employment to nearly 27,000 persons.

Mr. HARTMAN. Mr. Chairman, if the gentleman from New York will allow me an interruption.

Mr. HAINES. Certainly.

Mr. HARTMAN. There are some of us who are anxious for a little further information. We are anxious to know whether that document before you, which looks like a book, is an internal machine, a Democratic bible, or simply a record of the sins and transgressions of the Democratic party. Will you kindly inform us? [Laughter.]

Mr. HAINES. If the gentleman will come close enough, he is at liberty, in a few moments, to open up the book and examine it, and he will find that in it are protests secured, irrespective of party, from my constituents to the number of between fifty and fifty-one thousand.

Mr. HARTMAN. And not secured under duress?

Mr. HAINES. Decidedly not. If any one can compel the mayor of the city of Troy, N. Y., the Democratic board of aldermen, and the Democratic board of supervisors of Rensselaer County, and every Democratic officeholder of Troy, a city of 70,000 population, and which in November last, in spite of the Republican cyclone, gave 6,000 Democratic majority—I say, if these people can be compelled, there might be some ground for such an allegation.

Mr. SIMPSON. For further information I should like to ask the gentleman if that petition is altogether from the people who make collars and shirts, or from the people who wear shirts and collars? [Laughter.]

Mr. HAINES. Both. The manufacturers, too, have offered a separate petition which will be properly placed before the committee.

Mr. HARTMAN. Does that include the people that wear socks also? [Renewed laughter.]

Mr. HAINES. It includes 16,000 people employed in making the collars and cuffs, which gives them remunerative employment at better wages and better living than is received in the same business in any other part of the world. This is their protest against being reduced to the condition of foreign pauper labor.

Mr. SIMPSON. It strikes me that this petition comes from one district alone in the United States, and as there are three hundred and fifty or more other districts where it is presumed that people wear shirts and collars, and some of them socks

[laughter], that the interests of those that wear shirts and collars are greater in the aggregate than those who make them, and if those who wear the shirts and collars should send up a petition, why I apprehend this petition would not be in it a little bit. [Laughter.]

Mr. HAINES. I fully agree with you; but I ask you who wear our collars and cuffs—and we make 95 per cent of all that are made in the United States—if there is a disposition on your part to throw out sixteen thousand laborers in my district, 90 per cent of whom are women, simply to save 1 cent on a collar, and that not against local competition, but to favor the foreigner? [Applause.]

I am convinced that, if this question was thoroughly understood, there is not an honest, loyal Representative on this floor, whether Democrat or Republican who sits here, who would permit this bill to pass until we receive in protection the amount that measures the difference between the wages of foreign countries and those we pay in this country.

Mr. BRYAN. May I ask the gentleman a question right there?

Mr. HAINES. Yes.

Mr. BRYAN. I was not permitted to hear the first part of your remarks, because I did not know you were going to speak, or I would have been here.

Mr. HAINES. Thank you.

Mr. BRYAN. I want to ask you what is the difference in cost—what protection do you ask?

Mr. HAINES. We ask the protection afforded by the McKinley bill, which, in this instance, is absolutely necessary. [Applause on the Republican side.] As I have said previously, I am not here in the interest of the manufacturers of Troy, but over 50,000 people living in one county in my district have asked me to represent them here in the manner that I am attempting to do to-night. [Applause on the Republican side.]

Mr. BOWERS of California. Will the gentleman allow me to ask him a question? I want to ask him if the protection asked for by the operatives and manufacturers of Troy is as large a per cent as the protection given by this bill to the rice-producers of the Carolinas?

Mr. HAINES. In answer to that I will say that I have not the slightest idea what protection is to be given to the rice-producers, and I have not the slightest conception as to what protection is necessary to the rice-producers; but I know the necessity of protection, and the necessity for all I ask, for the people of the Nineteenth district of New York.

Mr. BRYAN. Let me ask you, if we change the bill in the House here so as to give you the protection that you now have under the McKinley bill, would you be satisfied with the bill and help to pass it?

Mr. HAINES. Undoubtedly, if my district was taken care of.

Mr. HARTMAN. If protection to the collar and cuff industry is a desirable thing, do not you think you could shy your castor into the ring and help the boys who are trying to get protection on wool and lead a little bit also, for the purpose of preventing the throwing out of employment of thousands and tens of thousands of men engaged in those industries? If it is a good thing for you, is it not a pretty good thing for us also?

Mr. HAINES. I believe that if you, representing that interest, can demonstrate to this Democratic House that there is need and necessity for such protection, this Democratic House will give it to you.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RYAN. I ask unanimous consent that my colleague be allowed five minutes more.

There was no objection.

Mr. HAINES. The claim that this foreign competition will result in making these goods cheaper to the consumer can be shown by experience and the natural course of trade to be unfounded. The domestic competition, even under protection, has kept prices at the lowest possible point, and the evidence before the Ways and Means Committee showed that the foreign manufacturers maintained their high prices, notwithstanding the excessive profits they made upon their goods. The rivalry among the domestic manufacturers is so great that they sell these goods at prices as low as the prices for which the same goods are sold in Europe. They make smaller profits than the European manufacturers, but they pay higher wages. The foreigner will continue to sell at the same prices, and will make regular profits.

There has been no diminution of the profits of the importer since the passage of the tariff laws of 1890. He sells directly to the consumer, as I have already stated, and he can invoice his goods, under custom-house rules, at cost, plus 10 per cent, instead of at the selling price in the country from which he exports; and this rule he frequently evades by undervaluation.

The Mr. Rosenfeld who was the mouthpiece of the importers

before the committee admitted that after the passage of the tariff bill of 1890 he only raised his price 5 cents per dozen, while the duty was increased 30 cents per dozen and 5 per cent; so that either he made an exorbitant profit on his goods before the tariff act of 1890 became a law, or he now undervalues his goods and thus evades payment of part of the present duty.

The only other person who will be benefited by this bill is the dealer. The bill provides for a reduction of 3 cents apiece on collars, and 15 cents each on shirts, which will be added to the profits of the dealers. As these articles are sold under regular brands and at standard and fixed prices, according to the value, ranging for instance, at 3 collars for 25 cents, or 10 cents each; or 2 collars for 25 cents, or 15 cents each; or 3 collars for 50 cents, or 20 cents each; or at popular prices of 10, 15, and 25 cents, respectively, the dealer will continue to sell at these customary prices and be the only person besides the foreign manufacturer who will benefit by the reduction.

The home trade and the workers will further suffer a loss, if this bill is passed, by the restriction of the business of the home manufacturers. The sale of these goods has a limit, and by restricting the market of the home manufacturer, which will result in effect from the influx of foreign goods, if this bill is passed, the quantity of labor employed will consequently be greatly reduced. If the market is divided with the foreign manufacturer the amount of labor now employed in the home product will necessarily be proportionately reduced. This will be unfair to home labor for this reason, if no other, that the market was created by home labor.

Detached collars and cuffs first came into vogue in the United States, and were introduced by the manufacturers of Troy. Collars and cuffs not attached to the shirt were unknown as an article of commerce in Europe until recent years. They were first manufactured for the trade in the city of Troy, and it is only in recent years that the European manufacturers entered into the business of making and exporting them.

It follows, therefore, that if the present bill is passed the American manufacturers engaged in the collar and shirt business will have to succumb to foreign competition. The bill before the House, as I have said again and again, affords no protection.

I do not deem it necessary to discuss the arguments which have been brought forward on both sides for and against the system of ad valorem duties. The most eminent Democrats as well as the most eminent Republicans during the past twenty years, and some of the most eminent statesmen of the country, have raised their voices against the system of ad valorem duties. The manufacturers of the country have no faith in it. Its principal advocates have always been found among the agents of the importers or among the importers themselves. It has been shown again and again, from every experience and from indisputable facts, that under that system the greatest frauds have at all times been perpetrated against the Government. The system is discredited.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAINES. I trust that the House will indulge me for a moment longer so that I may be enabled to appeal to the House that this bill should not pass, or that it should be modified, at least, so far as concerns the industries for which I speak, so as to leave the tariff existing as framed under the laws of 1890. I make this appeal in the name and at the request of more than 70,000 of the inhabitants of my own Congressional district. I make it in the name of 50,000 persons in that district who will be immediately and disastrously affected by the bill. I make it in behalf of many thousands of families in and around the city of Troy. And in making it I am supported by the Democratic platforms of all the national conventions that have been held during the last twenty years. [Great applause in House and galleries.]

Mr. WOOMER. Mr. Chairman, if the question before us were not one of extraordinary importance I should cheerfully refrain from attempting to add anything to the full exposition it has received, and content myself with casting my vote in accordance with the demands of the country and my constituency. But the matter now under consideration is one of such vital interest to my native State, and to the district which elected me a member of this body, that I am unwilling to forego the right to add my protest to the many warnings that Congress has already received. The State of Pennsylvania has a right to require that her representatives in the National Legislature maintain that consistent and unfaltering attitude which has been hers from the very beginning of the protective controversy.

Much of the prosperity of that State is due to the wise and beneficent legislation of the past, much of it depends upon the continuance of that legislation in the future. It is little wonder, then, that now when her prosperity is attacked, when it is flung into her teeth that the tariff is to be reformed and that it will not be reformed in the interests of Pennsylvania, she could de-

clare, as she now does, that no such radical alteration as is proposed shall be made but in defiance of her solemn protest.

But, sir, I am not to be understood as representing the great manufacturing State of Pennsylvania as a suppliant begging for your charity to assist her to maintain a position that does not rightfully belong to her. The Representatives of the Keystone State do not come before you in any such pitiable condition; they base their right to advise and warn you upon their experience with the system you propose to destroy, and they have a right to be heard, because the history of their State records the advantages of that system and the dangers of its overthrow.

What protection has done for Pennsylvania it has also done for many other Commonwealths of this Union, and will do for such as have not already felt its strengthening aid, in the near future; and we ask you carefully to heed the lesson our experience teaches before you withdraw the protection of the Government from the great partially developed resources of the nation at the time that their need of it is most pressing. We freely admit that it is to the advantage of Pennsylvania to have the present degree of protection continued, but we deny that this makes out the charge of sectionalism that has been hurled at us, for we are convinced that the interests of our State and those of the nation are identical; that it is a patriotic thing to legislate for the national prosperity, and that no better rule exists for discovering what the national interest really is than by taking the sum total of the local interests of the many communities that together compose this country.

And if you, gentlemen, vote in sympathy with the true interests of the constituencies you represent, there is little danger that this question will be decided in the way the workingmen of America tremble to think it will be decided; for the wage-earners of the nation are following the progress of this bill with an anxiety that is pitiful in its intensity; they have never before seen such a tremendous blow threatened at their means of livelihood, and they are organizing as they never did before to impress upon you what this bill means to them. The representatives of the purely agricultural districts of the South, whose influence was all-powerful in framing this measure, do not know, they could hardly understand the distress that this wanton and untimely attack upon the industries of the country has produced; they can hardly conceive the sufferings which hundreds of thousands of men who earn their living in the workshop and the factory are now undergoing; they can not realize the poverty that has come into manufacturing centers with the closing of the mills and the barking of the furnaces.

It seems to me then that this issue can be decided without any reference to economic arguments. The first duty of Congress is to alleviate the almost universal distress which the fear of its probable course has caused by giving back to the workingmen the opportunity to work, to earn the wages that will give bread to them and their children. These are not the times to indulge in experiments with the system upon which our industries are founded. For more than thirty years the business interests of the country have adjusted themselves with reference to a definite, consistent policy on the part of the Government. Capital has been lavishly invested in these industries upon the assumption that the same policy was to continue: employers have regulated wages with regard to it, and by reason of its beneficial influence the American wage-earner has accustomed himself to a standard of comfortable living which none of us I think has any wish to lower.

These considerations should surely be sufficient very strongly to impress us with the danger of doing anything to disturb the basis upon which so much depends. The possibility of such a disturbance, with its far-reaching consequences, is something from which the wisest might shrink in the most prosperous times after having taken the greatest precautions; and heedlessly and deliberately to aggravate distress when the manufacturers of the nation are reeling under the mere threat of the assault made upon them, when armies of unemployed men are looking wistfully toward Washington as their only hope, is worse than unstatesmanlike; it is wicked and criminal.

We are told, however, as an unanswerable reply to any criticism of this bill, that it is merely in obedience to the express command of the American people. Ever since the Presidential election in 1892 it has been dinned into our ears in the press and upon the floor of Congress that the Democratic party has been intrusted with a mission by the voters of this country to apply its peculiar ideas to the tariff question, and it has been calmly assumed that the election of the present Administration was an unqualified sanction of the radical declarations of the Chicago platform; a reference to this supposed popular indorsement has been thought sufficient to close all debate upon the question. I deny that any such mission was given by the people to the party in power, and insist that the popular verdict of 1892, whether taken by itself or in the light of subsequent events, can not be regarded

as an expression of discontent with the tariff policy of the Republican party.

We all have heard the story of the Athenian citizen who voted to ostracise Aristides because he was tired of hearing him called "the just;" and it was much this same sort of feeling that led to the defeat of the Republican party in the last Presidential campaign. The people well knew that party had proved equal to every one of the great responsibilities imposed upon it; that for more than thirty years it had given to the country the greatest prosperity any nation had ever known; that it had solved problems more difficult than those any other party had ever been called upon to solve, and in the belief that their prosperity was so firmly established as to be impregnable against any assaults, they listened to the cheap promises of the Democratic party and yielded to its request for a trial. The unfortunate labor troubles of that year contributed to this result, but it was principally due to apathy and restlessness; the people voted for a change, hardly knowing why they did it.

The lack of any foundation to the notion that this Administration is authorized to convert its tariff theories into legislation is completely shown by the defeat of the party in control in last fall's election; when the voters of the United States realized that their vote had been misunderstood, their carelessness misinterpreted, they were prompt to set themselves right and declare as emphatically as they knew how what their real views on this question are. However the results of 1892 can be construed, the vote of last November can bear but one interpretation; the only national issue involved was the question of tariff reduction, and the people recorded their decision in unmistakable terms. In the deplorable condition of business to-day you have no right to go on with a measure that has been condemned in every State where an election means anything; you have no right to pass an act which the people have warned you they will never allow to become permanent.

It is not, after all, strange that a party which for a third of a century had been debarred from control of the Government should persuade itself that its return to power marked an epoch in history, and ascribe an undeserved importance to such an unexpected and unfortunate event. It is still less strange than this that the people have discovered as soon as they have that such a long freedom from responsibility has developed, as might have been foreseen, a very high degree of incompetency in the Democratic party to introduce measures of any lasting value. The pity is that the crude attempts of this inexperienced and untrained party are far from harmless, but that they fall with crushing force upon the industries which have been developed and can only be continued by adhering to the views of their opponents.

I am one of those who believe that the protective system should form a permanent part of our national policy; for while I admit that industries begun by its assistance should become independent after the period of their infancy is passed, yet in the varied industrial development of a country so rich in resources and an age so pregnant with mechanical inventions and improvements as our own, there must inevitably be at all times some new industries, or new forms of those already carried on, that stand for a time in need of protective aid, though in the future they may be successfully pursued without it. Were there nothing else in this question than this, the idea of a permanent protective duty in any single industry might be excluded, but another factor of the greatest importance enters into the question and causes us to arrive at an entirely different result.

Since the Morrill tariff marked the beginning of substantial protection there has been a steady rise in the wages paid to American labor. Wages have reached a point that permits those who receive them to enjoy a measure of comfort unknown to the workingmen of other nations; the American wage-earner is well able to provide himself with many articles that not long ago were considered luxuries in this country, and will for many years continue to rank as such in others; his children are spared from the obligation to labor at tender years, and are given an education that affords them an equal start in life with those of wealthier citizens; he enjoys shorter hours of work, and has better opportunities to improve his leisure and condition than his fellow-workman across the ocean. It is the most vital interest of the nation that this gratifying condition of things be continued, and it can be maintained in no other way than by keeping wages at their present figures.

But, with the invasion of foreign competition invited by this bill such a thing is impossible. Manufacturers will be compelled to reduce the wages of their employés to meet the cut-throat prices of foreign competitors. This bill gives to the manufacturer the alternative of dismantling his plant or of lowering the wages of his working people, and of the two evils it is hard to say which is the lesser to the workingman. That the wage-earner will be compensated for his diminished returns by

any corresponding increase in his necessary outlays is untrue. The fact that the very commodities which enter most largely into the cost of living are those to which the free-traders direct this country to devote all its powers indicates its falsity, and the statistics in the most careful examinations of the subject within my reach—the Senate report on retail prices and wages—is absolutely conclusive. It is at least beyond disproof that the higher wages are the greater is the margin for saving, and as this margin is not expended but invested, workingmen will require some proof that the interest on their savings will be increased by this bill in the proportion that their chances for accumulating them are diminished, before they are ready to accept it.

Another argument very frequently employed among the farming communities is that this increase in the rate of wages comes directly out of the pockets of the agricultural classes. The higher prices that persons employed in one protected industry may have to pay for the articles produced by those engaged in another industry also protected are made up, it is admitted even by the free trader, by the higher prices that they in turn receive from the rest of the public; but it is alleged that in the last resort what our friends choose to call "the tariff tax" falls upon the farmers. This conclusion will not, however, bear examination; the farmer receives his share of the benefits of protection equally with the other wealth producers of the land, and indeed the articles for which he pays a higher price because of a protected system are so few and the increase is so inconsiderable that the advantages are overwhelmingly on his side; he receives a direct and substantial benefit in the exclusion from the home markets of many articles of which wool, potatoes, eggs, live stock, and the like are instances, which, if imported free, would force him into an unprofitable competition.

What is of much greater service to him is the home market that the protective system gives him at his very door. The establishment of every manufacturing town, of every industrial plant, opens a market to the adjoining farmers where they can dispose of their products at good prices with little or no charge for transportation; it enables them to diversify the productions of their farm, and to place less reliance upon the great staple crops like wheat and cotton, in which they must compete in the world's exchanges with the poorly paid Egyptian fellah and the Indian ryot; they are able to go into the business of raising small fruits, truck, poultry, and many products for which a manufacturing community offers a remunerative market; and finally, they are guaranteed against overproductions and overcrowding of their business by the manifold opportunities that diversified industries create for labor. It is a matter worthy of the most serious consideration of the farmers of this country, to calculate what the effect of the return to the soil of the millions of persons now engaged in protected pursuits would mean to them, and this is the logical result of the adoption of a system that would narrow the present numerous fields of national industry.

The protective system is strongest when viewed as a whole. It provides for the most varied forms of industrial activity; it seeks to distribute the gifts of nature among the largest number of recipients, and to give to each a fair and equal chance with any other to enjoy his part of the national prosperity. It is perfectly possible to lay one's finger on this or that branch of the system, and by excluding everything not directly affecting that particular subject to arrive at an unfavorable result. This was the ingenious course of the Democratic party with what has been well called their popgun policy in the Fifty-second Congress; but it is manifestly unfair. The interdependence of manufactures and agriculture and trade and transportation must all be considered; and never before was this correlation of the different branches of industry so well illustrated as to-day, when the farmer must sacrifice his crops at ruinous prices, the storekeeper close his store for want of business, the railroad manager discharge his hands and reduce his service, and the banker contract his discounts and withdraw his aid because of the blight that the fear of tariff changes has brought upon the manufacturing industries of the nation.

The sympathy of all industries with one another, and the effect upon the whole of an injury to any part, is foreign to the ideas of the writers on political economy whose views we are bidden to accept as final upon this question; their writings reflect the conditions of industrial society as it existed in the past much more accurately than they do the conditions with which we have now to do, and these dogmas are very materially qualified when applied to modern business conditions; at best they are tendencies rather than laws, and recent industrial history has shown us that these tendencies are often checked and not infrequently completely arrested by the present industrial methods. We have to-day to do with the regulation of competition and production in the place of the unrestricted competition of the theorists; we know that manufacturers will and do sell their

goods at unusually low prices to gain or keep control of markets against competitors; we know that the importer very often pays a part or the whole of a customs duty without making a proportionate increase in the price of his wares.

All these things are opposed to the teachings of the old political economists, and are but a few of the many instances that might be given. We have to-day, in a word, a highly complex business and industrial organization with which Mill and Adam Smith were not acquainted; an artificial organization as compared with the society upon which their arguments rest, and we must deal with them artificially. The "let alone" doctrine is unsuited to these times, and the advocates of it and not we are yet in darkness; we decline all their sympathy with our supposed economic ignorance in the full confidence that our would-be teachers will some day pay a little attention to the facts and appreciate the changes that have taken place. If for the present they will only refrain from invoking these antiquated documents as inspired and infallible authorities we shall be content.

I know of no better illustration of the mutual benefits that accrue to a whole community from a protective tariff than the experience of the section with which I am most familiar; it reflects very accurately the varied industrial life which that system has so successfully introduced upon a larger scale throughout the country. The proportion of persons engaged in agriculture to those employed in manufactures varies somewhat in the three counties which I represent, but the totals may roughly be taken as equal; of those not engaged in farming fully two-thirds are directly dependent upon some form or other of the iron industry; in my own county are situated the famous Cornwall mines, which have now been worked for more than one hundred and fifty years, and still form the richest and most accessible ore supply in the seaboard States; iron-ore mining was naturally the first industry of any consequence established, together with the closely related manufacture of pig iron from the ore so mined. From this small beginning there arose in time other manufactures, but these were insignificant until the iron industry first received its deserved protection in 1861; since that date almost every form of the manufactures of iron has been established in the close vicinity, until the Congressional district now contains not only the large number of blast furnaces and rolling mills which perhaps might be expected in a locality so favored by natural advantages, but establishments for the manufacture of steel rails, malleable iron, bolts and nuts, chains, nails, agricultural implements of no less importance.

We have several plants that are either the largest or among the largest of the kind in the United States, and which never would have been established had it not been for the protection that the Republican party afforded them. Now, the men who earn their wages in these mines and mills and manufactories, and the neighboring farmers who supply their tables are not willing to come down to the scale of wages which the distinguished gentleman from Texas [Mr. KILGORE] spoke of as prevailing in that State. If they were they might be willing to accept this bill.

It was said, I think, that ten or twelve dollars a month was considered a very fair average income in Texas, and that on little more than double that amount the gentleman's happy constituents reveled in luxury. The farmers and workers that I represent have fortunately thus far been spared from the effort to live upon such limited means, and I am very greatly mistaken if they have any wish to attempt the experiment. The workingmen of my district know that their wages steadily increased under Republican rule, that work was plentiful, and that under the latest developments of protection in the McKinley act markets had been opened up with the South American countries that promised them a new era of increased prosperity. The farmers know that under this same Republican rule, although the prices of some of the staple crops had either fallen or remained stationary, the value of the annual products of their farms steadily increased, because they were able to put more and more of their land into other crops to supply the men employed at the near-by mills and factories, and that the price of every article they used steadily declined, and they, too, are unprepared to live upon the Texas scale, from which they are exempt as long as the neighboring industries are prosperous; they, too, are very anxious that the duties protecting those industries should not be diminished; nor do they make an exception in the case of the duty on iron ore.

It is assumed by many gentlemen on this floor that the remark that ore is a raw material fully and finally answers any plea for the retention of the duty upon it, but so is everything raw material to a manufacturer who produces a more highly finished product than the last was, no matter how many processes it may have gone through, or how much labor may have been expended upon it before it reached his hands; something more than this is required before we can refuse the demand that the wages of

the workingman shall not be reduced by any act of ours. He is entitled to be protected, whether he labors in the ore mines or in the steel mill or in the woolen factory. The miner differs from more skilled mechanics in degree and not in kind, and is as well entitled as they to have the reward of his labor maintained.

If we once admit that it is desirable to keep wages at their present rate it is the rankest injustice and discrimination to except the laborers in the mines from the advantages of the tariff. It is a more serious objection that labor of this class is often performed by those foreigners who are least welcome in our country, and it is almost the only encouraging incident of the present depression that these gentry have been driven back to their native lands by lack of work and must cross the Atlantic before they can again secure employment here, and Congress will not do its duty if it does not take this favorable opportunity to prevent this undesirable foreign element from again coming into ruinous competition with American labor, by enacting more stringent immigration laws.

Thus far only the wisdom of the policy upon which this bill rests has been considered, but the methods by which the results sought are attempted to be obtained are no less open to criticism. If the Democratic theory that the American people authorized the present proposed measures by their vote in 1892 be correct, then the popular instructions are to be found in the platform of that party, and it has been given no discretionary power to alter the line of action there set forth. We learned from that very interesting document, the tariff plank in the Chicago platform, that duties are to be limited to the supply of the revenues required for the necessities of the Government economically administered; that is, the people have, according to the Democratic supposition, directed a reduction of tariff duties only when the revenues derived from them exceed such necessary expenses, but in place of any such surplus of revenue we are confronted with a deficit of seventy-five millions even with the present receipts from customs duties. Where, then, is the popular mandate that justifies a bill providing for a further reduction of fifty millions in these already shrunken receipts?

Our contention is that the proper course for Congress to pursue under these circumstances would be to refuse to make any change in the tariff laws now upon the statute book; with the revival of prosperity and public confidence that such action would insure, we could look forward to an increase in the revenues to their normal figure, and there would be no occasion to devise any untried methods for supplying a deficit, simply because such a deficit would not then exist. We may note again that the expenses of the Government in the Chicago platform are to be only those of a government economically administered. There has been no serious effort made to fulfill this pledge but in one branch of the national expenditure, and that the last that should have been touched.

The obligations of the Government to its pensioners are of too sacred a nature to be lightly and recklessly broken, and whatever the frauds that have been perpetrated in this respect may be, and the Administration has been very unsuccessful in finding many such, it is my deliberate conviction that the manner in which the economy in the Pension Bureau has been affected is one of the greatest national disgraces of our history; the methods employed were mean and unworthy of a great Government; suspensions and removals from the list were attended with the most scandalous injustice, and the results attained are trivial. I do not suppose that there is a member of this House representing a district north of Mason and Dixon's line who could not give numerous cases in which deserving veterans have had the pittance they received from the Government stopped or reduced upon the most frivolous pretexts, where the unjust conduct of the Government has deprived a worthy soldier of his sole means of support and reduced him to beggary.

I could certainly give many such instances that have come within my own limited experience, and this, I repeat, has been the only serious effort of the party in power to reduce the expenses of Government. Again, if we are to look to the Democratic platform of 1892 for the terms of the contract upon which that party was given control of the country, we find still greater difficulty in understanding how even the least incidental protection is permissible, much less the avowed protection that this bill gives to certain industries which have been fortunate enough to obtain the favor of its authors. Where do the gentlemen derive their right to recede a step from their instructions? If the tariff is unconstitutional and a robbery, by what right do they tamper with the evil? Their duty is plain, and upon their theory the responsibility is with the people; they have declared that protective duties should be immediately and entirely eradicated, and yet they have introduced a measure just consistent enough with their promises to produce the maximum amount of

harm, and yet falling far short of what their platform announced their policy to be.

The attempt to balance the different constructions that the Democratic platform is capable of has resulted in a scheme that is consistent with neither of them. They have not dared to live up to one interpretation of it, and frankly say that with the present deficit in sight they are not bound to remove any of the present duties. Neither have they dared to carry their ideas to the other extreme, and give the country a tariff for revenue only. The gap that their equivocal policy creates between the receipts necessary to carry on the Government and those provided by this bill is to be filled by the iniquitous income tax. No one knows what this tax will produce, and no one seems to care; something was wanted to fill the void in the National Treasury that will be created by this measure, and this tax has been tossed in in want of something better to fill it. A new set of revenue officials and an annoying inquest annually into every man's private affairs is to be forced upon the country because the Democratic party has not the courage of its convictions.

Another great defect of this measure, in the substitution of ad valorem for specific duties, has been fully pointed out in this debate, and its many dangers shown. It is unnecessary to say anything further to show that this bill is, as might be expected from the work of a party whose business it has been to criticize and destroy what wiser men have created, a half-hearted, inconsistent, incomplete measure, a Janus-faced god looking toward free traders and protectionists, and not forgetting to squint incidentally at the Populists. We can briefly describe it when we say that it is characteristic of the dominant party, and that implies that it has reached the lowest depths of incompetency.

Gentlemen, many of you must already realize that your triumph will be but short-lived. You received your quit-notice from the country but a few months ago; you know well that the return to power of your opponents is imminent, and you are now on the point of enacting a law that is manifestly unfair to the most important industrial interests of the nation. You have taken good care to protect the Southern planter, but the Northern manufacturer and the Northern farmer have asked in vain for your consideration. It may be worth your while to reflect that when this question comes up again before a House whose disposition will be very different from this one, your statements and your votes may be taken as conclusive evidence against you and yours.

The Republican party will always be true to its record. It will treat this matter as it always has treated it, in a thoroughly broad, national way; but it may in the future have no other recourse than to accept what you, and your constituents through you, assert to be the principles that should govern the tariff policy of the nation, and the Republican party perhaps will not be willing to accept the exceptions to these principles that you are now making in favor of your particular local interests. It therefore will be well for you to assure yourselves of the interests of your constituents and to think very carefully before you misrepresent them. [Applause on the Republican side.]

Mr. PENDLETON of Texas. Mr. Chairman, it is said that death and taxes are the only two absolutely certain things, but to these may be added another certainty, and that is that no bill which promises any substantial relief to the tax-burdened people will meet the approval of the tariff-protected industries. So that those who imagine it possible to frame a measure to satisfy both taxpayers and tax-eaters had as well dismiss the pleasing illusion. The tariff is a tax, and taxes must be paid if the Government is to be supported. If we were just now beginning our national existence, without the Constitution and without a fiscal system, and were trying to raise the necessary revenue in the way fairest to the people and most impartial in its treatment of all industries, many thinking and fair-minded men, after the experience of one hundred years, would hesitate before consenting to any tax on imports. Other things being equal, that country will make the most rapid growth where a free people are governed by just and equal laws; where production is not burdened by heavy taxes, nor distribution misdirected by discriminating legislation.

The dominant party has before it two imperative duties, first, to reduce the burden of taxation; next, to adjust that burden so that it will be equally borne by all, as nearly as is possible, under any system deriving its largest revenue from the tax on imports. From the foundation of the Government to the present, under all parties, the Government has derived its largest support from its customs duties. The reasons originally urged for these duties were the necessities of the Government and the duty to aid our struggling industries. Temporary protection was advocated by one party and acquiesced in by many of the leaders in the other, and surely if it was ever defensible it was at the beginning of our national existence, when we had not only inaugurated a separate Government, but had adopted a theory in gov-

ernment which was a threat to monarchical institutions and excited their profoundest apprehensions.

Our people then felt themselves compelled to subordinate theories to emergencies, and prepare for inevitable collisions with those European nations who had not yet been taught to respect our rights and fear our strength; but, Mr. Chairman, the Government was cheaply administered and our demands for revenue so much smaller then than now that from the beginning up to 1860 our entire expense did not during that time exceed \$2 per capita per annum. The manufacturers thought a modest tax of 10 or 20 per cent per annum would be amply sufficient to cover the difference between European and American wages, and confidently looked forward to the period when even this small measure of protection could be dispensed with; but now, after one hundred years of national existence and thirty years of Republican rule, we find these puny infant industries, grown to lusty manhood, declaiming more loudly than ever the necessity for continued protection.

Protection and higher protection have gone hand in hand with extravagance and greater extravagance, and, Mr. Chairman, one of the worst features of the protection theory is, that while the masses favor cheap government, the entire body of manufacturing industries favors costly government, because that means high tariff, and high tariff means larger profits for the manufacturers. A recent instance is the conduct of the Republican party under Mr. Harrison. Mr. Cleveland left a surplus of one hundred millions. The Republicans had a golden opportunity to lighten the burdens of the people, but it answered their petitions by increasing their taxes, and got rid of their surplus by adding to their expenses. "We asked for bread and they gave us a stone."

The Republican theory assumes the right to direct the course of industry by taxing some for the benefit of others. It makes some less profitable in order to make others more profitable. This is a dangerous power in any government, but especially in a republican government where equality of rights should be as closely allied to equality of conditions as may be obtainable under just laws. We see before us the natural and inevitable consequence of such pernicious theories. Protected by the ocean from the aggressive designs of other powers, blessed with cheap and fertile lands, and enjoying a larger measure of freedom than any other people, our progress has been more rapid than any other in all history. The people have spread over and conquered a continent, and wealth has accumulated beyond the dreams of the miser; but, Mr. Chairman, when we inquire how this wealth has been distributed we find that thirty thousand people own one-half of it, and sixty-three millions of people own the other half.

While a few are reveling in law-made wealth, thousands, ay, millions, are suffering for the necessities of life, and many throng the streets and beg for bread. I grant you, sir, that some men will not thrive under the best government, and that others will thrive under the worst governments; but all men are entitled to just government. Inequalities in condition are inseparable from human affairs; though deplorable, they are unavoidable, but surely legislation ought not to accelerate this tendency.

I leave to those who have better opportunities and more aptitude for statistics to show the exact comparative growth in wealth of the different sections in the last decade, but I state a proposition which I think will not be denied when I say that the manufacturing have vastly outstripped the agricultural regions in the race for profit, and when we have traced this increased wealth we will find that it has not lodged in the pocket of the laborer, but in the strong box of the manufacturer.

As the danger from foreign cannon no longer alarms us, we are now told by our Republican friends that the present danger is foreign cheap labor, and against this we must level our legislative artillery. We are told that a high tariff is necessary to enable the manufacturer to pay high wages and compete with the pauper labor of Europe.

High tariff means high prices to the consumer, and three-fourths of the workingmen engaged in unprotected industries are taxed and made less prosperous in order to pay higher wages to the other fourth; but, Mr. Chairman, after having a tax laid ostensibly in their interest they are denied the benefit of it, for the law kindly turns it over to the manufacturer, and he scours the market and stands upon the seashore beckoning to the landing immigrant to come and work in competition with his high-priced American brother.

If pauper labor is so despicable in Europe, why should it be so lovable when it lands in Castle Garden? If the Republican party is really so much in love with the American laborer, why does it not, after taxing all the people for his ostensible benefit, follow the tax into the factory and see that it is equitably distributed among its beneficiaries. True, it would savor of pater-

nalism, but not more so than the entire protective theory. The Republicans claim that high tariff and high wages are inseparable, and that the one is indispensable to the other. The Democrats say that this contention is neither correct nor just. They say that high wages do not necessarily follow from high tariffs, and if they did it would not be right to lower the wages of three men to add to the wages of the fourth. To escape this proposition the Republicans say that high tariff means not higher but lower prices. If it means lower prices what becomes of the workingman for whom they profess so much solicitude? Is it possible that it brings both lower prices and higher wages? And if the manufacturer has to pay higher wages, and take less for his goods, where does his profit come in?

Mr. Chairman, the American people can no longer be deluded with such indefensible pretenses. The value of products has for many years suffered a gradual, sometimes a rapid decline, but this decline is world-wide, and is not confined to protective tariff countries. Goods are cheap here, but cheaper still beyond the tariff wall. If this were not true the manufacturers themselves would assist to level the wall so that their cheaper goods could go out and compete with the world.

Reciprocity has been for several years a favorite word in their mouths. Protection and reciprocity in their abstract meaning convey ideas that are very dear to the American heart, but as reciprocity is applied by the Republican party it means high-priced goods for the American consumer and cheaper goods for the foreign consumer. It means that the American manufacturer shall have the American market free from competition with the European market, but that he may take the same class of goods to South America and then sell them for less money in competition with the European market.

In fact, the modern article of reciprocity seems to have been invented solely for the benefit of the foreign consumer and the American manufacturer, and in the transaction the great mass of burden-bearing American taxpayers are forgotten. Another fear agonizing the Republican party is that if the tariff bars are let down a flood of cheap foreign goods will be let in, and the people will buy too many of them. It would naturally follow that they would buy more, because the same amount of money would purchase more; but, Mr. Chairman, is not the average American citizen capable of running his own business, and can he not wisely determine for himself how to spend his money after he has made it?

This is the Democratic theory, but the Republicans seem to think it a province of the Government to build up certain industries, to give certain classes higher wages, and finally to direct the purchases of the people and protect them from overconsumption. This is paternalism pure and simple, and it is not wonderful that a party which advocates such doctrines should be the author and advocate of every plan which has been proposed to enlarge the power of the General Government at the expense of the State and individual citizen.

The sole reliance for the continuance of our free institutions is the capacity of the individual for self-government. This power can only be preserved and increased by letting him absolutely alone, protecting him in all his rights, and taking from his toil as a tax only his fair pro rata of the necessary levy. It is not our province—

To scatter plenty o'er a smiling land
And read our history in a nation's eyes.

Plenty is created by industry, and its creator should be allowed to scatter or keep it just as he prefers. Under Republican rule wealth has rapidly increased, but production has been abnormally increased and made more profitable in some industries, and heavily burdened and made less profitable in other directions. The result has been to concentrate enormous wealth with certain individuals and classes, and to deprive larger classes of their share in the prosperity. Men have opened their eyes to these conditions. In the manufacturing States we find that the workingmen, for whom the Republicans profess so much solicitude, are compelled to combine in societies to secure their shares of the profits voted to them out of the pockets of the American people, but grudgingly given, and often refused by the manufacturer.

In the West and South, in the wheat and cotton regions, we find every year more hard work and less profit in productions. They are compelled to make their products for sale in a foreign market, in competition with the cheap labor of the world, but to return home and buy their goods in a protected market. They toil from year's end to year's end and their profits, if they make profits at all, are growing smaller and smaller. Such a condition must result in discontent. We want just and equal laws that will compel every man to bear his own burden, but protect him from bearing the burden of others. We want our intelligent American citizenship to rely on their cultivated minds and brawny arms and not on the Government at Wash-

ington for their prosperity. Agriculture, commerce, and manufactures, the great sources of our prosperity, will reach their best and most healthful development when neither fostered nor hindered by special legislation.

In 1860 at least three-fourths of our carrying trade was done in our own vessels; now after thirty years of protection our merchant marine is reduced to a beggarly 15 per cent. After a few more years of such protection the American flag will be driven from the ocean. The former incumbent of the Presidency, for whom the people, without regard to party, entertain a genuine respect, said in one of his many able speeches made in the campaign of 1888, that the Democrats were "students of maxims, not of markets." His meaning, of course, was that the Democrats were theoretical, not practical; and that the Republicans were the practical business men, the students, and makers or discoverers of markets.

As a fact Mr. Chairman, where are the markets they have opened to us? In the words of Mr. Blaine the McKinley bill has not found a sale for "a bushel of wheat or a pound of pork;" but, sir, perhaps they will claim that the purpose of the protective policy is to find a home market for our raw materials and food products, and a foreign market for our manufactures. Let us see what success they have made in this. We now consume about two million bales of cotton, and the annual product is more than eight million bales. If it has taken one hundred years to reach this point, at the same ratio it will take over three hundred years before the cotton can all be consumed at home.

The manufacturer enjoying a comfortable seat on the prostrate form of the cotton raiser can say: "Be patient, my friend; the good time will come in the sweet by and by, three hundred years hence; only work for us until then, and then having become rich at your expense we will allow you to make something for yourself." But Mr. Speaker, this is a very uncomfortable position for the under man to occupy, with nothing to feed on but promises that may not be redeemed until the judgment day. Now let us see about a foreign market for manufacturers. I have an official report from the Bureau of Statistics which shows that from 1847 to 1860, fourteen years, the percentage of exports of manufactures of cotton, iron and steel, leather and wool were 5.22 of the whole; from 1880 to 1893 the percentage of exports of these articles had risen to 5.61 per cent or a net proportionate increase of .39 per cent.

Now, if it takes us at the period of our greatest national activity thirty-three years to make an increase of .39 per cent, it is easy calculated how long it will be before we sweep proud Britannia from the ocean, and again the under man in the intensity of his agony may gasp between breaths and say, "Oh, Lord, how long."

The pending bill, Mr. Chairman, bears hard on the section which I have the honor in part to represent, because it puts raw materials on the free list; and in my ignorance, perhaps, of the correct principles which underlie a revenue tariff, I have never been able to see any good reason why we should not collect some revenue from every article that passes through the custom-house; yet believing that the present measure is better for the whole people and more just than the law which it is designed to supplement I shall vote for it, reserving the right to support amendments intended to perfect the bill.

Loving my country without regard to class, section, or party, I rejoice in its prosperity, and while the wealth of the manufacturer is largely the result of favoring and discriminating legislation, yet they are our people, and their wealth is our wealth, and in changing from favoritism to justice the changes should be so gradual that they can adapt themselves to the change without serious injury or financial and commercial paralysis, and I believe that the moderate bill now under consideration will accomplish that purpose. The entire people are waiting upon our action, industry is inactive, commerce is waiting, enterprise is suspended, suspense is continued injury, certainty of any sort is beneficial.

We know our duty, and we know that duty and interest point in the same direction. Let us lighten the burden of agriculture, unfetter commerce, strike the shackles from all industry, impose the same burdens, and give the same privileges to all. Give them all an open field and a fair fight. Reduce expenses, reduce taxes, and inaugurate a just, honest, and economical Government, and when we return to our homes we will deserve and receive the plaudits of the people. [Applause on the Democratic side.]

During the delivery of the foregoing remarks, the time of Mr. PENDLETON of Texas having expired, on motion of Mr. KILGORE, it was extended ten minutes.

[Mr. CURTIS of New York addressed the committee. See Appendix.]

Mr. KILGORE. I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose, and Mr. BROOKSHIRE having resumed the chair as Speaker *pro tempore*, Mr. RICHARDSON of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4864) to reduce taxation and to provide revenue for the Government, and had come to no resolution thereon.

Mr. KILGORE. I move that the House do now adjourn.

The motion was agreed to.

And accordingly (at 10 o'clock and 43 minutes) the House adjourned until 11 o'clock to-morrow morning.

PUBLIC BILLS AND RESOLUTIONS.

Under clause 3 of Rule XXII, bills and resolutions of the following titles were introduced, and severally referred as follows:

By Mr. PASCHAL: A bill (H. R. 5099) for appropriation of \$40,000 to repair, improve, or erect buildings at Government military post at Del Rio, Tex.—to the Committee on Military Affairs.

By Mr. RICHARDSON of Tennessee: A bill (H. R. 5100) to appropriate Government land for a cemetery, and for other purposes—to the Committee on Public Buildings and Grounds.

By Mr. BELL of Colorado: A bill (H. R. 5101) to provide that neither of the United States district land offices at Hugo or Lamar, in the State of Colorado, shall be abolished or consolidated, and for other purposes—to the Committee on the Public Lands.

By Mr. BALDWIN: A bill (H. R. 5103) to amend an act entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota"—to the Committee on the Public Lands.

By Mr. CONN: A bill (H. R. 5104) for additional appropriations for a public building at South Bend, Ind.—to the Committee on Public Buildings and Grounds.

By Mr. RITCHIE: A bill (H. R. 5105) to purchase, inclose, and improve the sites, or portions thereof, of certain forts, battlefields, and graves of American soldiers, sailors, and marines in the Maumee Valley, and to erect thereon appropriate monuments and commemorative tablets—to the Committee on Military Affairs.

By Mr. LOCKWOOD: A bill (H. R. 5106) to provide for the construction of a bridge or tunnel across Niagara River—to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5107) for the necessary and better protection of American labor and enforcement of the law of domicile, and the restriction of immigration—to the Committee on Immigration and Naturalization.

By Mr. HAUGEN: A joint resolution (H. Res. 107) directing the Secretary of War to appoint a commissioner of engineers to examine and report upon the cost of deepening the harbors of Superior and Duluth and their extremes to a uniform depth of 20 feet—to the Committee on Rivers and Harbors.

By Mr. RICHARDSON of Tennessee: A concurrent resolution to print 8,000 copies of the report of the Fish Commissioner for the year 1893—to the Committee on Printing.

By Mr. MC LAURIN: A resolution to place Granville Tenant on the roll of the Doorkeeper as a page—to the Committee on Accounts.

PRIVATE BILLS, ETC.

Under clause 1 of Rule XXII, private bills of the following titles were presented and referred as follows:

By Mr. AITKEN: A bill (H. R. 5108) empowering and directing the Secretary of War to furnish two pieces of condemned cannon to Lakeside Cemetery, Michigan—to the Committee on Military Affairs.

By Mr. BARTHOLDT: A bill (H. R. 5109) granting a pension to Margaret Meyer—to the Committee on Pensions.

By Mr. BRODERICK: A bill (H. R. 5110) for the relief of Jennie E. Jones—to the Committee on Claims.

By Mr. CABANISS: A bill (H. R. 5111) for the relief of John I. Patman—to the Committee on Pensions.

By Mr. CONN: A bill (H. R. 5112) for the relief of Mrs. Mary E. Cole—to the Committee on Invalid Pensions.

By Mr. CRAWFORD: A bill (H. R. 5113) for the relief of Enoch Voyles—to the Committee on Military Affairs.

By Mr. HERMANN: A bill (H. R. 5114) for the relief of William A. Starkweather, of Oregon—to the Committee on Claims.

By Mr. MAGUIRE: A bill (H. R. 5115) for the relief of James L. Ord, late acting assistant surgeon, United States Army—to the Committee on C aims.

By Mr. MCKAIG (by request): A bill (H. R. 5116) for the relief of Reuben A. Hurley, of Montgomery County, Md., administrator *de bonis non* of A. F. Hurley, deceased, late of Lyon

County, Nev., for stores and supplies furnished by the decedent to the Utah volunteers in 1860, during the suppression of Indian hostilities, as found by the Court of Claims and the War Claims Committee of the Fifty-first and Fifty-second Congresses—to the Committee on War Claims.

By Mr. MARTIN of Indiana: A bill (H. R. 5117) to correct the military record of Frank G. Gardner—to the Committee on Military Affairs.

Also, a bill (H. R. 5118) increasing the pension of Lewis H. McCaskey—to the Committee on Invalid Pensions.

By Mr. SHERMAN: A bill (H. R. 5119) for the relief of John H. Fralick—to the Committee on Claims.

By Mr. STONE of Kentucky: A bill (H. R. 5120) for relief of the legal representatives of Carroll Winters, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5121) for the relief of H. P. Bennett—to the Committee on War Claims.

PETITIONS, ETC.

By Mr. ALDRICH: Protest of Edward B. Bacon and 55 others, employés of Clement Balne & Co., wholesale clothiers of Chicago; of James F. Shields and 42 others, employés of Henry W. King & Co., wholesale clothiers of Chicago; and of J. L. Howe and 24 others, employés of E. Rothschilds & Bros., wholesale clothiers of Chicago, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of E. S. Roberts and 80 others, miners and workingmen of the Menominee iron district, Michigan, protesting against the placing of iron ore on the free list—to the Committee on Ways and Means.

By Mr. APSLEY: Petition of Samuel Irving and 4,038 others, of Fitchburg, Mass., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 124 employés of Abbott & Co., of Forge Village, Mass., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. BALDWIN: Petition of workingmen and citizens of Ely, Minn., asking for a reduction of tariff on iron ore—to the Committee on Ways and Means.

By Mr. BARWIG: Petition of citizens of Jefferson, Wis., remonstrating against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of the Copeland & Ryder Shoe Factory, at Jefferson, Wis., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. BLANCHARD: Petitions of citizens of Louisiana and Texas, for improvement of Sabine River, in Louisiana and Texas—to the Committee on Rivers and Harbors.

By Mr. CONN: Protest of the South Bend Woolen Company and the A. C. Staley Manufacturing Company, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of the business men of South Bend, Ind., remonstrating against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. COBB of Missouri: Petition of the Carpenters' District Council of the United Brotherhood of Carpenters and Joiners of America, of St. Louis, Mo., in favor of the Government ownership and control of telegraphs—to the Committee on the Post-Office and Post-Roads.

Also, petition of William Charles Schuter and F. R. Rice, and other manufacturers and makers of cigars, of St. Louis, Mo., for a uniform rate of duty of 35 cents on all unstemmed tobacco—to the Committee on Ways and Means.

Also, petition of John J. Applebaum and others, makers of cigars, of St. Louis, Mo., for a uniform rate of duty of 35 cents on all unstemmed leaf tobacco—to the Committee on Ways and Means.

By Mr. COUSINS: Petition of 200 honorably discharged Union soldiers of John Kyle Post, Grand Army of the Republic, and others of Coggon, Iowa, for a just and equitable service-pension law—to the Committee on Invalid Pensions.

By Mr. CUMMINGS: Petition relating to the limitation of the hours of daily service of laborers and mechanics employed upon the public works of the United States and District of Columbia—to the Committee on Labor.

By Mr. DALZELL: Petition of miners of lead ores in Southwest Missouri and Southeast Kansas, in favor of a specific duty on lead in all ores and drosses—to the Committee on Ways and Means.

Also, resolutions of Workingmen's Protective Tariff League of Philadelphia, of Philadelphia Board of Trade, and of the South Pittsburg (Pa.) Board of Trade, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of the employing printers of Pittsburg in favor

of repeal of provision permitting the Postmaster-General to have return request printed on stamped envelopes—to the Committee on the Post-Office and Post-Roads.

Also, resolutions of lithographers of New York, Brooklyn, and New Jersey, in favor of an amendment to the Wilson bill relating to lithographic products, etc.—to the Committee on Ways and Means.

Also, two petitions of employers of labor, workingmen, and others, citizens of Pittsburg, against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. DURBOROW: Petition of shoe manufacturers and jobbers of the city of Chicago, praying that sole leather be placed on the free list—to the Committee on Ways and Means.

Also, petition of the employés of Cohn Bros. and Kohn, Schoenbrun & Co., both of Chicago, protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, memorial to Congress for a national alphabet—to the Committee on Education.

By Mr. ELLIS of Oregon: Petition of 47 employés of the Oregon City Manufacturing Company, of Oregon, protesting against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. GILLET of New York: Protest of 204 workmen, constituting the entire force employed in the glass-cutting establishment of T. G. Hawkes & Co., covering New York, against a reduction of the tariff on cut glass—to the Committee on Ways and Means.

By Mr. GORMAN: Petition of 11 members of Onsted (Mich.) Grange, No. 279, Patrons of Husbandry, asking for the passage of Senate bill 1136, to provide for the Government ownership and control of the telegraph—to the Committee on the Post-Office and Post-Roads.

Also, petition of 35 soldiers of Ypsilanti, Mich., asking that all claims for pensions be made special and disposed of at once—to the Committee on Pensions.

By Mr. HAGER: Petition of honorably discharged Union soldiers and sailors of Iowa, for the enactment of a law prohibiting the suspension of pensions pending investigation of alleged fraud; also praying that all pensions now suspended be restored until pending investigations are concluded—to the Committee on Invalid Pensions.

Also, petition of manufacturers and makers of cigars for a uniform rate of duty of 35 cents on all unstemmed leaf tobacco—to the Committee on Ways and Means.

Also, petition of citizens of Pottawatomie, Iowa, for a bureau of public health within the Treasury Department of the United States—to the Committee on Revision of the Laws.

By Mr. HAUGEN: Protest of lead-ore miners of Missouri and Kansas against the passage of the Wilson bill—to the Committee on Ways and Means.

Also, memorial of the Board of Trade of Philadelphia, Pa., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. HENDERSON of Illinois (by request): Petition of Philip S. Wales, medical director of the United States Navy, praying for relief of charges standing against him as such officer—to the Committee on Naval Affairs.

Also, petition of O. Frenell, J. F. Cox, R. Knox, and 101 other citizens of Henry County, Ill., praying for the defeat of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. HERMANN: Protest of laborers in Salem (Oregon) Woolen Mills, against change of duty on woolens—to the Committee on Ways and Means.

Also, resolution of Board of Trade of Salem, Oreg., denying and repudiating the statements made by the governor of Oregon, representing the State and people to be in a wretched condition—to the Committee on Ways and Means.

By Mr. HULL: Petition of A. L. Ogg and 27 other citizens of Warren County, Iowa, asking that all suspended pensions be restored and no further suspension be allowed except on proof of fraud—to the Committee on Invalid Pensions.

Also, petition of A. L. Ogg and 27 others of Warren County, Iowa, asking the enactment of an equitable service-pension law—to the Committee on Invalid Pensions.

By Mr. JOSEPH: Two petitions from officers of the United States Army and citizens of New Mexico, praying Congress to pass the act entitled "An act to amend the act of February 14, 1885"—to the Committee on Military Affairs.

By Mr. KIEFER: Petition of subassociation northwest No. 10, Lithographers' International Protective and Insurance Association, United States and Canada, asking that no reduction be made in tariff upon lithograph work—to the Committee on Ways and Means.

By Mr. KEM: Petition of 55 citizens of Nebraska, who are members of Garrison No. 53, asking for the passage of an act to

amend the act of February 14, 1885, relative to the re-enlistment of enlisted men of the Army and Marine Corps—to the Committee on Military Affairs.

By Mr. LOUD: Petition of S. T. Wire Dealers' Association, Viticultural Commission, 5,000 vineyardists, and over 20,000 others interested, against the clause relative to wire in the Wilson bill—to the Committee on Ways and Means.

By Mr. MAHON: Petition of coal-miners of Huntingdon County, Pa., protesting against the passage of the Wilson tariff bill, House bill No. 4864—to the Committee on Ways and Means.

By Mr. McALEER: Petition of George S. Campbell and others, of Philadelphia, against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. McCALL: Petition of St. Botolph Club, of Boston, Mass., for the placing of paintings and statuary on the free list—to the Committee on Ways and Means.

By Mr. MCCLEARY of Minnesota: Protest of F. W. Betz and other citizens of Fairmont, Minn., against proposed change in the McKinley act—to the Committee on Ways and Means.

By Mr. McNAGNY: Petition and papers to accompany House bill 4999—to the Committee on Invalid Pensions.

By Mr. MIEKLEJOHN: Resolutions of the Philadelphia Board of Trade, protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of miners of lead in Southwest Missouri and Southeast Kansas, praying that a specific duty be placed upon lead in all ores and drosses—to the Committee on Ways and Means.

By Mr. MUNCHLER (by request): Protest of mine owners and laborers and others of South Easton, Pa., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. RAY: Petition of citizens of Ithaca, N. Y., as to duty on playing cards—to the Committee on Ways and Means.

By Mr. REYBURN: Petition of cigar manufacturers of Philadelphia, Pa., for a duty of 35 cents on unstemmed leaf tobacco—to the Committee on Ways and Means.

By Mr. RUSSELL of Connecticut: Petition of fur-hat manufacturers of South Norwalk, Conn., for retention of present tariff duty on fur hats—to the Committee on Ways and Means.

By Mr. TRACEY: Petition of Messrs. Reiche's, Albany, N. Y., asking that a duty of 35 cents a pound be laid on all unstemmed tobacco—to the Committee on Ways and Means.

Also, petition of William Vanpel and others, citizens of Albany, N. Y., for a uniform rate of 35 cents a pound on unstemmed tobacco—to the Committee on Ways and Means.

Also, petition of E. Q. Cunningham and T. E. Cunningham, of Albany, N. Y., that a uniform duty of 35 cents a pound be imposed on all unstemmed leaf tobacco—to the Committee on Ways and Means.

Also, petition of citizens of Cohoes, Troy, and Lansingburg, N. Y., praying for a uniform rate of 35 cents on all unstemmed leaf tobacco—to the Committee on Ways and Means.

Also, petition of 90 members of Garrison 34, Watervliet Arsenal, West Troy, N. Y., favoring amendments to act relative to retirement of enlisted men in the United States Army, Navy, and Marine Corps—to the Committee on Military Affairs.

Also, petition of 83 employés of Globe Knitting Mills, of Cohoes, N. Y., against the Wilson bill—to the Committee on Ways and Means.

By Mr. SHAW: Protest of M. Larson and 144 others, citizens of Stockholm, Pepin County, Wis., farmers and dealers in barley, against the reduction in duty on barley proposed in the Wilson bill—to the Committee on Ways and Means.

By Mr. SHERMAN: Two petitions of Martin Lutz and of John Weikert and others, of Utica, N. Y., asking for a uniform rate of duty on unstemmed leaf tobacco—to the Committee on Ways and Means.

By Mr. SPERRY: Petition of the employés of P. & F. Corbin Manufacturing Company against the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of farmers, growers of cigar leaf tobacco, their employés, and others interested, of Canton, Hartford County; also, petition of the same from South Windsor, Hartford, and other places in Connecticut, protesting against the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of workingmen employed in the shops at East Berlin, Conn., against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. STEPHENSON: Memorial from 569 miners and others directly engaged in the iron industry at Ishpeming, Mich., protesting against the proposed placing of iron ore on the free list, and representing that great suffering must ensue if such action is taken by Congress—to the Committee on Ways and Means.

Also, memorial from 728 miners, workingmen, and citizens of

Negaunee, Mich., regardless of politics, protesting against the removal of the duty on iron ore, and announcing that such action by Congress must bring desitution to a large proportion of the people of that section, among whom there is already great suffering, owing to the uncertainty as to the action of Congress concerning iron ore—to the Committee on Ways and Means.

Also, memorial from 178 workmen, employers of labor, and others, citizens of Bessemer, Mich., without regard to any political relation, expressing great anxiety concerning proposed legislation in reference to iron ore, protesting against the placing of this commodity on the free list, and affirming that such action would work great hardship to the people of that section—to the Committee on Ways and Means.

Also, memorial from 144 citizens and business men of Ishpeming, Mich., regardless of politics, protesting against the removal of the duty on iron ore, and affirming that such action would bring grave distress not only to those engaged in the iron industry in Northern Michigan, but to large numbers of other people of that section—to the Committee on Ways and Means.

Also, memorial from 37 workmen, employés and citizens of Marquette County, Mich., irrespective of politics, protesting against the removal of the duty on iron ore, and affirming that such action would result in great hardship to the people of that section—to the Committee on Ways and Means.

Also, memorial from 284 workingmen, employers of labor, and others, citizens of Republic, Mich., irrespective of party relations, remonstrating against the free admission of iron ore and declaring that such action would prove most disastrous to the iron industries—to the Committee on Ways and Means.

By Mr. WADSWORTH: Petition of employés of the Duncan Salt Company against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. WALKER: Petition of 100 employés of Josiah Perry, Webster, Mass., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 195 employés of the Stoneville Worsted Company, Auburn, Mass., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 7 employés of Samuel A. Prescott, Wilkinsville, Mass., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 258 employés of Forchand Ames Company, Worcester, Mass., protesting against the proposed change in the tariff—to the Committee on Ways and Means.

By Mr. WANGER: Petition of C. Huber, Jr., manufacturer and employés, makers of cigars, for a uniform rate of 35 cents on unstemmed leaf tobacco—to the Committee on Ways and Means.

By Mr. WRIGHT of Massachusetts: Remonstrance of Charles E. Alderman and 109 others, employés of the Surface Coating Paper Mills, of Holyoke, Mass., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, remonstrance of Indo Lewis and 118 other citizens of Great Barrington, Mass., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. WOOMER: Petition of the manufacturers and makers of cigars for a uniform rate of duty of 35 cents on all unstemmed leaf tobacco—to the Committee on Ways and Means.

SENATE.

WEDNESDAY, January 10, 1894.

Prayer by the Chaplain, Rev. W. H. MILBURN, D. D.

The VICE-PRESIDENT resumed the chair.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. T. O. TOWLES, its Chief Clerk, announced that the House had agreed to the amendments of the Senate to the joint resolution (H. Res. 93) authorizing the Secretary of the Treasury to permit the owners of cattle and horses transporting them into Mexico to re-import the same into the United States at any time before May 1, 1894, and for other purposes.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills; and they were thereupon signed by the Vice-President:

A bill (S. 439) for the relief of David R. Gottwals;

A bill (H. R. 71) for the relief of purchasers of timber and stone lands under the act of June 3, 1878; and

A bill (H. R. 2796) relating to the disqualification of registers and receivers of the United States land offices, and making provision in case of such disqualification.