

Thomas Delaney, to be postmaster at Marcus, in the county of Cherokee and State of Iowa, in the place of Samuel W. Weaver, whose commission expired January 8, 1894.

Henry E. Nicolaus, to be postmaster at Wilton Junction, in the county of Muscatine and State of Iowa, in the place of Charles A. Walker, whose commission expired January 8, 1894.

J. W. Stuckenbruck, to be postmaster at Coon Rapids, in the county of Carroll and State of Iowa, the appointment of a postmaster for the said office having, by law, become vested in the President on and after October 1, 1893.

Edgar N. Nash, to be postmaster at Newton Highlands, in the county of Middlesex and State of Massachusetts, in the place of Edgar N. Nash, whose commission expired January 16, 1894 (reappointment).

John P. Egglestone, to be postmaster at Imlay City, in the county of Lapeer and State of Michigan, in the place of George W. Jones, whose commission expired January 8, 1894.

Jay G. Green, to be postmaster at Stromburg, in the county of Polk and State of Nebraska, in the place of James D. Edwards, whose commission expired December 21, 1893.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 29, 1894.

POSTMASTERS.

T. J. York, to be postmaster at Ouray, in the county of Ouray and State of Colorado.

Marcus Leahy, to be postmaster at Central City, in the county of Gilpin and State of Colorado.

Nicholas Conzet, jr., to be postmaster at College Point, in the county of Queens and State of New York.

Andrew McTigue, to be postmaster at Far Rockaway, in the county of Queens and State of New York.

Dan Flisher, to be postmaster at Silverton, in the county of San Juan and State of Colorado.

James Fisher, to be postmaster at Hackettstown, in the county of Warren and State of New Jersey.

Charles T. Alverson, to be postmaster at Deposit, in the county of Broome and State of New York.

Frank G. Tower, to be postmaster at Bloomfield, in the county of Essex and State of New Jersey.

Executive nominations confirmed by the Senate January 31, 1894

PROMOTION IN THE NAVY.

Commodore John Grimes Walker, to be a rear-admiral.

POSTMASTERS.

Frederick Ingalls, to be postmaster at Gorham, in the county of Coos and State of New Hampshire.

Andrew L. Schuyler, to be postmaster at Clinton, in the county of Clinton and State of Iowa.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, January 31, 1894.

The House met at 11 o'clock a. m. Prayer by the Chaplain, Rev. E. B. BAGBY.

The Journal of yesterday's proceedings was read and approved.

JURISDICTION OF POLICE COURT, DISTRICT OF COLUMBIA.

The SPEAKER laid before the House the bill (S. 1414) an act amending section 4 of an act entitled "An act to define the jurisdiction of the police court of the District of Columbia;" which was referred to the Committee on the Judiciary.

The committees were called for reports.

ENLISTMENTS IN THE ARMY.

Mr. CURTIS of New York, from the Committee on Military Affairs, reported back favorably the bill (H. R. 5447) to regulate enlistments in the Army of the United States, which was referred to the House Calendar, and, with accompanying report, ordered to be printed.

The call of committees was concluded.

JANE THOMPSON.

Mr. BLACK of Georgia. Mr. Speaker, I ask unanimous consent for the consideration of the bill (H. R. 3218) to increase the pension of Jane Thompson, of Jefferson County, Ga.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to increase the pension of Jane Thompson, of Jefferson County, Ga., a widow of a soldier of the war of 1812, from \$12 to \$20 per month.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. McMILLIN. I dislike to object, and yet I am anxious

that we should proceed with the consideration of the tariff bill. With the understanding that if the bill causes any delay it will be withdrawn, I will not object.

Mr. HOLMAN. Mr. Speaker, the title of that bill was not thoroughly understood.

The title was again reported.

Mr. BLACK of Georgia. I ask that the report be read.

Mr. BURROWS. Let the report be read, subject to objection.

The report, by Mr. MOSES, was read, as follows:

The Committee on Pensions, to whom was referred the bill (H. R. 3218) granting an increase of pension to Jane Thompson, have considered the same and respectfully report as follows:

Mrs. Thompson is the widow of Shadic Thompson, who was a private in Capt. J. P. Harvey's company of Georgia Volunteers, and served therein from August 24, 1813, to March 12, 1814, in the war of 1812 with Great Britain. She is now in receipt of a pension of \$12 per month which was allowed her under the general law.

From the papers on file at the Pension Bureau it appears that the claimant is now about 94 years old and it is shown to the satisfaction of your committee that she is nearly blind and so decrepit that for nearly two years she has been unable to walk. It is further shown that she has no means of support aside from her small pension.

In view of the unusual circumstances your committee respectfully return the bill with the recommendation that it do pass.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The bill was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time, and passed.

On motion of Mr. BLACK of Georgia, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONTESTED ELECTION CASE—WILLIAMS AGAINST SETTLE.

Mr. PAYNTER, from the Committee on Elections, submitted the report in the contested-election case of Williams against Settle, from the Fifth Congressional district of North Carolina; which was ordered to be printed and referred to the House Calendar.

TARIFF.

The SPEAKER. The Clerk will report the special order.

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. The House will now resolve itself into Committee of the Whole for the consideration of this bill. The gentleman from Tennessee [Mr. RICHARDSON] will take the chair.

The House accordingly resolved itself into Committee of the Whole on the state of the Union (Mr. RICHARDSON of Tennessee in the chair), and resumed the consideration of the tariff bill.

Mr. McMILLIN. Mr. Chairman, in order that we may secure consideration of as many amendments that are to be offered as possible, to prevent unnecessary delay and to reach the conclusion we all desire in time this evening, I ask that the final vote on the amendment, and whatever amendments may be pending thereto, shall be taken at 4 o'clock this evening.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the final vote be taken on the amendment and the pending amendments thereto at 4 o'clock this evening.

Mr. WALKER. I did not hear the proposition of the gentleman from Tennessee.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the vote be taken on the amendment and pending amendments at 4 o'clock this evening. Is there objection?

Mr. CULBERSON. How many amendments are going to be allowed under the rule?

The CHAIRMAN. As many as may be presented. It will depend upon the number of speeches made. There can be any number offered and voted upon, but of course there can be but four pending at any one time. They can, however, be voted in or voted out and others may then be offered. Under the rule, which the Chair has not strictly enforced, debate is exhausted on any one amendment at the end of ten minutes—that is, five minutes for and five minutes against.

Mr. BURROWS. Mr. Chairman, I do not see the object of closing debate and voting upon the amendments at 4 o'clock to-day. We have one hour to-morrow on this subject before the bill is reported back to the House.

The CHAIRMAN. That is true, provided the morning business does not take up the hour. The bill will be reported at 12 o'clock to the House to-morrow.

Mr. BURROWS. I object for the time being.

Mr. McMILLIN. Will the gentleman from Michigan agree to take a vote at half-past 4? There is no disposition to cut off time for debate.

Mr. BURROWS. I will confer with gentlemen on this side of the Chamber.

Mr. McMILLIN. Very well. We will have a conference.

Mr. EVERETT. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EVERETT. In the discussion under the five-minute rule on the internal-revenue bill, which has been proposed as an amendment to the original bill, is the amendment to be taken up by sections?

The CHAIRMAN. Not at all. The whole amendment is to be considered as one amendment, and it is in order to amend any part of it.

Mr. EVERETT. And the vote when taken will be taken upon it in bulk?

The CHAIRMAN. As one amendment, the Chair thinks.

Mr. TATE rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. TATE. To offer an amendment.

The CHAIRMAN. The gentleman will send his amendment to the desk, and it will be reported.

The Clerk read as follows:

Amend the amendment by striking out on pages 33, 34, 35, 36, and 37 the following sections, to wit: sections 29, 30, and 31.

The CHAIRMAN. The gentleman from Georgia offers an amendment to strike out certain sections, those sections not having been read. If desired, those sections will have to be read.

Mr. TATE. Let the sections proposed to be stricken out be read.

The CHAIRMAN. The Clerk will report the sections that the gentleman proposes to strike out.

The Clerk read as follows:

SEC. 29. That on and after the 1st day of the second calendar month after the passage of this act there shall be levied and collected on all distilled spirits produced in the United States, on which the tax is not paid before that day, a tax of \$1 on each proof gallon, or wine gallon when below proof, to be paid by the distiller, owner, or person having possession thereof, on or before removal from the warehouse, and within eight years from the date of the original entry for deposit in any distillery or special bonded warehouse, except in cases of withdrawals therefrom without payment of tax as now authorized by law; warehousing bonds, covering the taxes on all distilled spirits entered for deposit into distillery or special bonded warehouse on and after the date named in this section and remaining therein on the 5th day of the following month, shall be given by the distiller or owner of said spirits as required by existing laws, conditioned, however, for payment of taxes at the rate imposed by this act and before removal from warehouse and within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit.

SEC. 30. That warehousing bonds or transportation and warehousing bonds covering the taxes on distilled spirits entered for deposit into distillery or special bonded warehouses prior to the date named in the first section of this act, and on which taxes have not been paid prior to that date, shall continue in full force and effect for the time named in said bonds. Whenever the tax is paid on or after the aforesaid date, pursuant to the provisions of the warehousing, or transportation and warehousing bonds aforesaid, there shall be added to the 90 cents per taxable gallon an additional tax sufficient to make the tax paid equal to that imposed by section 29 of this act. The Commissioner of Internal Revenue may require the distillers or owners of the spirits to give bonds for the additional tax, and before the expiration of the original bonds shall prescribe rules and regulations for reentry for deposit and for new bonds as provided in the first section of this act and conditioned for payment of tax at the rate imposed by this act and before removal of spirits from warehouse, and within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit. The distiller or owner of the spirits may request regauge of same prior to the expiration of six years from the date of the original entry or original gauge. If the distiller or owner of the spirits fails or refuses to give the bonds for the additional tax or to reenter and rebond the same the Commissioner of Internal Revenue may proceed as now provided by law for failure or refusal to give warehousing bonds on original entry into distillery or special bonded warehouse.

SEC. 31. That whenever the owner of any distilled spirits shall desire to withdraw the same from the distillery warehouse, or from a special bonded warehouse, he may file with the collector a notice giving a description of the packages to be withdrawn and request that the distilled spirits be regauged; and thereupon the collector shall direct the gauger to regauge the same, and mark upon the package so regauged the number of gauge or wine gallons and proof gallons therein contained. If upon such regauging it shall appear that there has been a loss of distilled spirits from any cask or package, without the fault or negligence of the distiller or owner thereof, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of the withdrawal thereof from the distillery warehouse or special bonded warehouse: *Provided, however,* That the allowance which shall be made for such loss of spirits as aforesaid shall not exceed 1 proof gallon for two months, or part thereof; 1½ gallons for three and four months; 2 gallons for five and six months; 2½ gallons for seven and eight months; 3 gallons for nine and ten months; 3½ gallons for eleven and twelve months; 4 gallons for thirteen, fourteen, and fifteen months; 4½ gallons for sixteen, seventeen, and eighteen months; 5 gallons for nineteen, twenty, and twenty-one months; 5½ gallons for twenty-two, twenty-three, and twenty-four months; 6 gallons for twenty-five, twenty-six, and twenty-seven months; 6½ gallons for twenty-eight, twenty-nine, and thirty months; 7 gallons for thirty-one, thirty-two, and thirty-three months; 7½ gallons for thirty-four, thirty-five, and thirty-six months; 8 gallons for thirty-seven, thirty-eight, thirty-nine, and forty months; 8½ gallons for forty-one, forty-two, forty-three, and forty-four months; 9 gallons for forty-five, forty-six, forty-seven, and forty-eight months; 9½ gallons for forty-nine, fifty, fifty-one, and fifty-two months; 10 gallons for fifty-three, fifty-four, fifty-five, and fifty-six months; 10½ gallons for fifty-seven, fifty-eight, fifty-nine, and sixty months; 11 gallons for sixty-one, sixty-two, sixty-three, sixty-four, sixty-five, and sixty-six months, and 11½ gallons for sixty-seven, sixty-eight, sixty-nine, seventy, seventy-one, and seventy-two months, and no further allowances shall be made: *And provided further,* That taxes may be collected on the quantity contained in each cask or package as shown by the original entry for deposit into the warehouse, or, as to fruit brandy, by the original gauge for which the

owner or distiller does not request a regauge before the expiration of six years from the date of original entry or gauge: *Provided, also,* That the foregoing allowance of loss shall apply only to casks or packages of a capacity of 40 or more wine gallons, and that the allowance for loss on casks or packages of less capacity than 40 gallons shall not exceed one-half the amount allowed on said 40-gallon cask or package; but no allowance shall be made on casks or packages of less capacity than 20 gallons: *And provided further,* That the proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than 100 per cent.

Mr. TATE. Mr. Chairman, if this amendment be adopted it will leave the law as it now stands with reference to the collection of taxes upon whisky. We now collect 90 cents a gallon. The bonded period is three years. I seriously object to that clause in this amendment offered by the gentleman from Tennessee [Mr. McMILLIN], which provides that on and after the first day of the second calendar month after the passage of this act there shall be levied and collected a tax of \$1 per gallon, but before that date those having whisky in bond pay only 90 cents. The whisky dealers of this country have at this time in bonded warehouses over 140,000,000 gallons of whisky.

Under that clause the men who now have whisky in bond are allowed to pay tax on their whisky at 90 cents if paid by the first day of the second month after the passage of this act, and the small dealer who pays the tax as he manufactures his whisky will pay \$1, thereby giving the large dealers the benefit of the 10 cents increase, and in my judgment this will drive the 106 grain distillers and 205 brandy distillers in the State of the gentleman from Tennessee [Mr. McMILLIN] and the 110 grain distillers and 339 fruit distillers in my own State, for the present at least, out of business and increase the violation of law but lessen the tax paid to the Government.

Another objection I have, Mr. Chairman, is to the increase of the bonded period from three years to eight; in eight years there is an allowance for leakage of 11½ gallons out of 40, while the value of the whisky increases each year.

Mr. KILGORE. As I understand the gentleman, he says that if this increased tax be imposed on whisky it will stop the manufacture.

Mr. TATE. The small distillers will have to go out of the business and the larger ones will have a monopoly of the business.

Mr. KILGORE. It would not diminish the amount of production, then?

Mr. TATE. Not with large distilleries.

Mr. KILGORE. Then the purpose of our prohibition friends would not be subserved?

Mr. TATE. Oh, no; you are in no danger at all. [Laughter.] The proposed increase is not in the interest of temperance, but will in my opinion make more powerful the whisky trust.

Mr. Chairman, I only rose to explain that if this amendment be adopted it will leave the present law still in existence without any change. My purpose in offering this amendment is to strike out of the amendment the provisions for the increase of tax and the extension of the bonded period, because it is asked for and desired by the whisky trust in order to perpetuate its existence, add to its power, and increase its profits.

Mr. OUTHWAITE. Mr. Chairman, unless some gentleman desires to speak against the amendment—

The CHAIRMAN. Under the rules the Chair must recognize some gentleman in opposition to the amendment if any such gentleman desires the floor.

Mr. PAYNE. Mr. Chairman, I do not know exactly what the amendment is, but I submit a paper which I should like to have read in my time.

The Clerk read as follows:

IN ASSEMBLY, Albany, January 29, 1894.

On motion of Mr. Ainsworth:

Whereas in consequence of the introduction in Congress of the measure known as the Wilson tariff bill, factories and workshops in all parts of the country either have been shut down or are running on less than full time, thus throwing thousands of men and women out of employment; and

Whereas there is widespread suffering and distress due to the fear of the passage of the aforesaid measure, the provisions of which tend to open to the ports of this country to the cheaply made goods of foreign manufacture; and

Whereas the passage of such a bill would serve to extend the poverty and suffering of our people rather than to diminish them: Therefore

Be it resolved (if the senate concur), That we, the representatives of the people of the State of New York, in the Legislature assembled, respectfully urge the members of Congress from this State to do all in their power to prevent the passage of the said bill.

By order of the assembly.

HAINES D. CUNNINGHAM,
Assistant Clerk.

IN SENATE, January 25, 1894.

Concurred in without amendment.
By order of the senate.

JOHN S. KENYON, Clerk.

Mr. BYNUM. I make the point of order that the gentleman from New York [Mr. PAYNE] is not addressing himself to the amendment under consideration.

The CHAIRMAN. The Chair hopes the gentleman from New York will confine himself to the question before the committee.

Mr. PAYNE. I think, when the reading is concluded, the gentleman will see the application of this paper to the question before us.

Mr. BYNUM. I object to anything being read which is not pertinent to the question.

The CHAIRMAN. The Chair sustains the point of order. The gentleman from New York must address himself to the question under consideration.

The Clerk continued and concluded the reading.

Mr. PAYNE. Mr. Chairman, I do not know that resolutions of the Legislature of New York will be regarded as authority by the other side of the House, because that Legislature happens to be Republican in both branches; and I would remind the gentlemen on the other side that it is so because of the threat of the present tariff measure. But for that threat that body would doubtless have remained Democratic.

But I wish to have read at the Clerk's desk some high Democratic authority. If the action of the Legislature of the State of New York does not find willing ears on the majority side of this House, perhaps this little announcement from that great Democratic paper, the New York Sun, will arrest their attention.

The Clerk read as follows:

A Democratic plurality of 8,825 in the Fourteenth district has been changed to a Republican plurality of 984; and a Democratic plurality of 11,869 in the Fifteenth district has been reduced to 4,687. This is the judgment of Democratic New York upon the cowardly and insensate policy of the leaders without leadership at Washington. These are the first fruits of the Wilson bill.

[Laughter and applause on the Republican side.]

Mr. PAYNE. I trust that the gentleman on the other side who raised the point of order a few moments ago will see the pertinency of what has just been read in reference to this bill and this amendment. Of course gentlemen over there will not heed the voice and the votes of Democrats in these strong Democratic districts in the very Gibraltar of Democracy. It has become the fashion of gentlemen from the South and the West to decry New York Democracy; and I suppose what has been read will only add to the intense feeling of Democrats from other parts of the Union toward their brethren in New York who heretofore have always been relied upon to bring Democratic victory, but who, I predict, will not be able to do so in the future.

[Here the hammer fell.]

Mr. MONTGOMERY rose.

The CHAIRMAN. Debate is exhausted. The question is on the amendment to the amendment.

Mr. MONTGOMERY. Somebody, I suppose, is entitled to be heard in opposition to the amendment.

The CHAIRMAN. The Chair stated that he would recognize any gentleman who desired to oppose the amendment to the amendment. The gentleman from New York [Mr. PAYNE], as the Chair understood, rose for that purpose.

Mr. MONTGOMERY. I move to amend by striking out the last word.

The CHAIRMAN. There are already two amendments pending. The motion of the gentleman from Kentucky [Mr. MONTGOMERY] would be out of order as being an amendment in the third degree.

Mr. OUTHWAITE. I ask unanimous consent that there be debate for ten minutes on the pending amendment to the amendment. It is too important to be voted on without further discussion. I would myself like to occupy five minutes of the ten.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. OUTHWAITE] that ten minutes be allowed (five minutes on each side) upon the amendment to the amendment?

Several MEMBERS objected.

Mr. OUTHWAITE. Then I desire to offer a substitute for the amendment.

Mr. McMILLIN. The question involved here is an important one. There is no disposition to cut off fair discussion upon it. In view of the fact that the amendment of the gentleman from Georgia comes as an amendment to the amendment, so that the formal amendments which are ordinarily in order are cut off, I suggest that it be in order to offer formal amendments to the section under consideration, such as motions to strike out the last word, so that gentlemen may have fuller opportunity for discussion.

Mr. PAYNE. I hope we shall have the utmost liberality in debate.

Mr. McMILLIN. If there be no objection to my proposition, it can apply to this amendment, and I think it will remedy the trouble.

The CHAIRMAN. The gentleman from Tennessee will state his request.

Mr. McMILLIN. I request that it shall be in order pending the consideration of this section for gentlemen to move to strike out the last word, in accordance with the usual custom in Committee of the Whole.

The CHAIRMAN. If there be no objection that order will be made.

Mr. BYNUM. I must object. We want time for the consideration of other amendments.

The CHAIRMAN. Objection is made. The gentleman from Ohio [Mr. OUTHWAITE] stated that he wanted to offer a substitute. To what is it a substitute?

Mr. OUTHWAITE. I offer it as a substitute for the amendment to the amendment.

The CHAIRMAN. The Clerk will read the amendment of the gentleman from Ohio.

The Clerk read as follows:

Strike out lines 1 to 5 and the words "below proof," in line 6, page 33, section 29, and insert the following in lieu thereof:

"That on and after the passage of this act there shall be levied and collected a tax on all distilled spirits produced in the United States on which the tax is not paid before that day per proof gallon, or wine gallon when below proof, 90 cents if paid within five days of the date of distillation or entry into bond, \$1 if paid after five days and within one year, \$1.10 if paid after one year and within two years, \$1.20 if paid after two years and within three years, and \$1.30 if paid after three years."

Mr. OUTHWAITE. Mr. Chairman, I do not intend to insist upon the adoption of that amendment which has just been read, fixing the duty on spirits at 90 cents if paid within five days after distillation, \$1 if paid within the year following, \$1.10 if paid after one year and within two years, \$1.20 if paid after two years and within three years, and \$1.30 for all remaining in bond more than three years. As a proper method of taxing this article I must say I think that would be a far better measure than the one proposed. If it is not adopted by this committee, I do, however, desire to see the amendment of the gentleman from Georgia [Mr. TATE] adopted.

A few days ago, in the interest of reform, we were called upon to strike down the bounty upon sugar.

Now, in the interest of reform, there is embodied in this bill a bounty to the whisky industry of this country. It is proposed to extend the time for collecting 90 cents or a dollar tax, as the bill provides, five years, and to charge 10 cents for it. It is a proposition to increase the bonded period from three years to eight years. Is that reform? Who asks for it? Who desires it? Do the consumers of this country come up and ask that the great whisky industry of this country shall, at the expense of the revenues of the country, be favored in this manner at this time? In the next three years it will result in decreasing the revenues of the country from this source \$12,500,000.

Mr. DOCKERY. Do I understand the gentleman to say this amendment increases the bonded period five years?

Mr. OUTHWAITE. It increases the bonded period from three years to eight.

Mr. DOCKERY. Then it ought to be voted down.

Mr. TERRY. Will the gentleman allow me to make a suggestion right here?

Mr. OUTHWAITE. I have not time for a suggestion as to changes, or anything of that kind. Mr. Chairman, this bill under consideration provides sixty days' notice to the whisky industry of the country before the increase from 90 cents to \$1 tax shall occur. In that time they can take out the amount of whisky that will be used in the next six months, and pay the tax upon it at 90 cents. They then could increase the price to the consumers by 10 cents, and they will be likely to do it; and then what will be the result? You will get little or no increase of tax upon the spirits or whisky taken out of bond during that period, although you have an increased tax of 10 cents.

How much spirits was there on the 30th of June, 1893, in bond subject to taxation? Over 147,000,000 gallons of it. About 35,000,000 gallons of whisky, under the law, ought to be taken out for consumption during each year within three years from the 30th of June, 1893—under the law as it exists. If the bonded period is extended beyond three years there are 35,000,000 gallons, then, to which an extension is granted and upon which no tax can be collected until after the period of three years; and this, I say, is a direct favor to the whisky interests of this country. This extension is not asked for in any spirit of reform for the benefit of the consumers. The proposition ought to have come in as a separate bill. It is a matter that ought not to be put upon an amendment of the kind now pending, to ask the committee to vote for it, or vote against our judgments and our sentiments upon some other matters.

For myself, I say it ought not to pass. I can not yield my conscience or my judgment to permit it to pass with any vote of mine. I desire gentlemen who defend it to show who are the parties that have appealed for it. Who are the people asking it of this Congress? Whence came the recommendation or the re-

quest that this bonded period should be extended to eight years? It is true, it may be in the report of the Secretary of the Treasury; but I mean, what interests came directly to this committee and asked for this extension? The Democratic party can not afford to do this thing at this time.

I will add as part of my remarks part of an editorial upon this subject from *The Southwest*, a paper published in Cincinnati, Ohio, of the date of January 26:

The pretense is that this change is made to give immediate relief to the Treasury. The fact is that under it the receipts for the next three years would absolutely fall off. According to the last report of the Commissioner of Internal Revenue there were in the distillery bonded warehouses at the close of the last fiscal year, on June 30, 1893, 147,894,694 gallons of spirits, 140,000,000 gallons of which were of the kind which is made for aging, and the annual demand for which is less than 35,000,000 gallons.

Under the present bonded period the tax on all of this whisky would have to be paid within three years from June 30, 1893, while there would be a demand for less than 105,000,000 gallons, necessitating forced tax payments on 35,000,000 gallons, representing a revenue of \$31,500,000. Under the proposed extension of the bonded period none of this whisky would be withdrawn, and the Government's resources would be curtailed to that amount.

To offset this loss the increase of the tax would be as follows: For the first six months the new tax would have no effect. With two months' warning to the whisky trust and other spirit distillers enough could be made and taken out at the old tax to equal a six months' demand, and as it would be profitable to pay taxes for six months in advance, there is no reason to doubt that this would be done. Hence the Government would collect in the next three years the advance on only two and one-half years' consumption, which at 85,000,000 gallons, or \$8,500,000 per year, would amount to \$21,250,000.

In other words, this bill "to increase the tax on distilled spirits" would decrease the Government's revenues from spirits by about \$10,000,000 during the next three years, less the equivalent of tax due on a few million gallons which might be exported.

It seems that nobody conversant with the statistics of this branch of the Internal Revenue Bureau could be misled on this point. The loss of revenue to the Government is too apparent. Why then did Secretary Carlisle propose this extension that nobody in the trade desires except a few men who have overspeculated themselves?

The addition to the tax is a mere blind. It is designed to disguise the measure, which should have the title "A bill to help the trust and to pull a few wild speculators out of a hole," but that is perhaps covered already by the "and for other purposes" in its present title.

How deep this hole is in which the speculators have fallen may be guessed from the following figures taken from page 85 of the Commissioner's report:

Spirits produced in the last ten fiscal years, in round millions.

	Gallons.		Gallons.
1884.....	75,000,000	1889.....	90,000,000
1885.....	75,000,000	1890.....	110,000,000
1886.....	81,000,000	1891.....	117,000,000
1887.....	79,000,000	1892.....	117,000,000
1888.....	71,000,000	1893.....	130,000,000

And again on page 153:

Actual stock in bonded warehouses at beginning of the last six years, in round millions.

	Gallons.		Gallons.
July 1, 1888.....	61,000,000	July 1, 1891.....	113,000,000
July 1, 1889.....	69,000,000	July 1, 1892.....	127,000,000
July 1, 1890.....	50,000,000	July 1, 1893.....	148,000,000

These figures explain the bill fully. If the Democratic party does not mind having it said that after all its talk against trusts, monopolists, and speculators, its first step had been taken at the solicitation of the whisky trust, all right and well, but the country will know the true inwardness of the scheme. The 10-cent tax advance is too transparent.

Mr. MONTGOMERY. Mr. Chairman, I had assigned to me an hour's time in which to discuss this question on yesterday or the day before, but there appeared no probability that it would be discussed, and these gentlemen who are offering amendments now propose to force them to be voted on without discussion. Therefore, I want to ask the indulgence of the House for twenty minutes to explain, as I believe I can, this matter to the satisfaction of the House. I ask unanimous consent for twenty or twenty-five minutes.

Mr. OUTHWAITE. And I ask that there be added to that the same amount of time on the other side.

The CHAIRMAN. Will the gentleman state how much time he desires?

Mr. MONTGOMERY. Twenty-five minutes.

The CHAIRMAN. The gentleman from Kentucky [Mr. MONTGOMERY] asks unanimous consent that he be allowed to speak on this amendment for twenty-five minutes.

Mr. MONTGOMERY. I have not been heard on the bill at all.

Mr. OUTHWAITE. I shall object unless a similar amount of time is given to those who oppose this amendment.

Mr. MONTGOMERY. Already, Mr. Chairman, ten minutes have been taken up in opposition.

Mr. OUTHWAITE. I will suggest that forty minutes be allowed for the discussion of this amendment.

The CHAIRMAN. The time to be equally divided?

Mr. OUTHWAITE. The time to be equally divided.

The CHAIRMAN. The Chair will state the request. The gentleman from Kentucky [Mr. MONTGOMERY] asks unanimous consent that debate on the pending amendment to the amendment be limited to twenty minutes on a side, to close at the end of forty minutes.

Mr. MONTGOMERY. No, I do not ask that.

The CHAIRMAN. The gentleman will state his request.

Mr. MONTGOMERY. My request is that I be allowed twenty minutes, and the gentleman from Ohio [Mr. OUTHWAITE] requests that they be allowed twenty minutes; but I do not ask to close debate.

The CHAIRMAN. The gentleman from Kentucky [Mr. MONTGOMERY] asks unanimous consent that he be allowed to discuss this amendment for twenty minutes, and the gentleman from Ohio [Mr. OUTHWAITE] supplements that request with the further request that he be allowed to address the committee for twenty minutes in opposition.

Mr. BOWERS of California. Mr. Chairman, I think they had better be confined to five minutes apiece, under the rule.

Mr. McMILLIN. Mr. Chairman, I suppose that the purpose of the gentleman from California is not to cut off debate, but has reference only to the distribution of the time.

Mr. BOWERS of California. Mr. Chairman, at the request of several members near me I withdraw the objection.

The CHAIRMAN. If there be no further objection the gentleman from Kentucky [Mr. MONTGOMERY] will be recognized for twenty minutes.

There was no objection.

Mr. MONTGOMERY. Mr. Chairman, I intend to assume in the opening of this discussion that this Committee of the Whole and its members are fair enough and broad enough in their views, when they come to deal with this manufacture, to deal with it upon the principles upon which they have endeavored to deal with all other subjects of taxation; that is, when we are engaged in taking taxes from any source, to deal with those engaged in the business in no proscriptive spirit. I know there may be men on this floor who are honest in their opposition to this provision by reason of their opposition to the manufacture or the production of spirits, but when it becomes necessary to get the revenues by which this Government is to be supported I am sure there will be no disposition to deal unjustly with this manufacture from which they are taking now almost one-fourth of the entire money that is being expended to support the Government.

My friend from Ohio [Mr. OUTHWAITE] wants to know who has recommended this legislation, who favors it, and whence comes the proposition to extend the bonded period? I have no time now to read the repeated recommendations of the extension bonded period by previous Secretaries of the Treasury and by the present Commissioner of Internal Revenue and his predecessors. If I had, the gentleman would see without difficulty whence comes the recommendations that the common fairness be shown to this industry which is shown to every other industry upon which taxes are levied under our system of internal-revenue laws.

If any man can give any reason why, when you come to tax spirits we should not levy the tax on consumption, as you do in the cases of sugar, tobacco, beer, snuff, and other articles, and not compel the producer to pay the tax until he can find a purchaser from whom he can get the money with which to pay it, I would like to hear that reason assigned upon this floor. If gentlemen would take time to read the report made on this very bill—and I fear that the gentleman from Ohio himself has not read it—

Mr. OUTHWAITE. Yes, I have.

Mr. MONTGOMERY. If gentlemen will read that report and examine into and understand the subject, they will not rise upon this floor and claim that the revenue received within any year, or at any time from this source, will be increased or diminished by the amount of spirits made, or the time when it is forced out of bond. Does the gentleman know that at this very time the spirit interest of this country has an unlimited bonded period; has an unlimited time in which to pay the tax?

Mr. OUTHWAITE. The gentleman refers to the provision as to exporting?

Mr. MONTGOMERY. Yes, sir.

Mr. OUTHWAITE. Do not you provide for that in this bill, in addition to this other special privilege?

Mr. MONTGOMERY. Not at all. We do not interfere with the existing law which is on the statute book on that subject.

Mr. OUTHWAITE. No, you do not interfere with it; you let it stand. You allow them to export at the end of eight years.

Mr. MONTGOMERY. Yes, sir; and they can do it now under existing law, and you can not prevent it?

Mr. HEARD. Have not they got enough privileges, then, under the existing law?

Mr. MONTGOMERY. No, sir; they have no privileges. I will show you that they have not. Why do you want to compel the distiller, upon whom we are levying the heaviest tax upon any manufacturing interest in this country, why do you want to compel him, when the end of three years comes and he can not find a market or a purchaser and can not get the money to pay taxes, as he can not now, why do you want to compel him, in order to get the privilege that everybody else has, to hold his

products till he can get a purchaser, to export his product at a cost of \$4 or \$5 on the barrel, paid not to the Government, not to our own people, but to foreigners for ocean transportation, for warehouse fees, and for insurance in foreign countries?

Why do you wish to put that penalty upon him? It is not necessary. I am willing to admit that this bill gives him an extended bonded period; but why, when you are levying a tax of 500 per cent upon the cost of his product, do you want to compel him to add to that expenditure \$4 or \$5 more per barrel in order to escape ruin? I know that some gentlemen will be disposed to vote against this because they do not understand it and because whisky is connected with it. I will say to gentlemen who feel any compunction in that direction that, so far as I am concerned, I have no interest in the distillers except that common feeling which I have with every man who engages in a business recognized by law, and this is a business which is made legitimate and recognized as such by this Government by the levying of a higher tax than is levied on any other manufactured article of this country, and paying one-fourth the revenue received by the Treasury.

Mr. HEARD. Does not my friend believe that in view of this extension for eight years the manufacturers of whisky ought to be willing to concede, and Congress provide for, the repeal of the provision of this bill, and in the present law, which gives them an indefinite period in which they can avoid payment, by exporting the goods and reimporting them at pleasure?

Mr. MONTGOMERY. I have no objection to that. I care nothing about that, if you will give an unlimited bonded period. All that they ask is time enough to manufacture our products. In the manufacture of whisky the process of aging it and making it fit for a white man to drink is as much a process of manufacturing as running it through the still and running it out into the stuff totally unfit for consumption; and it is always unfit for use until you give it time to go through the aging process, which constitutes a part of the manufacture.

Mr. BLAND. Will the gentleman allow me to ask him a question?

Mr. MONTGOMERY. Yes, sir.

Mr. BLAND. Why is there any necessity for a bonded period? Why should not the whisky tax be paid when it is put on the market for consumption?

Mr. MONTGOMERY. That is what this bill asks you to do. There is no necessity for any bonded period.

Mr. BLAND. But I understand you make the bonded period eight years?

Mr. MONTGOMERY. We limit it to eight years because we expected to find in this House the very sentiment which we are now meeting in opposition to an unlimited period. There ought to be no limit to the period. So far as the contention of the gentleman from Ohio [Mr. OUTHWAITE] is concerned, that it will allow these owners twenty or thirty days to take whisky out of bond at 90 cents, I will say to him that if it could be done, I would make it applicable on the passage of this bill. But the Secretary of the Treasury and the Commissioner of Internal Revenue thought that it would take this time to get the stamps and the regulations changed for the enforcement of this law, and the committee provided to put it in operation at the very earliest time that they could prepare for the change of the tax rate to \$1. Let me call your attention to one point further.

This bill goes further than any other bill that ever increased the tax on whisky. All legislation of that character has heretofore provided that the application of the increased tax should be limited to that which was manufactured after the bill went into effect. This bill levies it on all that is in the bonded warehouses, that which has been manufactured heretofore as well as that to be manufactured hereafter.

Mr. TATE. Does not the bill allow the manufacturer to take it out at 90 cents a gallon?

Mr. MONTGOMERY. It does, if he takes it out before the provision for increase goes into effect.

Mr. TATE. Is it not true that all the large distillers are anxious for the increase of the tax to a dollar a gallon, and that all the small distillers are opposed to it?

Mr. MONTGOMERY. No, sir; in my country the small distillers need it much more than the large distillers, and I will give you the reason for that. The large distillers have large interests and large capital, and are much more able to carry on their business and pay their taxes than the smaller distillers with less money. My colleagues on the committee will bear testimony that one of these large distillers made this statement before the committee. The large distiller is in a condition to control large capital and he can pay his taxes on his spirits when the three years expire, while his weak competitor can not and is driven out of business and into bankruptcy.

Now, I want to say in answer to the question of the gentleman from Georgia [Mr. TATE], who asks if the distillers do not want

it because it will allow them to take their spirits out of bond at 90 cents before the increase goes into effect, they do not want the increased tax. They will be glad if you will not increase the tax. But the committee has increased the tax on them, and if you tax them more you should relieve them from an insufficient bonded period.

Mr. TATE. But the gentleman has not answered my question. I ask you if it is not true that under the provisions of this bill all the whisky now in bond can be taken out before the act goes into effect at 90 cents a gallon and escape the increase of tax to \$1 a gallon. Can not it be done?

Mr. MONTGOMERY. It can be done if a man was silly enough to do it; but there is so large an amount of whisky that has already been forced out of bond or exported and ready to come back if there is a market that there can be no inducement in a 10 cent increase to justify anyone to take out whisky to be sold on an overstocked market at a loss greater than the 10 cent increase.

Mr. TATE. Then, I understand the distillers would be willing to pay 90 cents a gallon instead of a dollar?

Mr. MONTGOMERY. I say there is enough whisky out of bond and exported to supply the demand for six or eight months. That whisky has got to find a market. That surplus in connection with the general depression in trade which now exists will make it as a rule more profitable to keep the spirits in bond and pay \$1 when the market revives than to take it out at 90 cents and sell on a market already depressed by a surplus.

The interest on the money paid for taxes and the leakage will in six months amount to more than the 10 cents gained by taking it out before the increase goes into effect.

This being the condition, do you suppose that any owner who has whisky in bond, when the market is flooded with a surplus of that article, is going to take it out of bond for the sake of taking the chances of getting 10 cents advantage by reason of the tax, when a calculation will show that in less than six months the leakage, together with the interest on the money which would be required to take it out of bond, will more than equal the 10 cents additional which he would get, knowing as he does that there can be no market for it because there is already in the market, with taxes already paid, more than sufficient whisky to supply the market for that length of time?

Mr. TATE. Then those members of the committee who think that the allowance of one month and a half to pay the tax will cause a large amount of money to come into the Treasury will be mistaken in that expectation?

Mr. MONTGOMERY. If the money comes, the Treasury Department, of course, will not object to it; but I do not think it will come.

Mr. OUTHWAITE. And is not that the only excuse, so far as revenue is concerned, for the provision?

Mr. MONTGOMERY. I do not suppose it can be, when the proposition is to collect 10 cents additional for all time on whisky now in existence or which may hereafter be made.

Mr. TATE. If, as I understand the gentleman to state, there is already out of bond more whisky than can be used during the next eight months, how will this bill bring any early benefit to the Treasury?

Mr. MONTGOMERY. I think this is a good deal like our income-tax proposition and all other propositions to raise revenue. No legislation can be devised which will bring money into the Treasury immediately. We can not hope that the income tax, good as that measure is, will bring money into the Treasury within the next nine or ten months. By the increase of the whisky tax we are providing for revenue in the future, and not to meet the present deficiency.

Now, I have before me the indorsement of the Commissioner of Internal Revenue of this extension of the bonded period—I have not time to read it—based upon the idea that you should give fair treatment to an industry out of which you collect taxation to the extent of 500 per cent of the cost of production; that this industry should be treated with the same fairness as all other taxed industries.

Let this tax be paid on consumption, as all other taxes are, for no man can survive in this business unless when he comes to pay his tax he can find a consumer or a purchaser. A man engaged in this industry to the extent of \$20,000 must be able to command \$120,000 to meet five times the value of his product in taxes if you compel him to pay his taxes before he finds a purchaser for his product. This is not fair dealing; it is not justice. This House, whenever this question has heretofore come before it, has determined by an overwhelming vote that this bonded period ought to be extended, not simply to eight years, but, as many men on this floor will recollect, a bill passed this House by a two-thirds vote, under a suspension of the rules, giving an indefinite bonded period.

Mr. MCCREARY of Kentucky. I would like to ask my col-

league a question at this point. Is it not true that the extension of the bonded period from three years to eight years is an encouragement to this industry, allowing men to go on with the business who otherwise perhaps would not be able to do so.

Mr. MONTGOMERY. On that point, Mr. Chairman, I will take time enough to state a few statistics. Let us see what this industry is doing now, that we may ascertain what may reasonably be expected hereafter in the way of taxes from this source of taxes, if you treat this industry in such a way as will amount to its practical destruction. During the last six months of the calendar year 1892, there was produced in the whole country 7,754,000 gallons of whisky. During the last six months of 1893 there was produced only 723,000 gallons, less than one-tenth of the product in the last six months of 1892.

As to the State of Kentucky, I find that there was produced in that State during the last six calendar months of 1892, 8,111,000 gallons; and in the corresponding period of 1893, 1,078,000 gallons, less than one-eighth. So that by the establishment of this bonded period you are forcing these people to close up their business; you are destroying the source from which you might otherwise expect revenue. The men engaged in this industry are struggling to get sufficient money to save from confiscation for taxes the spirits that are now to be forced out of bond by the expiration of the three-year period.

Under such a policy as this they can not continue in business. I urge upon the House that this industry, out of which you are now obtaining in the shape of taxation 450 per cent of the cost of production, and from which you propose to derive 10 cents a gallon more under this bill, should be treated with common justice. If you will impose the tax upon consumption of spirits, just as you do in reference to all other subjects of taxation, the revenue will in no wise be interfered with. On the contrary, trade will not be interfered with and more revenue will be collected.

[Here the hammer fell.]

Mr. OUTHWAITE. I yield four minutes to the gentleman from North Carolina [Mr. BOWER].

Mr. BOWER of North Carolina. Mr. Chairman, I heartily concur in the amendment offered by the gentleman from Georgia [Mr. TATE]. There are two items in it, the first, reducing the tax from a dollar a gallon to 90 cents a gallon, as it has been heretofore; and the other reducing the bonded period from eight years to three years, as it has been heretofore. Originally the bonded period was one year. In 1830 it was extended to three years, for what cause no one has been able to say, and now we are met with the bold proposition to extend it to eight years. We should beware of the Greeks, when they come, bringing gifts. The question has been asked, Who are those asking for this extension? And I undertake to say here that the pressure comes from the big distillers of this country. Whenever a man or a class of men come here asking that the article which they manufacture shall be subjected to an increased taxation, then I naturally suspect them. Whenever a man who is distilling whisky comes here and says that he wants to pay a dollar instead of 90 cents, I suspect him of being a knave.

Mr. MONTGOMERY. But I say they do not want the tax increased.

Mr. BOWER of North Carolina. I say the men back of this matter, to a great extent, do want it.

Mr. MONTGOMERY. You may know more about that than I do. I am a member of the committee, and have heard the discussion there.

Mr. ELLIS of Kentucky. I want to know upon what information the gentleman makes that statement?

Mr. BOWER of North Carolina. I understand petition after petition has come to this House from the State of Kentucky and other places where they have big distilleries, asking for an extension of the period to eight years, and that there be an increase to \$1 in the taxation.

Mr. ELLIS of Kentucky. The gentleman certainly will allow me to say to him that that information is not correct. There is not a whisky distiller in the State of Kentucky who has asked for this.

Mr. BOWER of North Carolina. The little distillers all over the country do not want it, and more than that you will get just as much revenue from 90 cents as you will get from a dollar. You are doing nothing but offering a premium on blockading and moonshining all over this country. The people of this country do not want a tax of a dollar a gallon on whisky. Men do not want it if they intend to be honest, and pay the tax. I have heard of no other class of people who want it extended to a dollar, and the idea that you will increase the revenue by it is a mistake.

Now, as I have said before, the bonded period was originally one year. In 1880 it was extended to three years, and it was a special privilege to the whisky men. My friend from Kentucky [Mr. MONTGOMERY] says why should they be wronged and dis-

criminated against. They are not discriminated against. It is expected that a man will pay his taxes whenever they are due. I had prepared an amendment fixing the bonded period at one year, as it originally was.

[Here the hammer fell.]

Mr. OUTHWAITE. I yield two minutes to the gentleman from Indiana [Mr. BYNUM].

Mr. BYNUM. I do not intend to discuss the merits of this amendment to the amendment, or of the propositions contained in the original amendment. I only wish to say, on my own behalf, and I have the permission of the gentleman from Georgia [Mr. TURNER] to say on his behalf, that we are opposed to this extension of the bonded period. I do not believe that that part of the amendment to the bill should be adopted. I do not think that the extension of the bonded period to eight years, with the limited increase of only 10 cents a gallon, and the provisions for an increased shrinkage, gives any benefit whatever to the Government, but that the Government is really the loser instead of a beneficiary by these provisions. Therefore, with all due respect to the committee of which I am a member, I shall vote in favor of the amendment to strike out this provision of the amendment offered by the gentleman from Tennessee [Mr. McMILLIN].

Mr. OUTHWAITE. I yield three minutes to the gentleman from Indiana [Mr. HOLMAN].

Mr. HOLMAN. I do not wish three minutes, Mr. Chairman. I just want a moment. When this subject was considered in 1862, the policy of postponing the payment of the tax was very thoroughly discussed by such men as Senator Fessenden, of Maine, and others, in conference, and the views of some of the most intelligent distillers of the United States were placed before that committee. The opinion generally expressed by the distillers and the views expressed by the distinguished gentleman whom I have named, were that the tax on spirits should be paid at once, when the report of the manufacturer had been made under the provisions of the law. The extension of the time to three years was not approved by the country. It was a subject of very severe criticism, and I think that in harmony with public sentiment and the interests of our Government, the bonded period should not be extended.

Mr. ELLIS of Kentucky. Mr. Chairman, I ask unanimous consent to be allowed five minutes in opposition to the gentleman.

Mr. TATE. We have divided the time already.

The CHAIRMAN. The gentleman from Ohio [Mr. OUTHWAITE] has ten minutes remaining.

Mr. OUTHWAITE. I do not yield any time to the gentleman, but if the committee yields it to him, it is all right.

The CHAIRMAN. How much time does the gentleman want?

Mr. ELLIS of Kentucky. Five minutes.

The CHAIRMAN. The gentleman asks unanimous consent that he be allowed to speak for five minutes. Is there objection? There was no objection.

Mr. ELLIS of Kentucky. Mr. Chairman, I wish to say to the committee in the short time allotted to me that there seems to be a misunderstanding, an utterly erroneous idea, with reference to this extension of the bonded period. Gentlemen must bear in mind, if they hope to correctly understand this matter, that there are two classes of whisky manufactured in this country. One class of whisky does not improve by age, but is ready for consumption as soon as it is manufactured. That class of whisky is manufactured by what is known as the "whisky trust." The severest blow the whisky trust could receive at the hands of this House would be to make the bonded period unlimited. Why? Because the whisky manufactured by the whisky trust, which controls very largely all of the whisky manufactured in the country, is ready for consumption as soon as it passes from the still. Unlike bourbon or straight whisky, it is not improved by age.

On the contrary, the manufacturers of bourbon whisky or straight whisky can only secure a market for their goods by allowing them to age with time. The manufacturers of straight whisky or bourbon whisky will tell you—and it is a fact—that the brands of whisky manufactured by them are not fit for marketable use inside of four or five years. During the last year an investigation was had before the Judiciary Committee of this House concerning the whisky trust and the character of goods manufactured by it, in which the fact was fully disclosed that it was the policy of this country to allow the manufacturers of pure whisky, the manufacturers of honest goods, an opportunity to have their stocks matured by age.

As already stated, the character of whisky or spirits manufactured by the whisky trust consists wholly of what is known to the trade as highwines; in other words, alcohol which is used as the basis of any kind of liquor, and is prepared for use by flavoring it with various compounds and colored with substances such as burnt sugar, sirup, or glucose, and is fit for use as soon as it is

manufactured. On the other hand, bourbon whisky or straight whisky is an article which requires time to mature, and until it is ripened by age it is unfit for consumption; but when it has fully matured, which requires from five to eight years, it is the purest and best whisky in the world, whether used as a beverage or for medicinal purposes. It was disclosed in the hearings before the Judiciary Committee appointed to investigate the whisky trust that the goods manufactured by that concern were impure and unwholesome; that only straight whiskies were pure or fit for use.

The whisky manufactured in Kentucky is not ready for consumption at the end of three years. What do they do with it? When the period of three years has expired the whisky, not then fit for use, is exported, as may be done under the law—exported to Bremen and to Liverpool—and there it is kept until returned to this country for consumption. The tax upon whisky is never paid until the article goes into consumption.

The passage of this bill as reported from the Committee on Ways and Means does not mean the loss of a dollar to the Government in revenue; on the contrary, its passage would enable the Government to calculate with great accuracy on the revenue to be derived from that source. The Government can get no tax upon whisky save and except as that whisky goes into consumption, for if there is no consumption demand for it, it will be exported.

The gentleman is mistaken in supposing that the distillers of my State want the tax upon whisky increased. They do not. They are not asking for an increase, but they are asking if the tax is increased that the bonded period may be extended in order that honest goods, pure goods, goods that are not adulterated, as are the goods of the whisky trust, but shall be allowed to mature by age, and thus furnish the market with a pure article of whisky, whisky that will not be deleterious to health.

Mr. LIVINGSTON. Let the whisky men mature it at their own expense.

Mr. ELLIS of Kentucky. They propose to do so. The whisky men are not complaining. They are simply asking that the Government shall not undertake to force them to take their whisky out of bond at the end of three years, and carry it at an expense of four or five times the cost of production, when there is no market to receive it, no consumption demand for it. You treat whisky unlike you treat every other article upon which you collect an internal-revenue tax. You treat it unlike you treat beer, tobacco, cigars, and snuffs, because those articles only pay the tax when they go into consumption. It is but just, if you propose to compel the manufacturers of whisky to pay an additional tax, that you give the extension of the bonded period, as proposed in this bill.

Mr. MCCREARY of Kentucky. Mr. Chairman, I ask unanimous consent that I may have two minutes.

There was no objection.

Mr. MCCREARY of Kentucky. Mr. Chairman, I take a deep interest in the amendment that is pending. I come from a State that paid last year \$21,000,000 into the Treasury under the internal-revenue law. No other State in the Union pays more internal-revenue taxes than Kentucky except the State of Illinois, and I want to say here that as far as I have heard any expression of opinion among the distillers of my State, they do not desire this increase of the tax on whisky.

Mr. TATE. Will the gentleman permit a question?

Mr. MCCREARY of Kentucky. I can not yield. I have but two minutes.

I say, Mr. Chairman, so far as I have heard any expression of opinion by the distillers of my State they do not desire this increase, but they have been bearing these burdens for years, and if the Committee of the Whole first, and the House afterwards, shall impose an additional tax, they will do in the future as they have done in the past, they will pay it. There was paid into the Treasury last year about \$160,000,000 under the operation of our internal-revenue laws, and when you put 10 cents more a gallon on whisky, making the tax a dollar per gallon, that will probably increase the amount received about \$10,000,000. But I asked for time to speak in the interest of the extension of the bonded period. That is the relief that is now being asked by the distillers of this country.

The bonded period extends under the present law to three years, and they desire its extension to eight years as recommended by the committee. I believe that it would not be injurious to extend the bonded period to an unlimited time, but certainly the extension for eight years should be made. This extension will encourage a great industry. There are hundreds of men to-day engaged in that business who are almost pressed to the wall by the hard times. If we give them the extension of the bonded period they will be able to go on with their business and will be able to pay into your Treasury annually millions of dollars to help pay the expenses of this Government.

[Here the hammer fell.]

Mr. OUTHWAITE. Mr. Chairman, before I proceed I ask to have read the substitute which I have offered.

The substitute was read, as follows:

Strike out lines 1 to 5 and the words "below proof," in line 6, page 33, section 29, and insert the following in lieu thereof:

"That on and after the passage of this act there shall be levied and collected a tax on all distilled spirits produced in the United States, including that now in bond, on which the tax is not paid before that day, per proof gallon, or wine gallon when below proof, 90 cents, if paid within five days of the date of distillation or entry into bond; \$1, if paid after five days and within one year; \$1.10, if paid after one year and within two years; \$1.25, if paid after two years and within three years; and \$1.30 if paid after three years.

Mr. OUTHWAITE. Mr. Chairman, as I have said, I do not intend to insist upon this substitute as the wisest legislation that could be had at this time upon this subject. I have simply offered it as a proposition which would be about the right thing, so far as the taxes are concerned, if the whisky industry is to have all the other advantages in this bill; that is, if they are to have the advantage of eight years' extension of the bonded period, if they are to have the advantage of four more gallons for leakage, or a deduction of \$4 on the tax for leakage or wastage in the years beyond the present term and allowance. But, while I do not insist upon the substitute, I do insist that this whole subject should go out of this amendment and back to the Committee on Ways and Means for more careful consideration.

In my opening remarks I intimated very strongly that the whisky interest was the only interest that was urging this amendment. I think I may say, without any reflection on the honorable gentlemen from Kentucky who have addressed the committee in support of this measure, that they have expressed that same idea, that they desire this concession for the benefit of the whisky industry, that they desire this because it will be an advantage to that industry, and that it is virtually a proposition for the United States to pay the expense of aging the whisky of these manufacturers.

Mr. TAYLOR of Indiana. Under your substitute the bonded period remains unlimited.

Mr. OUTHWAITE. Yes; but they would pay for the extension.

Mr. TAYLOR of Indiana. To the extent of \$1.30?

Mr. OUTHWAITE. Yes, sir. Mr. Chairman, let us look at this section 29. It provides—

That on and after the first day of the second calendar month after the passage of this act there shall be levied and collected on all distilled spirits produced in the United States—

That does not say whether in bond or not. A construction of that provision might be that it would exclude from the operation of this law whisky now in bond.

Mr. McMILLIN. Will the gentleman from Ohio state whether his object in offering that substitute is to destroy the present bonded period?

Mr. OUTHWAITE. Oh, no.

Mr. McMILLIN. Then he ought to make that clear, because I think the wording of the substitute might have that effect.

Mr. OUTHWAITE. It is a substitute that gives no advantages but the extension of the bonded period to eight years, to which I would not object if the tax were increased as my amendment proposes.

Mr. McMILLIN. But the gentleman provides there a new method of collecting taxes, and I think he ought clearly to exclude the idea of shortening the bonded period.

Mr. OUTHWAITE. Well, I will withdraw the substitute rather than have any doubt about the efficacy of the remedy.

Mr. McMILLIN. The gentleman can amend it so as to provide that it shall not interfere with the present bonded period, as I understand that it is not his object to interfere with that, and I think it would be calamitous to do so.

Mr. MONTGOMERY. Mr. Chairman, I wish to say that while the gentleman from Ohio reads from a part of the bill that does not make clear whether the whisky is in bond or not, other parts of the bill do make that point perfectly clear.

Mr. OUTHWAITE. Of course I desire to be corrected if I am giving a wrong impression. But, Mr. Chairman, the objections I make to the adoption of this amendment at this time are as follows: First, it gives a slight addition to the tax. I would not object to that. I would not object to increasing the tax 30 or 40 cents per gallon. But what consideration are we supposed to get for it? It looks a little as if this were offered as an inducement for us to vote for the other features of the bill which are objectionable. What are they? First, the extension to eight years of the time within which these men have to pay this tax. In other words, under the present law, at the end of three years a tax of 90 cents a gallon is due to the Government and must be paid, and this bill, in effect, says, "Now, gentlemen, you owe the Government 90 cents a gallon on this whisky; you owe the Government \$90 on 100 gallons of whisky, and we will let you have five years more in which to pay that \$90 if you will

make it \$100. In other words, we will let you have money at 2 per cent per annum for five years." That is the proposition to which I most strenuously object.

Then there is another provision as to leakage. Under the present law the leakage is fixed at a certain amount. What is leakage? It is a deduction from the number of gallons of whisky or spirits that are supposed to be in the barrel on account of evaporation or loss in bulk. What is the amount, according to the present law, for the full three years at the end of which the tax is to be paid? According to my information this is 7½ gallons. Now, this bill provides at the end of six years there shall be a deduction of 11½ gallons. A corresponding reduction on the tax to be paid follows the gauger's report.

Mr. McMILLIN. The gentleman is in error; and I know that he does not wish to mislead the House. It simply provides whatever evaporation has occurred shall be deducted up to that amount; but if there has not been that amount of evaporation there is not that deduction.

Mr. OUTHWAITE. If that be true, then, I thank the gentleman for the correction. I thought it permitted this deduction, but it only permits a deduction of the tax on 4 gallons of whisky if the gauger says it should. The whisky men say that there will be leakage of that amount. The whisky producers also say that the whisky will be better for that amount of evaporation; that it will be worth more to the consumer, and the Government must deduct the tax on 4 gallons of whisky. In other words, the Government on a 100 gallons of whisky will contribute \$4 toward helping these gentlemen to age their whisky and make it better for the market. Now, my proposition is this—

Mr. CARUTH. Will the gentleman yield to me for a question?

Mr. OUTHWAITE. No; I have not time. My proposition is simply this: to sustain the amendment offered by the gentleman from Georgia [Mr. TATE], to send this whole subject back to the Committee on Ways and Means. It will not, as I said in the opening of my remarks, increase the revenues of the country for the next three years to any perceptible amount. I want to explain that again. The whisky interests have two months, according to the bill, if you will observe it, in which they can take out as much whisky or spirits as can be consumed in six months. And they will do it, too; because they get the advantage of 10 cents a gallon by rushing it out. They get it out at 90 cents a gallon, but on all that remains in bond after two months they must pay a dollar a gallon. Therefore they are going to get it out; and you get no increase on the amount of whisky or the amount of spirits that will be used in this country for the next six months. Although there will be a rush of revenue in during that two months' period, it will not be an increase.

Mr. HENDERSON of Illinois. I would like to ask the gentleman from Ohio if he has considered the question as to whether we have the power now to impose this additional tax upon whisky that has been manufactured under the law and is now in bond under the law.

Mr. OUTHWAITE. I know that is one of the subjects that the owners of whisky which has not yet paid tax will bring to the courts, and that is simply one of the things I desired to bring out.

Mr. McMILLIN. There is no question of the ability to increase the tax of whisky in bond.

Mr. TATE. Can not they rebound all the whisky they now have and postpone the payment of taxes for eight years?

Mr. OUTHWAITE. They are here looking for it; and while they have petitioned, they are, I am informed, already taking steps to litigate this very question as to whether you can compel them to pay the increase of 10 cents a gallon.

Mr. McMILLIN. Does the gentleman say that they have petitioned for this increase?

Mr. OUTHWAITE. I so understand. So I was informed.

Mr. McMILLIN. The gentleman was never more in error in his life.

Mr. OUTHWAITE. I am glad to be corrected, if they have not petitioned for it. Their representatives are upon the floor of this House asking for it.

The CHAIRMAN. The time of the gentleman has expired. The time for debate has expired on this amendment. [Cries of "Vote!"]

Mr. CARUTH. Mr. Chairman, I desire to address the committee on this subject. I have not spoken on the pending bill, and I ask unanimous consent that I may speak for five minutes upon this amendment?

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that he may be permitted to address the committee for five minutes. Is there objection?

Mr. DINGLEY. I desire, with that request, to ask that five minutes may be granted to those who take the opposite view also.

The CHAIRMAN. The gentleman from Maine couples the request of the gentleman from Kentucky with the request that the gentleman himself may be allowed five minutes.

Mr. DINGLEY. Yes, sir.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLAND. Before the gentleman proceeds, there is one question I desire to ask him.

The CHAIRMAN. Does the gentleman yield to the gentleman from Missouri?

Mr. CARUTH. I yield for a question.

Mr. BLAND. I understand that under this bill there is a right given to export this whisky, and in this way to obtain practically an unlimited bonded period.

Mr. CARUTH. Not in this bill.

Mr. ELLIS of Kentucky. Under the existing law they may do it. Mr. CARUTH. I will explain that to the satisfaction of the gentleman from Missouri. I have only five minutes, and I hope I may be allowed to speak on this question without interruption.

In reply to the gentleman from Missouri [Mr. BLAND], I will say that there now exists the right on the part of the holder or owner of whisky to export the whisky, keep it in a foreign country an unlimited time, and then, when it is needed for consumption here, bring it back to America and put it upon the market. It costs from \$5.50 to \$6 a barrel to take the whisky from Kentucky to a foreign country, store it there for two years, and then return it to this country. Every dollar of that money goes into the hands of foreigners—not one cent of it is paid to the American citizen.

The whisky is carried abroad in foreign bottoms; it is stored in foreign warehouses; it is insured in foreign insurance companies; and the consequence is that the American owner of a barrel of whisky thus exported pays \$5.50 to \$6.50 to these foreigners for the purpose of extending the bonded period. Thus the Government gets no portion of the tax until the whisky comes back to this country and enters into consumption here. My colleague [Mr. ELLIS] in his lucid explanation of this proposition has stated the case exactly. We produce on Kentucky soil the best article of whisky that is made in all the world; its reputation is not only coextensive with America but extends to foreign lands. There is no better or purer article of whisky distilled than that manufactured in Kentucky.

In order that this whisky may properly mature, in order that it may become fit to slide down an American throat, it must be from five to six years of age; I believe distillers say it takes about six years to ripen whisky properly. The bonded period is but three years. This is the only article in the world upon which you fix a limit as to the time when the tax shall be paid. You do not do it on beer—

Mr. KILGORE rose.

Mr. CARUTH. I can not yield to you, Brother KILGORE; I would rather yield to you than anybody else, but I can not yield to anybody. I have but five minutes, and no man can make a cogent and lucid speech upon the subject of Kentucky whisky in five minutes. [Laughter.] It is too good an article to be treated in so short a time.

Mr. GOLDZIER. I suggest that the gentleman append a sample of Kentucky whisky to his published remarks.

Mr. CARUTH. I would be glad to do so. It would no doubt do my friend good; I wish he had some of it.

Mr. KILGORE. I would like to ask a question for information.

Mr. CARUTH. All right.

Mr. KILGORE. Who pays the cost of the storage of this whisky while it is ripening for the market?

Mr. CARUTH. It is paid in the first instance by the owner of the whisky, and in the end by the drinker, of course; because every tax is paid by the consumer. Why do you ask me such a question as that? You ought to know better; you ought not to consume my time in that way. [Laughter.]

Mr. KILGORE. I am not a consumer, you know.

Mr. CARUTH. Yes, you are, I guess.

Mr. Chairman, this article of spirits gives a large income to the Federal Government; I believe the tax on distilled spirits is somewhere in the neighborhood of \$89,000,000 annually.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. CARUTH] has expired.

Mr. CARUTH. Why, I have just commenced my speech! I hope I may have a little further time.

The CHAIRMAN. The Chair can not extend the gentleman's time.

Mr. CARUTH. In justice to this great interest, I ought to have a little more time. I ask for five minutes more.

Mr. LIVINGSTON. I object.

Mr. CARUTH. Availing myself of the privilege extended by the House in the rule under which we are proceeding, I append

to my remarks a letter on the effect of the amendment, from the Commissioner of Internal Revenue:

TREASURY DEPARTMENT,
OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE,
Washington, D. C., December 14, 1893.

SIR: I have the honor to acknowledge the receipt of your letter of the 8th instant, in which you call for certain information relative to the tax on distilled spirits paid during the past five years, to the quantity of distilled spirits exported and reimported during that period, and the number of grain distilleries in the United States operated during last year. You also ask for estimates as to tax which will be realized during the present fiscal year under existing law, also if the bonded period is extended, also if the tax be increased 10 or 20 or 30 cents per gallon with extension at the same time.

In reply to your first and second questions, as to receipts, please see Table I inclosed.

In answer to your third question see Table II, and in answer to your fourth question see Table III, inclosed.

In answer to your other questions you are informed that the number of grain distilleries in the United States mashing 100 bushels or over per day in operation during the fiscal year ended June 30, 1893, was 204, and that the number mashing less than 100 bushels per day was 1,413.

It is estimated that the tax from all sources which will be realized the present fiscal year under existing law is \$150,000,000; that if the bonded period be extended the receipts would be about \$140,000,000, and that the bonded period being extended, if the tax be increased 10 cents per gallon, the receipts would be \$150,000,000; if increased 20 cents per gallon, \$159,000,000, and if increased 30 cents per gallon, \$168,000,000.

It is estimated that the increased collections as to high wines or cognie spirits will be in proportion to the increase in the rates of tax less some reduction on account of increased use of substitutes for ethyl alcohol in the arts and manufactures consequent upon the increased cost of this article by reason of the increased tax. It is believed that as to bourbon and rye whiskeys the increase of 10 cents per gallon tax would about offset the loss during the year growing out of the extension of the bonded period. The quantity of bourbon and rye whiskeys forced out of bond last year was 12,850,000 gallons, and it is estimated that under existing law the quantity will this year be even larger, as the quantity in warehouses of two to three year old spirits July 1, 1893, was 3,871,632 gallons greater than the quantity of such spirits in warehouse July 1, 1892. Hence, it is reasonable to infer that if the bonded period were extended for one or more years these spirits would not be withdrawn during the year, resulting in a reduction in the receipts for the year of at least \$10,000,000.

The above estimates are based upon the assumption that the act increasing the rates of tax operates during the whole fiscal year. To determine, therefore, the actual increase under this estimate during the fiscal year, it will be necessary to take only such fractional part thereof as is the frac-

tional part of the year which may elapse after the taking effect of the act. For instance, if the act should become operative April 1, 1894, one-fourth of the increased revenue herein given is all that could be expected.

Respectfully yours,

JOS. S. MILLER, *Commissioner.*

HON. ASHER G. CARUTH,
House of Representatives.

TABLE I.

Year ending June 30—	Answer to second question.		Answer to first question.
	Receipts from spirits other than bourbon and rye.	Receipts from bourbon and rye.	Total whisky tax.
1889.....	\$49,523,469.30	\$18,788,062.20	\$68,311,561.50
1890.....	56,147,117.40	18,984,735.90	75,131,853.30
1891.....	60,697,574.10	17,761,029.30	78,458,603.40
1892.....	60,146,529.30	23,540,269.20	83,686,798.50
1893.....	58,496,694.30	29,185,648.20	87,682,342.50

TABLE II.

Year ending June 30—	Answer to third question.			
	Bourbon and rye whiskeys—tax paid in taxable gallons.			
	*Over 3 years old. (assessed).	2 to 3 years old.	1 to 2 years old.	0 to 1 year old.
1889.....	7,460,000	9,449,283	2,713,836	1,252,539
1890.....	6,566,000	6,723,315	5,484,479	2,320,357
1891.....	2,798,000	11,016,133	4,538,930	1,381,414
1892.....	5,950,000	7,127,894	9,939,200	3,138,694
1893.....	12,850,000	3,364,249	12,100,687	4,053,662

* Forced out of bond.

TABLE III.

Year ending June 30—	Answer to fourth question.							Aggregate taxable gallons reimported.	
	Quantities in taxable gallons exported.								
	Bourbon.	Rye.	Alcohol.	Rum.	Gin.	Cologne spirits.	Miscellaneous.		
1889.....	1,395,954	369,812	302,866	423,905	0	63,731	33,967	2,590,235	1,615,316
1890.....	263,173	117,232	335,614	542,732	1,468	63,472	44,035	1,367,726	1,021,096
1891.....	157,814	38,296	367,474	1,021,869	893	70,518	19,541	1,676,395	1,081,482
1892.....	869,171	87,720	1,337,304	769,993	1,338	138,305	14,956	3,218,787	1,026,278
1893.....	2,421,755	444,783	216,563	639,196	881	8,066	30,987	3,762,231	744,442
Total.....	5,107,867	1,057,833	2,559,821	3,397,695	4,580	344,092	143,486	12,615,374	5,488,614

Mr. BRETZ. Mr. Chairman, I hail with pleasure the near approach of the hour when the great American Congress will vote to in part emancipate the people of this country from an unjust system of taxation. My happiness is all the more complete because the bill and amendments are going to pass both branches of Congress and be signed by the Executive. If what I am about to say would delay for an hour the passage of the Wilson bill and the income-tax amendment I would not utter a sentence in debate, but the time for a vote is fixed and its slow march can not be hastened.

Mr. Chairman, I am going to direct what I have to say in this debate to the proposed amendment imposing an income tax, and I hope I may be pardoned if I review briefly some of the countries now collecting taxes off of the wealth of their people instead of collecting it off of the poverty of their people.

England has had an income tax ever since George III, in 1798, except from 1816 to 1842. In 1816 the law levying an income tax was repealed, but was reenacted in 1842 under the leadership of Sir Robert Peel for the purpose of repairing the deficiency then in the revenue, to meet the current expenditures, and also for the purpose of enabling the Government of England to make some reforms for the benefit of commerce and manufactures in the Kingdom—the exact purpose for which it is sought to be enacted in the United States. The protective idea has run taxes so high and so oppressed the consumers and poorer class of people that this country finds itself confronted with a state of affairs such that some radical reform is needed and is demanded by the oppressed and tax-ridden people of this country.

The expenditures of this Government have grown so great and the exactions so pressing that its burdens can not much longer be borne by the people upon what they consume and the accumulated wealth of this country practically escape taxation. Instead of taxing a man on what he consumes, as he is now, an income

tax will tax him upon what he has accumulated, and I know of no better or more just way of levying and collecting taxes than upon a man's accumulated wealth.

The wealth of England, like the wealth of this country, has always opposed an income tax, and we find all along from the beginning of the collecting of income taxes in England the subject of its repeal is being discussed, but the people seem stronger than the powers of wealth, and it still stands on the statutes of England.

It is a system of taxation subjected to more vicious assaults than most any other kind of taxation. It has survived more storms and bitter attacks by the wealth of every country which has ever had it, than any other system of taxation, and has subdued the cyclones of attack better than any other system of taxation, because it is based upon the eternal principles of right. It makes us bear the burdens of taxation according to our accumulated wealth. The history of it in England shows that it has gone down at times, but rose again and asserted its right to tax a man's ability rather than his consumption.

Our friends who oppose an income tax say they are opposed to it because it is inquisitorial in its character. Grant that it is inquisitorial, what State in this Union but that has a system of taxation that is inquisitorial? Every State has a system of taxation levied upon what a man is worth, ascertained by an assessor who goes from house to house and requires every man over 21 years of age to answer under oath touching everything in the nature of property owned by him. He is required to list for taxation everything he has of value, and must state the exact amount of all moneys and other securities he possesses, so that on every assessor's blank every man's financial standing is clearly exhibited and that blank at once becomes public property for the inspection of any person desiring to know the financial standing of every other man.

What more inquisitorial could any system of taxation be than

the one now in force in every State in the United States? What greater hardship or injustice is it to a man to require him to state under oath what he is worth and what property he possesses and the value of it, for State and local taxation, than it is for the purposes of national taxation? What more inquisitorial is one than the other? We are told that an income tax would subject many business men to exposure and cripple their business, by exposing their capital and their profits. Why, is not that exactly what is being done in every State for State and local taxation? Why, sir, the manufacturers and loan agencies resort daily to the tax duplicates and assessment blanks of every man in the country they have dealings with to ascertain his financial standing.

Not only that, almost, and so far as I know, every manufacturer of agricultural implements and machinery, either himself or through his authorized agent, requires every farmer desiring to purchase a binder or any other piece of machinery to make and sign on the back of the note he executes what is called a "property statement;" that is to say, before the manufacturer will sell to the farmer he must not only know what he has been assessed with for the purposes of taxation, but he must also have the statement on the back of the note he holds signed by the maker as to the amount of property and its character the maker has exclusive of all his debts, and if he makes a false statement as to the amount of his property he is liable to a criminal prosecution.

What greater exposure of a man's financial standing and credit could you think of than that undergone by the people every day in the year? No, Mr. Chairman, that does not seem to be the real reason for opposing an income tax. The real reason is the rich men and corporations do not want a law passed that would require them to bear their share of taxation. It is the same old fight that has always been made and will always continue to be made against the payment of taxes. We are willing that everybody else shall pay taxes and bear the burdens of government, but we do not want to pay any. Too many of us want the blessing without the burdens. We want to escape. It is so nice, you know, if we can make somebody else carry the load and let us go unburdened.

Why, Mr. Chairman, we are told that an income tax is a premium upon perjury! Is it possible that the rich are more likely to perjure themselves in order to escape the payment of tax than the man with five hundred or a thousand dollars' worth of property? Do you mean to say that such would be the case? Are we to understand by that that you doubt your own integrity? Is it possible that the richer a man grows the less reliable is his oath? Do you mean for us to so understand you? But, Mr. Chairman, I intended to say something more about other countries which impose an income tax. I have said that England has had some kind of an income tax since the reign of George III, excepting between 1816 and 1842. I can not go into detail as to these taxes, but refer to them more to show that other countries believe in requiring the wealth of the country to bear its just share of the burdens of taxation.

Bavaria has had an income-tax law upon her statutes ever since October, 1848. The Grand Duchy of Baden has levied an income tax since 1886, and in 1891 upon a levy of 2½ per cent collected 5,723,754 marks, and in 1892-'93 with the rate reduced to 2 per cent, she collected 4,530,123 marks. Bremen has had an income-tax law on her statutes since 1848, ranging from 1 per cent in 1848 to 4 per cent in 1893, which shows that the law must be popular among the people. I can not undertake to give the amounts collected for a number of years back, but for 1892-'93, Bremen collected 3,225,053 marks. Austria has had an income-tax law ever since the beginning of the nineteenth century, with the exception of the time between 1829 and 1849. In 1892 Austria collected from incomes a tax amounting to \$10,000,000.

Italy for many years has had an income-tax law, and in 1892 collected about \$45,000,000 from that source. Switzerland also collects taxes upon incomes. But, Mr. Chairman, it is not necessary to cite other instances and countries that impose income tax upon the wealth of their people, but let us for a short time look at our own country when we had such a law. On July 1, 1862, Congress passed an income-tax law graduated in the following manner: On \$600 and under \$10,000 the rate was 3 per cent, and all over \$10,000 was taxed at 5 per cent.

In 1864 we collected \$15,000,000 in that way. In March, 1865, the law was amended and the 3 per cent levy was raised to 5, and the 5 per cent was raised to 10 per cent, and under that levy the Government collected \$21,000,000 for the year 1864-'65, and for the year 1865-'66 the collection amounted to \$60,547,882, and for 1866-'67 the collection was something over \$57,000,000. In March, 1867, the law was amended by increasing the exemption from taxation from \$600 to \$1,000, and fixed a uniform rate of 5, per cent on all incomes over \$1,000. As amended, there was collected for the year 1868, \$32,000,000; for 1869, something over \$25,000,000, and for the year 1870, \$27,000,000.

It may not be amiss here to say that the law was fast becoming unpopular among the men of wealth who had large incomes, and they began to cry down the law and demand its repeal. It will also be remembered that after the close of the war the Republican party was in its halo and was in full possession of all branches of the Government and counted within its fold almost every man of wealth, and those who had not yet allied themselves with the Republican party were fast uniting with it; so that in March, 1867, when the law was amended, as before stated, the pressure of the combined wealth was so great on Congress that a proviso was tacked onto the amendment providing that the whole income-tax law should be repealed in 1870.

But the friends of the measure rallied again, and through the instrumentality of Hon. David A. Wells, who was the special commissioner at that time, the Secretary of the Treasury, and the Commissioner of Internal Revenue, an act was passed in July, 1870, extending the law one year longer, but the rate was reduced to 2½ per cent and the exemption was raised to \$2,000. But the irresistible force of combined wealth was still at work, when most of the people were at work trying to repair some of the destruction of war and had but little time for thought or to give attention to legislation, and on June 26, 1871, the law was repealed by a vote of 26 to 25 in the Senate and a vote of 105 to 104 in the House; and again the wealth of the country was set free from taxation and its burdens shifted to the backs of the masses, where it has remained ever since, but I hope it will not remain so very much longer.

During the existence of this law there was collected from incomes \$347,220,897.86. Without the income-tax law that amount would yet remain the poor man's legacy, to be made up by him under the system of a protective tariff. Mr. Chairman, no explanation I can offer of the reasons why such persistent efforts were made to secure the repeal of the law, and why such a stubborn fight is being made now by the multiplied millionaires and men of large yearly incomes, and the corporations, against the reenactment of another income-tax law will speak so plain as the result of the operations of that law, and for that reason I shall incorporate in my remarks a letter of the Secretary of the Treasury giving in detail the operation of that law by States and Territories from the time of its passage to the time of its repeal.

It is as follows:

Letter from the Secretary of the Treasury, transmitting statement of the amount of revenue derived from the income tax from 1863 to 1873.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., December 18, 1893.

SIR: I have the honor to transmit herewith the statement of the Commissioner of Internal Revenue showing the amount of tax derived from income from all sources, under the income-tax law of 1862, for the years 1863 to 1873 inclusive, called for in Senate resolution of the 11th instant.

Very respectfully,

J. G. CARLISLE, Secretary.

HON. ADLAI E. STEVENSON,
President of the United States Senate.

Statement showing the receipts from income tax under the law of 1862, by States and Territories, from 1863 to 1873.

1863.

States and Territories.	Personal tax.	From corporations.	Total tax.
Alabama			
Arizona			
Arkansas			
California		\$4,813.61	\$4,813.61
Colorado			
Connecticut	\$55.43	74,311.16	74,366.59
Dakota			
Delaware		4,255.95	4,255.95
District of Columbia	8,952.04	1,290.04	10,248.08
Florida			
Georgia			
Idaho			
Illinois	189.04	30,618.98	30,807.72
Indiana	11,468.01	19,568.41	31,036.42
Iowa	32.17	6,944.92	6,977.09
Kansas			
Kentucky	3,412.16	20,552.75	23,964.91
Louisiana			
Maine	7,896.49	29,442.28	37,338.77
Maryland	266.81	47,325.89	47,592.70
Massachusetts	1,079.77	328,230.20	329,309.97
Michigan		867.22	867.22
Minnesota			
Mississippi			
Missouri	6,910.80	17,271.95	24,182.75
Montana			
Nebraska	10.50		10.50
Nevada			
New Hampshire		11,587.07	11,587.07
New Jersey		27,280.44	27,280.44
New Mexico			
New York	372,199.14	554,955.27	927,154.41
North Carolina			
Ohio	1,922.61	86,231.06	88,153.67
Oregon	16,864.84		16,864.84
Pennsylvania	24,429.34	258,323.83	282,753.17
Rhode Island		46,657.89	46,657.89

Statement showing receipts from income tax, etc.—Continued.

1863.

States and Territories.	Personal Tax.	From corporations.	Total tax.
South Carolina			
Tennessee			
Texas			
Utah			
Vermont	\$52.11	\$10,849.67	\$10,901.78
Virginia		2,449.45	2,449.45
Washington			
West Virginia			
Wisconsin		6,102.04	6,102.04
Wyoming			
Total	455,741.26	1,589,935.28	2,045,676.54
From salaries of United States officers and employes			606,181.71
Grand total	455,741.26	1,589,935.28	2,741,858.25

1864.

States and Territories.	Personal tax.	From property in U. S. owned by any citizens residing abroad and interest on U. S. securities.	From corporations.	Total tax.
Alabama				
Arizona				
Arkansas				
California	\$578,785.81	\$3,690.01	\$15,315.70	\$597,791.52
Colorado	17,656.34	2.84		17,659.18
Connecticut	369,825.44	5,346.68	177,600.72	552,772.84
Dakota				
Delaware	75,999.90	296.00	9,607.19	85,903.09
District of Columbia	144,322.92	2,409.57	8,181.71	154,914.20
Florida				
Georgia				
Idaho				
Illinois	584,503.77	1,931.23	94,172.74	680,607.74
Indiana	264,488.88	159.24	66,795.46	331,443.58
Iowa	58,839.71	10.97	10,038.00	68,888.68
Kansas	22,445.04	4.38	22,449.42	22,449.42
Kentucky	351,667.75	1,178.38	50,563.20	403,409.33
Louisiana	29,296.82	3,532.75	13,833.93	46,663.50
Maine	101,213.47	683.43	47,490.74	149,387.64
Maryland	505,551.03	5,594.50	121,319.60	632,465.13
Massachusetts	1,882,915.99	23,414.77	540,437.31	2,446,768.07
Michigan	104,150.66	142.83	9,081.69	113,375.18
Minnesota	15,049.30	97.94	558.23	15,705.46
Mississippi				
Missouri	374,962.49	1,805.59	31,678.82	408,446.90
Montana				
Nebraska	7,303.22	6.75		7,309.97
Nevada	38,936.75			38,936.75
New Hampshire	50,193.40	464.66	27,047.33	77,675.39
New Jersey	482,747.45	3,075.39	64,060.22	549,883.06
New Mexico	1,073.43			1,073.43
New York	4,889,105.10	52,177.86	1,463,441.64	6,384,724.60
North Carolina				
Ohio	1,112,060.15	5,920.75	262,817.20	1,380,798.10
Oregon	36,571.06	25.70		36,596.76
Pennsylvania	2,018,085.71	20,371.32	523,180.65	2,561,637.68
Rhode Island	363,737.64	1,260.65	80,855.45	445,853.74
South Carolina				
Tennessee	25,463.76	1.82	1,924.60	27,390.18
Texas				
Utah	4,039.93			4,039.93
Vermont	38,185.22	280.78	17,107.51	55,573.51
Virginia	40,546.54	84.67	193.80	40,830.01
Washington	7,390.68			7,390.68
West Virginia	37,189.71	67.37	5,421.20	42,678.28
Wisconsin	125,039.81	69.65	13,484.95	138,594.41
Wyoming				
Total	14,799,313.88	134,048.44	3,656,244.79	18,589,607.11
From salaries of U. S. officers and employes				1,705,124.63
Grand total	14,799,313.88	134,048.44	3,656,244.79	20,294,731.74

1865.

States and Territories.	Personal tax.	From property in U. S. owned by any citizens residing abroad and interest on U. S. securities.	From corporations.	Total tax.
Alabama				
Arizona				
Arkansas				
California	\$711,851.78	\$2,007.32	\$43,302.78	\$757,161.88
Colorado	38,058.38	21.29	267.73	38,347.40
Connecticut	399,514.67	6,757.33	346,469.15	752,741.15
Dakota				
Delaware	108,387.77	1,538.92	19,079.84	129,006.53
District of Columbia	83,620.38	1,266.19	12,069.24	96,955.81
Florida				
Georgia				
Idaho				
Illinois	885,536.26	1,274.08	257,706.90	1,144,517.24
Indiana	444,786.06	795.88	156,444.91	602,026.85
Iowa	121,105.66	92.85	40,894.74	162,153.25
Kansas	54,099.33	49.50	50.60	54,209.43
Kentucky	698,324.78	2,382.37	113,815.34	784,522.49
Louisiana	97,894.59	2,746.00	34,036.56	134,677.15
Maine	99,987.38	1,095.89	97,257.29	198,340.56

Statement showing receipts from income tax, etc.—Continued.

1865.

States and Territories.	Personal tax.	From property in U. S. owned by any citizens residing abroad and interest on U. S. securities.	From corporations.	Total tax.
Maryland	\$623,630.14	\$4,599.59	\$211,386.92	\$839,616.65
Massachusetts	2,163,444.65	29,475.18	1,388,825.25	3,580,745.08
Michigan	204,050.26	511.07	33,912.80	238,504.13
Minnesota	27,950.40	503.41	5,185.90	33,639.71
Mississippi				
Missouri	890,372.51	760.66	104,524.02	995,657.19
Montana	10,446.00			10,446.00
Nebraska	10,761.19		83.75	10,844.94
Nevada	58,059.42			58,059.42
New Hampshire	62,449.96	843.93	64,431.18	127,725.07
New Jersey	664,573.23	5,242.94	190,844.57	860,660.74
New Mexico	18,860.40			18,860.40
New York	6,136,321.07	70,103.34	2,899,829.68	9,106,254.09
North Carolina				
Ohio	1,614,861.46	9,543.81	515,162.40	2,139,567.67
Oregon	23,822.85	1.50		23,824.35
Pennsylvania	3,274,547.70	156,203.76	1,735,472.09	5,166,223.55
Rhode Island	387,360.82	4,276.70	160,178.70	551,816.22
South Carolina				
Tennessee	134,016.92	9.90	8,922.24	142,949.06
Texas				
Utah	7,500.46			7,500.46
Vermont	58,739.53	663.34	43,818.04	103,220.91
Virginia	20,955.70	4.88		20,960.58
Washington	15,700.21			15,700.21
West Virginia	81,659.59	173.81	13,835.23	95,668.63
Wisconsin	198,300.24	351.14	21,713.15	220,364.53
Wyoming				
Total	30,400,671.69	303,326.93	8,519,527.00	39,223,525.62
From salaries of U. S. officers and employes				2,826,491.82
Grand total	30,400,671.69	303,326.93	8,519,527.00	42,050,017.44

1866.

States and Territories.	Personal tax.	From corporations.	Special income tax for 1863.	Total tax.
Alabama	\$143.91	\$9,507.49		\$9,651.40
Arizona				
Arkansas	8,603.31			8,603.31
California	1,296,067.29	84,302.20	\$20,064.10	1,400,433.59
Colorado	82,622.43	335.45	8,728.40	91,686.33
Connecticut	1,662,652.49	378,539.59	283.50	2,041,475.58
Dakota				
Delaware	235,735.97	19,000.13	10,044.75	264,780.85
District of Columbia	345,277.23	29,754.00	1,555.35	376,586.58
Florida				
Georgia	56,035.99	20,719.29	81.89	76,837.17
Idaho	26,188.30		1,894.30	27,582.60
Illinois	3,451,007.77	428,572.32	16,316.57	3,895,896.66
Indiana	1,509,403.26	170,342.41	3,150.90	1,682,896.57
Iowa	471,776.85	51,237.63	3,559.61	526,574.09
Kansas	143,942.07	3,187.62	23,399.85	170,529.54
Kentucky	1,400,760.21	216,613.64	44,386.36	1,661,760.21
Louisiana	197,483.08	72,941.40	1,100.05	271,524.53
Maine	311,823.26	101,041.28	485.79	413,350.43
Maryland	1,788,731.94	261,402.98	4,576.74	2,054,711.66
Massachusetts	6,761,743.59	1,260,904.62	15,606.06	8,038,254.27
Michigan	783,578.00	47,840.03	31,132.15	862,550.18
Minnesota	81,458.53	11,023.14	3,091.95	95,573.62
Mississippi	60.00			60.00
Missouri	1,364,116.67	116,708.54	23,891.62	1,504,716.83
Montana	45,140.05	56.22		45,196.27
Nebraska	42,533.22	1,240.86	1,123.75	44,897.83
Nevada	88,733.19		5,340.95	94,134.14
New Hampshire	209,165.21	70,338.79	179.85	279,683.85
New Jersey	2,217,865.83	278,087.92	8,434.01	2,504,387.76
New Mexico	28,259.15		9,912.39	38,171.54
New York	18,282,251.56	2,911,067.23	146,681.40	21,340,000.19
North Carolina	695.19	303.31		998.50
Ohio	5,182,377.30	523,735.77	6,246.73	6,712,359.80
Oregon	96,648.67		2,046.06	98,694.73
Pennsylvania	9,686,621.73	1,349,676.32	40,037.03	11,076,335.08
Rhode Island	1,195,378.22	179,711.10	105.05	1,375,194.37
South Carolina	289.30			289.30
Tennessee	304,419.92	18,283.21	12,416.13	335,119.26
Texas	15,215.82			15,215.82
Utah	26,156.79		1,320.09	27,476.88
Vermont	216,904.20	44,408.75	828.69	262,139.64
Virginia	136,172.97	9,925.94	821.17	146,920.08
Washington	22,056.83		1,046.65	23,103.48
West Virginia	254,513.28	8,653.31	2,073.90	265,240.49
Wisconsin	519,231.70	37,330.82	1,086.30	557,648.82
Wyoming				
Total	60,547,882.43	8,716,881.91	452,550.09	69,717,314.43
From salaries of U. S. officers and employes				3,717,394.69
Grand total	60,547,882.43	8,716,881.91	452,550.09	73,434,709.12

* This total includes \$452,550.09 tax collected on income of 1863 under the joint resolution of July 4, 1864, which was not included in the aggregate of tax collected on income heretofore submitted.

Statement showing receipts from income tax, etc.—Continued.

Table for 1867 showing income tax receipts by State and Territory. Columns include Personal tax, From corporations, Total tax, and Number persons assessed on annual list.

Statement showing receipts from income tax, etc.—Continued.

Table for 1868 showing income tax receipts by State and Territory. Columns include Personal tax, From corporations, Total tax, and Number persons assessed on annual list.

1869.

Table for 1869 showing income tax receipts by State and Territory. Columns include Personal tax, From corporations, Total tax, and Number persons assessed on annual list.

1868.

Table for 1868 showing income tax receipts by State and Territory. Columns include Personal tax, From corporations, Total tax, and Number persons assessed on annual list.

1870.

Table for 1870 showing income tax receipts by State and Territory. Columns include Personal tax, From corporations, Total tax, and Number persons assessed on annual list.

Statement showing receipts from income tax, etc.—Continued.

1870.			
States and Territories.	Personal tax.	From corporations.	Total tax.
Minnesota.....	\$76,154.15	\$32,699.63	\$108,853.78
Mississippi.....	90,808.61	461.81	91,270.42
Missouri.....	631,505.59	184,295.92	815,802.51
Montana.....	40,811.14	150.00	40,961.14
Nebraska.....	58,612.86	4,968.22	63,581.08
Nevada.....	85,894.85		85,894.85
New Hampshire.....	117,090.70	52,460.48	169,551.18
New Jersey.....	1,221,754.82	264,549.75	1,486,304.57
New Mexico.....	12,873.95		12,873.95
New York.....	8,145,571.09	2,274,464.44	10,420,035.50
North Carolina.....	58,297.15	21,940.46	80,237.61
Ohio.....	1,436,859.38	826,227.54	2,263,086.92
Oregon.....	173,304.65	942.85	174,247.50
Pennsylvania.....	3,721,230.94	1,291,837.69	5,013,068.63
Rhode Island.....	359,748.99	176,664.53	536,413.52
South Carolina.....	117,585.14	25,662.05	143,247.20
Tennessee.....	221,977.90	62,906.21	284,884.11
Texas.....	105,236.34	5,321.13	110,557.47
Utah.....	9,595.68	141.23	9,736.91
Vermont.....	59,091.51	95,403.88	154,495.39
Virginia.....	180,422.56	82,219.35	262,641.91
Washington.....	32,104.21		32,104.21
West Virginia.....	74,696.27	23,705.20	98,401.47
Wisconsin.....	194,353.73	123,661.77	318,015.50
Wyoming.....	6,280.55		6,280.55
Total.....	27,115,046.11	9,551,301.09	36,666,347.20
From salaries of United States officers and employes.....			1,109,526.42
Grand total.....	27,115,046.11	9,551,301.09	37,775,873.62

1871.			
States and Territories.	Personal tax.	From corporations.	Total tax.
Alabama.....	\$56,201.47	\$22,048.07	\$78,249.54
Arizona.....	5,939.54		5,939.54
Arkansas.....	17,937.31	157.57	18,094.88
California.....	513,356.02	88,370.32	601,726.34
Colorado.....	18,806.34	1,367.25	20,173.59
Connecticut.....	157,752.72	138,778.66	296,531.38
Dakota.....	81.17		81.17
Delaware.....	50,008.51	5,388.57	55,397.08
District of Columbia.....	62,208.45	12,175.49	74,383.94
Florida.....	20,918.08		20,918.08
Georgia.....	97,031.58	83,198.46	180,230.04
Idaho.....	11,318.74	2,788.38	14,107.12
Illinois.....	332,063.44	73,328.20	405,391.64
Indiana.....	82,553.32	72,769.33	155,322.65
Iowa.....	51,649.58	53,631.62	105,281.20
Kansas.....	15,123.65	7,364.46	22,488.11
Kentucky.....	156,416.80	101,053.34	257,470.14
Louisiana.....	154,285.88	82,077.48	236,363.36
Maine.....	40,349.23	51,153.02	91,502.25
Maryland.....	318,507.27	189,577.64	508,084.91
Massachusetts.....	1,450,748.96	461,059.96	1,911,808.92
Michigan.....	332,689.42	43,740.84	376,430.26
Minnesota.....	10,954.29	16,861.50	27,815.79
Mississippi.....	70,556.34	1,572.33	72,128.67
Missouri.....	276,582.55	123,558.29	400,140.84
Montana.....	11,708.21	101.33	11,809.54
Nebraska.....	2,850.78	1,998.67	4,849.45
Nevada.....	36,644.64		36,644.64
New Hampshire.....	32,961.14	36,504.95	69,466.09
New Jersey.....	264,591.05	148,394.69	412,985.74
New Mexico.....	8,141.81		8,141.81
New York.....	6,185,124.87	997,793.73	7,182,918.60
North Carolina.....	22,610.34	22,790.97	45,401.31
Ohio.....	475,850.56	355,135.66	830,986.22
Oregon.....	5,5414.18	979.05	5,523.23
Pennsylvania.....	2,497,575.76	359,441.35	2,857,017.11
Rhode Island.....	130,476.03	83,807.79	214,283.82
South Carolina.....	48,867.19	28,842.17	77,709.36
Tennessee.....	72,105.21	29,979.67	102,084.88
Texas.....	64,231.27	9,162.46	73,393.73
Utah.....	9,409.27	2,533.37	11,942.64
Vermont.....	40,623.32	49,059.40	89,682.72
Virginia.....	54,443.30	43,162.29	97,605.59
Washington.....	4,306.50	91.95	4,398.45
West Virginia.....	19,224.08	12,300.42	31,524.50
Wisconsin.....	91,636.93	121,338.06	212,974.99
Wyoming.....	1,507.29		1,507.29
Total.....	14,434,949.39	3,940,438.81	18,375,388.20
From salaries of United States officers and employes.....			787,262.55
Grand total.....	14,434,949.39	3,940,438.81	19,162,650.75

1872.			
States and Territories.	Personal tax.	From corporations.	Total tax.
Alabama.....	\$22,199.96	\$13,590.45	\$35,790.41
Arizona.....	1,868.18		1,868.18
Arkansas.....	8,042.84		8,042.84
California.....	203,490.20	155,807.93	359,298.13
Colorado.....	14,750.98	14,701.85	29,452.83
Connecticut.....	161,195.05	200,261.75	361,456.80
Dakota.....	85.26		85.26
Delaware.....	24,846.85	14,910.49	39,757.34

Statement showing receipts from income tax, etc.—Continued.

1872.			
States and Territories.	Personal tax.	From corporations.	Total tax.
District of Columbia.....	\$55,916.52	\$6,839.15	\$61,755.67
Florida.....	5,384.77		5,384.77
Georgia.....	53,192.86	80,619.01	133,811.87
Idaho.....	2,703.33	598.49	3,301.82
Illinois.....	195,748.81	313,522.25	509,271.06
Indiana.....	66,075.93	96,280.66	162,356.59
Iowa.....	31,494.69	87,803.43	119,298.12
Kansas.....	10,054.11	5,829.78	16,483.89
Kentucky.....	108,797.39	132,860.49	241,657.88
Louisiana.....	61,977.74	40,624.88	102,602.62
Maine.....	36,222.00	59,505.64	95,727.64
Maryland.....	283,852.66	208,768.90	492,621.56
Massachusetts.....	1,239,434.59	833,499.57	2,072,934.15
Michigan.....	137,281.66	91,526.40	228,808.06
Minnesota.....	27,734.23	34,258.54	61,992.77
Mississippi.....	17,365.12	245.41	17,610.53
Missouri.....	104,661.92	82,347.90	187,009.82
Montana.....	5,744.64	599.64	6,344.28
Nebraska.....	3,029.60	2,652.87	5,682.47
Nevada.....	21,627.14		21,627.14
New Hampshire.....	16,977.55	28,505.59	45,483.14
New Jersey.....	399,530.92	195,543.77	595,074.69
New Mexico.....	4,512.94	465.49	4,978.43
New York.....	3,076,924.80	1,236,798.51	4,313,723.31
North Carolina.....	15,330.28	26,025.14	41,955.42
Ohio.....	414,880.64	424,558.14	839,438.78
Oregon.....	36,144.27		36,144.27
Pennsylvania.....	1,033,206.13	918,948.78	1,952,154.91
Rhode Island.....	172,921.85	60,988.47	233,910.32
South Carolina.....	19,353.52	29,268.88	48,622.40
Tennessee.....	50,011.78	44,115.19	94,126.97
Texas.....	57,624.31	17,490.45	75,114.76
Utah.....	19,235.86	3,864.43	23,100.29
Vermont.....	24,571.05	58,901.98	83,473.03
Virginia.....	48,727.03	70,826.04	119,553.07
Washington.....	5,227.58		5,227.58
West Virginia.....	21,817.10	12,112.56	33,929.66
Wisconsin.....	67,932.17	88,933.36	156,865.53
Wyoming.....	901.07		904.07
Total.....	8,416,685.87	5,725,611.26	14,142,297.13
From salaries of United States officers and employes.....			294,564.65
Grand total.....	8,416,685.87	5,725,611.26	14,436,861.78

1873.			
States and Territories.	Personal tax.	From corporations.	Total tax.
Alabama.....	\$8,305.16	\$1,137.59	\$9,442.75
Arizona.....	1,133.07		1,133.07
Arkansas.....	1,818.32		1,818.32
California.....	91,438.90	561.97	92,000.87
Colorado.....	\$13,350.40		\$13,350.40
Connecticut.....	52,532.94	\$448.40	\$52,981.34
Dakota.....	118.74		118.74
Delaware.....	6,750.81	5,675.51	12,426.32
District of Columbia.....	11,749.31		11,749.31
Florida.....	5,487.17		5,487.17
Georgia.....	16,938.66	1,511.75	18,450.41
Idaho.....	595.16		595.16
Illinois.....	79,051.77	4,739.49	83,791.26
Indiana.....	5,426.63	4,360.52	9,787.15
Iowa.....	6,302.62	3,030.05	9,332.67
Kansas.....	347.77	480.60	828.37
Kentucky.....	10,244.97	11,675.00	21,919.97
Louisiana.....	7,796.83	618.33	8,415.16
Maine.....	8,111.11	1,656.80	9,767.91
Maryland.....	97,382.70	5,116.63	102,499.33
Massachusetts.....	449,284.83	20,761.94	470,046.77
Michigan.....	124,960.51	4,454.93	129,415.44
Minnesota.....	12,911.54	4,580.51	17,492.05
Mississippi.....	12,462.27	170.81	12,633.08
Missouri.....	35,531.56	731.27	36,262.83
Montana.....	2,078.52		2,078.52
Nebraska.....	1,732.23	741.11	2,473.34
Nevada.....	14,938.74		14,938.74
New Hampshire.....	20,489.80	3,675.13	24,164.93
New Jersey.....	286,907.24	2,203.54	289,110.78
New Mexico.....	1,253.91		1,253.91
New York.....	1,504,448.24	584,478.57	2,088,926.81
North Carolina.....	5,578.85	5,076.98	10,655.83
Ohio.....	84,236.94	11,138.43	95,375.37
Oregon.....	4,980.50		4,980.50
Pennsylvania.....	879,155.93	305,853.18	1,185,009.11
Rhode Island.....	12,983.44	1,344.11	14,327.55
South Carolina.....	9,097.09	3,000.57	12,097.66
Tennessee.....	3,250.57	1,296.61	4,547.18
Texas.....	8,257.32	2,316.33	10,573.65
Utah.....	6,506.41		6,506.41
Vermont.....	4,768.60	8.50	4,777.10
Virginia.....	4,031.18	23,261.75	27,292.93
Washington.....	335.69		335.69
West Virginia.....	3,052.17	510.14	3,562.31
Wisconsin.....	8,983.42		8,983.42
Wyoming.....	125.22		125.22
Total.....	3,927,252.76	1,017,517.14	4,944,769.90
From salaries of United States officers and employes.....			117,541.72
Grand total.....	3,927,252.76	1,017,517.14	5,062,311.62

Statement showing receipts from income tax, etc.—Continued.

RECAPITULATION BY YEARS.

Years.	From personal income.	From corporations.	From property in U. S. owned by any citizens residing abroad and interest on U. S. securities.	From income of 1863, special duty on.
1863	\$455,741.26	\$1,589,935.28		
1864	14,799,313.88	3,656,244.79	\$134,048.44	
1865	20,400,671.69	8,519,527.00	303,326.93	
1866	60,547,882.43	8,716,881.91		\$452,550.09
1867	57,040,640.67	7,943,796.69		
1868	32,027,610.78	8,384,426.18		
1869	25,025,068.86	9,204,824.46		
1870	27,115,046.11	9,551,301.09		
1871	14,434,949.39	3,940,438.81		
1872	8,416,685.87	5,725,611.26		
1873	3,927,252.76	1,017,517.14		
Total	264,190,863.70	68,250,504.61	437,375.37	452,550.09

Years.	Total.	From salaries of U. S. officers and employes.	Grand total.
1863	\$2,045,676.54	\$696,181.71	\$2,741,858.25
1864	18,599,607.11	1,705,124.03	20,294,731.74
1865	29,223,525.62	2,826,491.82	32,050,017.44
1866	69,717,314.43	3,717,894.69	73,434,709.12
1867	64,984,437.36	1,039,991.98	66,014,429.34
1868	40,412,036.96	1,043,561.40	41,455,598.36
1869	34,239,893.32	551,962.52	34,791,855.84
1870	36,656,347.20	1,109,526.42	37,775,873.62
1871	18,375,368.20	787,262.55	19,162,630.75
1872	14,142,297.13	294,664.65	14,436,961.78
1873	4,944,769.90	117,841.72	5,062,611.62
Total	333,331,293.77	13,889,604.09	347,220,897.86

Now, Mr. Chairman, an analysis of these tables will show why the law was repealed and why New York, Massachusetts, and Pennsylvania are opposing the passage of the bill now. And for the purpose of comparisons, I will take three of the best agricultural States at that time, Indiana, Illinois, and Missouri, and compare the amounts collected from these States with the amounts collected from the three Eastern States at that time possessed and still possess more individual and corporate wealth than any other three States in the Union, and, by the way of parenthesis, receive more of the bounties resulting from a protective tariff than any other three States in the Union.

The first year the law was in force, 1863, the three Eastern States paid on their individual and corporate wealth \$1,539,216.65, and the three agricultural States paid on their individual and corporate incomes \$86,026.89. For the next year, 1864, the three Eastern States paid \$11,393,100.35, and the three Western States paid \$1,420,493.22. For 1865 the three Eastern States paid \$17,853,222.72, and the agricultural States paid \$1,744,201.02. For 1866 the three Eastern States paid \$40,454,589.53, and the Western States paid \$7,083,510.06. This seems to be the high-water mark reached upon the income-tax collections. For 1867 the three States containing the wealth paid \$37,250,821.42, while the three Western States paid \$5,280,403.09. This year for the first time there seems to be a report of the number of persons assessed, and for the States I am comparing the number is as follows: In Illinois there were 15,349; Indiana, 5,122, and in Missouri, 4,531; Massachusetts, 23,572; New York, 57,425, and in Pennsylvania, 31,825.

For the year 1868 the three Eastern States paid \$22,321,176.96, while the three Western paid only \$3,225,235.58. Again, the number affected by the law was reported, and following out my comparison I find in Illinois 16,369 persons were assessed, Indiana had 5,094, and Missouri had 4,642, while the other three stood thus: Massachusetts, 21,687; New York, 53,670, and Pennsylvania had 29,239 persons assessed. These statistics show conclusively where the wealth of this country was as far back as 1867-'68, three years after the war, made so in so short a time by means of a protective tariff much lower than now.

If in so short a time they began to accumulate such wealth in such great a number, what must be their accumulation of wealth now, thirty years after the war, with a protective tariff growing higher and higher?

But, Mr. Chairman, to return to my comparisons. For the year 1869 the said States paid as follows: Eastern, \$18,565,512.04; Western, \$3,565,099.90. For 1870, Eastern, \$19,939,025.37; Western, \$3,253,437.42. For 1871, Eastern, \$11,951,744.63; Western, \$965,855.13. For 1872, Eastern, \$8,298,812.37; Western, \$859,237.47. For 1873, the last year the law was in existence, the Eastern States paid \$3,743,982.69, and the Western \$129,841.24,

and for the entire period of the existence of this law the three Eastern States paid into the Treasury of the United States the sum of \$193,311,205.73, and the three Western States paid \$27,613,348.02 a difference of \$165,697,859.71. Thus it will be seen that when you tax what a man has accumulated and piled up in wealth, rather than what he consumes, we see the effect it will have upon the tax contributors of this country.

Mr. Chairman, why should a man oppose an income tax, unless he is against such a law, because he does not want to share his just proportion of the burdens of Government support? Is it true that the wealth of this country desires all the comforts and protection of a free Government, with all possible assurances of protection to life and property, and then refuse to contribute to the support of that Government that guarantees their safety? Are you gentlemen of wealth so unpatriotic as to drink of the cup all its sweets and hand to your fellow-man, who has been less fortunate in life in accumulating wealth, the dregs of that cup?

Why, Mr. Chairman, there are millions of men in this country who would welcome the opportunity of paying an income tax if they only had the amount of income this bill declares a man must have before he can be assessed. Millions of men will hail with satisfaction the payment of a 2 per cent income tax on a \$4,000 annual income if they only had it. Millions of homes now occupied by patriotic men and women would be made happy and cheerful if you but taxed them upon what they are worth rather than upon what they must consume. You tax a man's energy rather than his worth, and you impair that man and render that home desolate; but if you will but tax his wealth and let free his muscle and his energy, nothing but death will prevent an American man or woman from being happy and without the constant fear of starvation and desolation.

Mr. Chairman, that is what is the matter now; we have taxed and taxed the many for the benefit of the few, all the time impoverishing the millions to enrich the few. God never made a nation of people more patient and more willing to bear oppression than the American people, but there is a limit even to the patience and suffering of an American man or woman, and we have about reached that limit. I hail with welcome the demand of the American people that the accumulated wealth of the land shall be taxed, and that he who hath much shall give and he who hath but little shall give accordingly. Mr. Chairman, we will not be deterred from doing our duty because some man says an income tax will be a premium upon perjury, that if we pass the law some rich man will swear falsely to escape taxation.

Pass the law and let the rich men swear falsely if they dare, and that same God-fearing and country-loving people now asking that delayed justice be done them will see to it that the penalties of our criminal laws are applied without let or hindrance to the man whose greed for wealth is so great that he would blacken his soul before God and man to escape the payment of a 2 per cent tax upon his income. Mr. Chairman, the ambition of my life will be in part satisfied when I reach that long-deferred time when I can record my vote for the passage of this bill and amendments. [Loud applause on the Democratic side.]

Mr. DINGLEY. Mr. Chairman, I desire to offer an amendment to perfect the original text.

The CHAIRMAN. The Clerk will read the amendment of the gentleman from Maine:

The Clerk read as follows:

Amend the bill H. R. 5442 as follows: Insert "three" in place of "eight" in line 8, page 83; in line 19, on page 34; in line 19, page 35.

Also, by striking out all after the words "thirty-six months," in line 30, on page 35, down to and including the words "seventy-two months," in lines 41 and 42.

And also by inserting "three" in lieu of "six" in line 23, on page 35 and line 48 on page 37.

Mr. DINGLEY. Mr. Chairman, the object of my amendment is simply to reach the question of the bonded period—that, and nothing more—leaving the question of the amount of the tax on whisky to be determined by another amendment. My amendment proposes to leave the bonded period precisely as it exists now under the law; in other words, it proposes that the maximum bonded period shall be three years, and that the maximum for regauging shall also be three years. I repeat that in this respect my amendment leaves the law precisely as it now is.

This question of extending the bonded period has been before Congress at least six times since I have occupied a seat in this body, the whisky syndicate having insisted repeatedly that the bonded period should be extended from three to five or eight years.

The pending amendment of the gentleman from Tennessee [Mr. McMILLIN] proposes to extend the bonded period from three years to eight years. I desire simply to say that I am opposed to such extension. Three years during which the whisky is aging, and during which the evaporation is going

on at the expense of the Government is a sufficient period to grant such a peculiar favor as this. The proposition now to add five years more to this bonded period is destructive to revenue. It is practically a loan by the Government to the whisky distillers for five years, without interest. We can safely leave the bonded period as it is now, without any further privileges to this special interest. And especially ought we to do this in view of the necessities of the Government.

Mr. BOATNER. Would it not be better to reduce it to one year?

Mr. DINGLEY. I should prefer one year to three; but so long as the period has been extended to three years and has continued at this period for years, I do not propose now to disturb it. I am opposed, however, to extending the time, and for that reason I have presented an amendment, which covers simply that point and no more, leaving the question of whether or not the tax shall be increased to come up separately; and I trust that my amendment at least may be adopted.

Mr. TATE. If you strike out section 31, will it not leave the bonded period just as it is?

Mr. DINGLEY. I think not. I think there is language in all those sections that affects the question of the bonded period, and you have got to reach every one of them.

Mr. TATE. I have proposed to strike them all out. That is my amendment.

Mr. DINGLEY. I propose to cover simply this question of the bonded period, and not to complicate it with the question of the increased tax.

Mr. TUCKER. Is not the amendment of the gentleman from Georgia [Mr. TATE] divisible, and if the House votes up that part of the amendment, refusing to extend the bonded period, does not the gentleman gain the same result?

Mr. DINGLEY. I think the amendment does not cover all the sections. The word "eight" is found not only in the section to which the gentleman from Georgia offers an amendment, but in other sections. I propose to strike out the word "eight" wherever it occurs and to insert the word "three," and to strike out the word "six" wherever it occurs, with reference to re-gauging, and to insert "three," and then strike out all that part of the bill which provides for a further allowance of shrinkage after the term of thirty-six months has gone by.

My object is simply to reach this question of the bonded period, and then we will approach the question whether the tax should be increased or not much more easily. If we complicate this question with the other, we shall be likely to fall between the two stools. I prefer, therefore, to separate the question, and that is the object of my amendment.

Mr. MONTGOMERY. The object of your amendment is to leave them in a condition where they will be subjected to all the hardships on their business and get none of the benefits.

Mr. DINGLEY. Oh, no; I simply propose to retain the bonded period as it has been for years, and there is no more reason for extending it than there is for extending the period for paying duties. Indeed, the whisky interest already has privileges that no other interest has on whose goods taxes are imposed. It is given three years in which to pay its taxes, and all the time is given the benefit of the evaporation, which is increasing the value of its product.

Mr. COBB of Alabama. Was the rate of taxation fixed in the law with reference to the delay in collection or not?

Mr. DINGLEY. Gentlemen must bear in mind that this article of whisky is separated from all others, for the reason that the longer the extension of the bonded period the greater will be the increase of the value of whisky. Now, the Government is undertaking to bear the cost of that increase.

Mr. BLAND. I offer an amendment which I wish to have read and to have pending.

The CHAIRMAN. There are already as many amendments pending as are allowed under the rule.

Mr. BLAND. Then I offer this as a substitute.

The CHAIRMAN. There is a substitute pending. Will the gentleman from Maine [Mr. DINGLEY] give his attention?

Mr. DINGLEY. My amendment is to the original text.

The CHAIRMAN. That would not be in order until the other amendments are disposed of.

Mr. DINGLEY. If there are other amendments to the original text, perhaps they precede mine.

The CHAIRMAN. The Chair will state the parliamentary situation. The gentleman from Georgia [Mr. TATE] offers an amendment to the amendment. The gentleman from Ohio [Mr. OUTHWAITE] offered a substitute for the amendment to the amendment, and his substitute will be first in order to be voted upon.

Mr. OUTHWAITE. Mr. Chairman, I am satisfied that the tax ought to be increased to that extent. The question has not been

considered by the committee as carefully as it should be, and therefore I withdraw my substitute.

The CHAIRMAN. The gentleman asks leave to withdraw his substitute.

Mr. BLAND. Mr. Chairman, I understood that the substitute was withdrawn.

Mr. HALL of Minnesota. I object to the withdrawal of the substitute.

The CHAIRMAN. Objection is made. It can only be withdrawn by unanimous consent. The question is upon the substitute, and upon that debate is exhausted.

Mr. TUCKER. I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TUCKER. I desire to know whether the amendment of the gentleman from Georgia [Mr. TATE] to the pending amendment is divisible?

The CHAIRMAN. The Chair will decide that question when it shall be reached. The question now is upon the proposed substitute.

Mr. MONEY. I ask that the substitute be reported.

The CHAIRMAN. The Clerk will report the substitute proposed by the gentleman from Ohio.

The substitute was again read.

The question being taken upon the proposed substitute, the Chairman declared that the noes seemed to have it.

Mr. OUTHWAITE. I call for a division.

The committee divided; and there were—ayes 42, noes 87; so the substitute was rejected.

Mr. BLAND. Mr. Chairman, is it in order to offer another substitute now?

The CHAIRMAN. The Chair thinks it would be in order to offer a substitute for the amendment to the amendment.

Mr. BLAND. I offer the substitute I send to the desk.

Mr. DINGLEY. Does not my amendment come in now, Mr. Chairman?

The CHAIRMAN. As the Chair understands, the gentleman from Maine offers that as an amendment to the text.

Mr. DINGLEY. It is.

The CHAIRMAN. There is already one amendment pending to the text, the amendment of the gentleman from Georgia, and this is offered by the gentleman from Missouri [Mr. BLAND] as a substitute for the amendment to the amendment of the gentleman from Georgia. The Clerk will read.

The Clerk read as follows:

Provided, That after the expiration of the three years' bonded period the owner of any whiskies may have an extension of the time for the payment of the tax thereon by paying into the Treasury of the United States the cost estimated by the Secretary of the Treasury that would be incurred by the owner of such whisky for its exportation and reimportation.

Mr. BLAND. I ask one moment to explain that. There was no objection.

Mr. BLAND. Mr. Chairman, the object simply is to provide that the amount of the money expense incurred by the owners of whisky, under the rules of the Treasury Department allowing them to export and reimport whisky, may be paid into the Federal Treasury and the whisky remain in the country. In other words, as the law now stands whisky may be exported and may remain away as long as the dealer deems proper to keep it in a foreign country, and then be reimported, and all the cost that is incurred by him in that process goes to private parties.

Now, why not, under the law, permit the whisky to remain in this country by allowing the owner of the whisky, under the estimate of the Secretary of the Treasury as to the cost of its exportation and reimportation; to pay that money into the Federal Treasury as part of the revenue of the Government? The Government would then obtain as revenue the cost of these changes, whereas now it loses it all. Leave the bonded period at three years, as it is, but let this extra cost that is put upon the whisky go into the Federal Treasury. It seems to me the Government ought to have this revenue. This provision will work no possible hardship to the owner of the whisky, and it will bring a revenue into the Treasury.

Mr. MONTGOMERY. I ask that the amendment be again reported.

Mr. HEPBURN. I desire to ask the gentleman whether he has any information as to the quantity of whisky exported and reimported. I have heard the statement made that that practice was resorted to frequently in order to postpone the payment of the tax. My information is that there is but an inconsiderable quantity, only a few thousand gallons, exported. This threat is one of the expedients adopted by the whisky ring of this country, but the alleged reasons for it have no foundation in fact. There is really but little whisky exported to avoid the tax.

Mr. BLAND. I am not informed as to the amount of it, but I understand that at times there are large amounts exported, and

certainly the Government ought to have the revenue when it is exported and reimported, instead of having the money go, as it goes now, into the hands of private parties.

Mr. OUTHWAITE. Let me say, Mr. Chairman, that the loss of revenue by this proposed extension will be fourfold the revenue that will come into the Treasury in any such way.

The CHAIRMAN. The Clerk will again report the amendment.

The amendment was again read.

Mr. MONTGOMERY. Mr. Chairman, where does that come into the bill?

The CHAIRMAN. The gentleman offers it as a substitute for the amendment of the gentleman from Georgia, and it will come in where his amendment would come in.

Mr. MONTGOMERY. Let the amendment of the gentleman from Georgia be again read, so that we may see what shape it will leave the bill in if it be adopted.

The CHAIRMAN. It is a substitute for these sections of the bill.

Mr. MONTGOMERY. It must come in at some point of the bill.

The CHAIRMAN. It will come in where these three sections are, and they have already been read.

Mr. MONTGOMERY. Will it come in before them or after them?

The CHAIRMAN. If they are stricken out and this is adopted as a substitute, the Chair supposes that they will go out of the bill and this will take their place.

Mr. MONTGOMERY. Then it would be a very imperfect measure with only that substitute in place of those sections.

Mr. DINGLEY. Mr. Chairman, I suggest that as my amendment is designed to perfect the text as it stands, and not to strike out, the vote should be taken on that amendment first before taking a vote on striking out.

The CHAIRMAN. The Chair would hold that a motion to perfect the text would be in order before a motion to strike out.

Mr. DINGLEY. And is not the pending amendment of the gentleman from Missouri a motion on striking out?

The CHAIRMAN. The gentleman did not offer it as a motion to strike out. The Chair simply stated that as what would be the effect if the substitute were adopted.

Mr. DINGLEY. Well, my suggestion is that my amendment, being to perfect the text and not to strike out, the vote should first be taken upon the amendment.

The CHAIRMAN. Properly speaking, the substitute would be first voted upon, but there is a rule which is always enforced, that the text must first be perfected before a motion to strike out is in order.

Mr. DINGLEY. Precisely. And that is the rule that I invoke now.

The CHAIRMAN. After the text is perfected then a motion to strike out is in order, and the Chair intended to submit the amendment of the gentleman [Mr. DINGLEY] before the amendment of the gentleman from Georgia [Mr. TATE], but if the gentleman from Maine insists that the effect of the substitute would be to strike out, then the vote will be taken on his amendment before it is taken on the substitute.

Mr. DINGLEY. That is what I ask.

Mr. MCCREARY of Kentucky. Mr. Chairman, there seems to be some misunderstanding about the amendment of the gentleman from Missouri [Mr. BLAND], so I will ask that it be again read.

The CHAIRMAN. The Clerk will again read the amendment. While it is being read the Chair asks attention to this point. If the adoption of the substitute of the gentleman from Missouri [Mr. BLAND] would have the effect to strike out these three sections of the bill, then the amendment of the gentleman from Maine [Mr. DINGLEY] should be voted on before the vote is taken on the substitute, because the text ought to be perfected before the motion to strike out is submitted. The gentleman from Kentucky asks that the proposed substitute of the gentleman from Missouri be again read and the Clerk will report it.

The substitute was again read, as above.

The CHAIRMAN. The Chair does not think the adoption of that substitute would strike out these three sections.

Mr. DINGLEY. Mr. Chairman, I desire to ask the gentleman from Missouri whether it is his purpose to leave the eight-year period in the bill and to make his amendment in addition to that?

Mr. OUTHWAITE. That seems to be the intention.

Mr. DINGLEY. If that is the intention, it is a very strange proposition.

The CHAIRMAN. The question, then, will be taken on the substitute offered by the gentleman from Missouri.

Mr. McMILLIN. Mr. Chairman, I rise to a parliamentary

inquiry. If a substitute offered by the gentleman from Missouri is adopted with the three sections to which the amendment of the gentleman from Georgia applies, will they remain in the bill or go out?

The CHAIRMAN. The Chair thinks they would still remain in the bill. There is no motion in the substitute to strike them out.

Mr. McMILLIN. It would still be in the bill.

The CHAIRMAN. The Chair thinks so, and then it would be perfected by the amendment of the gentleman from Maine.

Mr. McMILLIN. If that amendment is adopted, the result would be to give to them the right to let their whisky stay in bond under the extension of the bonded period.

The CHAIRMAN. The Chair thinks this would be inconsistent; but it is an amendment that the committee may vote for if it sees fit to do so. The question is on the substitute.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now will be upon the amendment offered by the gentleman from Maine [Mr. DINGLEY], which the Clerk will report.

The Clerk proceeded to report the amendment.

Mr. McMILLIN. Is this offered as a substitute?

Mr. DINGLEY. No, sir; it is offered as an amendment to the text of the bill.

The CHAIRMAN. The Chair desires to say that this would be an amendment in the third degree if it was considered as an amendment to the amendment, but it is offered as an amendment to perfect the text before the proposition of the gentleman from Georgia to strike out is submitted to the committee; because the amendment offered by the gentleman from Georgia is to strike out the three sections. The question will now be taken on the amendment of the gentleman from Maine, which the Clerk will report.

The amendment was reported.

Mr. DINGLEY. Allow me simply to say that all this amendment proposes to do is to—

The CHAIRMAN. The gentleman from Maine has occupied five minutes before on this amendment, but if there be no objection he will be permitted to proceed.

Mr. DINGLEY. The proposition is to strike out of this bill the provisions for the extension of the bonded period beyond that provided by law, leaving it at three years, as it is now.

The CHAIRMAN. There are five minutes for debate remaining against that amendment, and the Chair recognizes the gentleman from Kentucky.

Mr. MONTGOMERY. Mr. Chairman, on this amendment of the gentleman from Maine [Mr. DINGLEY] I simply desire to say that its effect is exactly opposite to the purpose of that which is offered by the gentleman from Georgia [Mr. TATE]. Now, I say to the committee, that if you intend to retain this hardship of an insufficient bonded period, if you object to the proposition offered by the gentleman from Missouri [Mr. BLAND], that the bonded period be extended and the money which this industry is being compelled to pay now for the exportation of whisky shall be paid into the Treasury, instead of to foreigners, I shall, so far as I am concerned, vote for the amendment of the gentleman from Georgia, which keeps the tax at 90 cents. We should at least do the manly thing by saying to the distillers that if we will give them no relief from this unjust hardship we impose upon them we will not increase their taxes.

If you intend to force upon them this penalty of \$4 or \$5 per barrel for exporting their whisky and refuse to permit them to keep it here, but compel them to keep it abroad by paying this penalty to foreigners, then do the manly thing and vote for the amendment of the gentleman from Georgia and say to these people that we will not be guilty of exacting more taxes from them so long as we refuse to remove this unnecessary and unjust hardship which results not only in loss to them, but to the Treasury also.

Do gentlemen understand what they are doing? They are simply compelling those engaged in this industry who can by exporting their whisky obtain an unlimited bonded period to pay foreigners ocean freight, insurance, and warehouse charges instead of allowing them to keep it at home and spend this money with our own people. You propose to increase the tax and retain this restriction of the bonded period, which is as silly and in practice as inefficient as it is unjust.

Mr. OUTHWAITE. Do not they get that 10 cents back when they sell the whisky? Do they not get 10 cents additional? If the tax is increased from 90 cents to a dollar, there is 10 cents additional which they get back.

Mr. MONTGOMERY. They are not getting it back now. They are selling whisky for less than the price of production, and compelled to do so because the market is overstocked and these people can not get the money to pay a 500 per cent tax in advance on an article for which there exists no demand. At

this very time, Mr. Chairman, the men engaged in this industry, recognized by this Congress to be taxed, but it seems for no other purpose, are paying \$90,000,000 revenue—paying almost one-fourth of the Government's expenses; yet you refuse to give them this relief unless they get it by the payment of the cost and undergoing the trouble of exporting. The gentleman from Maine [Mr. DINGLEY] talks about diverting the revenue. I will say to him that he can get out of the taxation of this or any other article no more money than the market requires for consumption. There is one thing you can not do. You can not force these men to make whisky and put it in bond which they can not sell or export before the taxes are due.

[Here the hammer fell.]

Mr. GEARY. Mr. Chairman, I regret that I can not support the Wilson bill because it is not in accord with the platform and teachings of the Democratic party and is a violation of our promises made to the people in 1892.

For many years the position of the Democratic party on the question of tariff has been misrepresented and misunderstood. Our opponents diligently, in season and out of season, contended that ours was a free-trade party, more foreign than American, and hostile to the interest of the American laborer and manufacturer, and they have been aided in this misrepresentation by the speeches and declarations of gentlemen who, while ostensibly Democrats, were entirely at variance with the mass of the party and not in accord with its platforms when they preached the doctrine of free trade. I think that this element of the party have done more in the past to prevent the return of the Democratic party to power and now that it is in power will do and are doing more to insure its defeat than all the efforts of the Republican party. They have always been a stumbling block in the way of Democratic progress. There is no more room for a free trader in the Democratic party than there is for a protectionist of the McKinley school.

Between the sentimental, impractical doctrines of the free traders, with their attendant destruction of American industries, and the protective policy of the McKinley bill, which adopts a tariff rate practically prohibitive in many instances, thus subjecting the consumer of domestic products to the mercy of the American producer and permits the exaction from the consumer of increased prices, which inure solely to the benefit of the manufacturer, is a broad middle ground, occupied by the national Democracy, which, limiting tariff taxes to the wants of government, would by just reductions on the necessities of life reduce the cost of the same to American consumers, and yet within the limits of such taxation for revenue only would protect and encourage all legitimate American industries and uphold and protect the labor in this country employed in such undertakings.

A tariff for revenue, with incidental protection to American industries, has always been the policy of the Democratic party, together with the other just declaration that the luxuries and not the necessities of the people shall bear the heavier rates; and when reductions can be made, they shall be made first and greatest upon the latter and not the former.

That the Democratic party has been in favor of protecting and encouraging American manufactures and industries is proven by the declarations of every man who ever held the Presidential office as a Democrat since the days of Jefferson, and in fact such has been the policy of every leading American statesman, and the wisdom of such course is best exemplified by the rapid growth and progress of our people under the influences of such a system.

Mr. Webster, the great expounder of the Constitution, said:

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.

Mr. Madison, the leader of the Convention which framed the Federal Constitution, declared that it was then understood that customs were to form the principal revenue of the new Government, and that incidental protection would result from the laws thus raising revenue. (Jour., 515.)

In that Convention when the report of the committee on detail was under discussion, Mr. Randolph moved to amend what is now section 7, Article I, and which then read, "All bills for raising money be" by adding the words "for the purpose of revenue," and the motion was lost.

Mr. Madison, in discussing the motion, said:

The word revenue was ambiguous. In many acts, particularly in the regulation of trade, the object would be two-fold. The raising of revenue would be one of them. How could it be determined which was the primary or predominant one, or whether it was necessary that revenue should be the sole object in exclusion even of other incidental effects? When the contest was first opened with Great Britain their power to regulate trade was admitted, their power to raise revenue rejected. An accurate investigation of the subject afterward proved that no line could be drawn between the two cases.

* * * In levying indirect taxes, which it seemed to be understood were to

form the principal revenue of the new Government, the sum to be raised would be increased or diminished by a variety of collateral circumstances influencing the consumption in general—the consumption of foreign and of domestic articles—of this or that particular species of articles, and even by the mode of collection which may be closely connected with the productiveness of a tax.

The very first legislative act passed by the First Congress under the Constitution and approved by Washington, was a tariff act to raise revenue "for the support of the Government, the discharge of the debts of the United States, and encouragement and protection of manufactures."

JEFFERSON, MADISON, AND JACKSON.

Thomas Jefferson, in his second message, spoke of the duty of Congress:

To protect the manufactures adapted to our circumstances.

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 said:

Shall we suppress the imposts 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 he wrote:

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, 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.

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.

In a letter in 1828 he says:

It is a simple question under the Constitution of the United States whether "the power to regulate trade with foreign nations," as a distinct and substantive item in the enumerated powers, embraces the object of encouraging by duties, restrictions, and prohibitions the manufactures and products of the country. And the affirmative must be inferred from the following considerations:

1. The meaning of the phrase "to regulate trade" must be sought in the general use of it; in other words, in the objects to which the power was generally understood to be applicable when the phrase was inserted in the Constitution.
2. The power has been understood and used by all commercial and manufacturing nations as embracing the object of encouraging manufactures. It is believed that not a single exception can be named.
3. This has been particularly the case with Great Britain, whose commercial vocabulary is the parent of ours. A primary object of her commercial regulations is well known to have been the protection and encouragement of her manufactures.
4. Such was understood to be a proper use of the power by the States most prepared for manufacturing industry while retaining the power over their foreign trade.
5. Such a use of the power by Congress accords with the intention and expectation of the States in transferring the power over trade from themselves to the Government of the United States.
6. If Congress have not the power it is annihilated for the nation; a policy without example in any other nation.
7. If revenue be the sole object of a legitimate impost and the encouragement of domestic articles be not within the power of regulating trade, it would follow that no monopolizing or unequal regulations of foreign nations could be counteracted, etc.
8. That the encouragement of manufactures was an object of the power to regulate trade is proved by the use made of the power for that object in the first session of the First Congress under the Constitution, when among the members present were so many who had been members of the Federal Convention which framed the Constitution, and of the State conventions which ratified it; each of these classes consisting also of members who had opposed and who had espoused the Constitution in its actual form. It does not appear from the printed proceedings of Congress on that occasion that the power was denied by any of them. And it may be remarked that members from Virginia in particular, as well of the anti-Federal as the Federal party, did not hesitate to propose duties, and to suggest even prohibitions, in favor of several articles of her production. By one a duty was proposed on mineral coal, in favor of the Virginia coal pits; by another, a duty on

hemp was proposed, to encourage the growth of that article, and by a third, a prohibition even of foreign beef was suggested as a measure of sound policy.

Andrew Jackson, in 1824, wrote:

It is time that we should become a little more Americanized, and, instead of feeding the paupers and laborers of England, feed our own.

In a letter dated June 12, 1824, published in Niles' Register, page 245, he says:

Heaven smiled upon and gave us liberty and independence. That same Providence has blessed us with the means of national independence and national defense. If we omit or refuse to use the gifts which He has extended to us we deserve not the continuation of His blessings. He has filled our mountains and our plains with minerals, lead, iron, and copper, and given us a climate and soil for the growing of hemp and wool. These being the grand materials of our national defense, they ought to have extended to them adequate and fair protection, that our own manufactories and laborers may be placed on a fair competition with those of Europe.

In his second annual message as President of the United States he said:

The object of the tariff is objected to by some as unconstitutional.

The power to impose duties on imports originally belonged to the several States. The right to adjust these duties with a view to the encouragement of domestic branches of industry is so completely identical with that power that it is difficult to suppose the existence of the one without the other. The States have delegated their whole authority over imports to the Federal Government without limitation or restriction, saving the very inconsiderable restriction relating to their inspection laws. This authority having thus entirely passed from the States, the right to exercise it for the purpose of protection does not exist in them; and consequently if it be not possessed by the General Government it must be extinct. Our political system would thus present the anomaly of a people stripped of the right to foster their own industry and to counteract the most selfish and destructive policy which might be adopted by foreign nations. This surely can not be the case: this indispensable power thus surrendered by the States must be within the scope of the authority on the subject expressly delegated to Congress.

In this conclusion I am confirmed as well by the opinions of Presidents Washington, Jefferson, Madison, and Monroe, who have each repeatedly recommended the exercise of this right under the Constitution, as by the uniform practice of Congress, the continued acquiescence of the States, and the general understanding of the people.

That part of his message on manufactures was referred to the Committee on Manufactures in Congress, and both the majority and minority report of that committee indorsed his utterances relating to the constitutionality of protection of the American industries.

Mr. Mallory, who presented the report of the majority of the committee, said:

The committee are gratified to have the opinion of the President, clearly and fully expressed, that the tariff for protecting domestic industries is constitutional.

Our Government has adopted and endeavored to sustain by repeated legislative enactments a policy which has had the sanction of Washington, Jefferson, Madison, and Monroe. It has been sanctioned by the continued acquiescence of the States and the general understanding of the people.

Mr. Menell, in presenting the views of the minority of the committee, said:

With the President we also concur in the constitutionality of an adjustment of import duties with the view to the protection of our own agriculture and manufactures.

It would be difficult to frame a more direct, convincing, and conclusive argument on that point than is presented in the message.

The tariffs of 1816, 1824, 1828, and 1832 were all protective tariffs, and all promoted the growth and prosperity of our common country. The tariff of 1832 was adopted under the first Administration of Andrew Jackson and was approved by him and was the platform on which he was overwhelmingly reelected.

THE DEMOCRATIC PLATFORMS.

The Democratic platform of 1884, upon which Grover Cleveland was elected President, declared the policy of the Democratic party as follows:

Knowing full well that legislation affecting the operations of the people should be cautious and conservative in method, not in advance of public opinion, but responsive to its demands, the Democratic party is pledged to revise the tariff in a spirit of fairness to all interests. But, in making reduction in taxes, it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government taxes collected at the custom-house have been the chief source of Federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step careful of the labor and capital thus involved.

The necessary reduction of taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country. Sufficient revenue to pay all the expenses of the Federal Government economically administered, including pensions, interest, and principal of the public debt, can be got under our present system of taxation from the custom-house taxes on fewer imported articles, bearing heaviest on articles of luxury and bearing lightest on articles of necessity.

Mr. Cleveland, in his message to Congress of December 6, 1887, interpreted this platform as follows:

In a readjustment of our tariff the interests of American labor engaged in manufactures should be carefully considered, as well as the preservation of our manufacturers. But the reduction of taxation demanded should be so measured as not to necessitate or justify either the loss of employment by the workman nor the lessening of his wages.

Under our present laws more than 4,000 articles are subject to duty. Many of these do not in any way compete with our own manufactures, and many

are hardly worth attention as subjects of revenue. A considerable reduction can be made in the aggregate by adding them to the free list.

The taxation of luxuries presents no features of hardship, but the necessities of life used and consumed by all the people, the duty upon which adds to the cost of living in every home, should be greatly cheapened. It is a condition, not a theory, which confronts us. Relief from this condition may involve a slight reduction of the advantages which we award our home producers, but the entire withdrawal of such advantages should not be contemplated.

The question of free trade is absolutely irrelevant, and the persistent claim made in certain quarters that our efforts to relieve the people from unnecessary and unjust taxation are schemes of so-called free traders is mischievous and far removed from any consideration of the public good.

This declaration affirmed the continued policy of the party to be not free trade but incidental protection limited by the amount of revenue needed for the wants of Government economically administered—luxuries, not necessities, to bear the burdens of taxation.

In 1888 the Democratic platform readopted the platform of 1884, with an addition which emphasized its devotion to the interests of labor. It provided:

The Democratic party will continue with all the power confided to it the struggle to reform these laws in accordance with the pledges of its last platform, indorsed at the ballot box by the suffrages of the people.

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations.

In the interests of American labor, which should in no event be neglected, the revision of our tax laws contemplated by the Democratic party should promote the advantages of such labor by cheapening the cost of the necessities of life in the home of every workman and at the same time securing to him steady and remunerative employment.

In his letter of acceptance, dated September 26, 1892, Mr. Cleveland, in exactly the same line, stated—

We wage no exterminating war against any American interests. We believe a readjustment can be accomplished in accordance with the principles we profess without disaster or demolition. We contemplate a fair and careful distribution of necessary tariff burdens rather than the precipitation of free trade. We will rely upon the intelligence of our fellow-countrymen to reject the charge that a party comprising a majority of our people is planning the destruction or injury of American interests.

The platform of 1892 merely reaffirmed the doctrine "that Government had no power to levy and collect taxes except for purposes of revenue only," and denounced Republican protection as a fraud.

Does the Wilson bill conform to the declarations of Democratic policy as hereinbefore declared? Is it a tariff for revenue? Does it reduce first in the necessities, and last and least on luxuries? I think not; and because of these departures from the Democracy of Jefferson, Jackson, and Cleveland I can not support it.

It does not raise the needed revenue, but on the contrary it creates a deficit of about \$70,000,000 in the amount usually collected by customs and less than was provided for in the Mills bill; and we are told we must raise this amount by internal-revenue taxation. Without discussing the income tax, which is a just and equitable system of taxation, and yet one never approved of by the Democratic party, it is sufficient to say that the conventions of 1884, 1888, and 1892 never contemplated such a change in our tariff system as would produce such a deficit or make necessary the resort to some other form of taxation. If either convention had contemplated such a result they would have suggested the mode of providing such deficit, and the gentlemen who now claim that the people demand an income tax would not have omitted from the platform a declaration of such great popularity and one which would have been so beneficial in their candidacies.

The silence of the convention is the best argument that no such radical change was contemplated or thought necessary. It will not do to assert that a deficit under the prohibitive effects of the McKinley bill, if continued in force, was not thought possible, for early in 1892 it became evident that such would be the result ere the close of the fiscal year 1893.

This bill does not meet the expectations or promises of our party.

With a charming disregard of the promises of the party it cuts the luxuries as well as the necessities, and lays a heavier hand relatively upon the former than the latter.

We Democrats in California accepted the platform and the declarations of the President as correctly defining the policy of our party, and promised our people that while those engaged in the production of necessities would not enjoy all the advantages of former tariffs, yet that the reduction would not be so great as to place them at the mercy of foreign producers, while those engaged in producing luxuries would not be disturbed, as the Government needed and would need all the revenues derived from such sources; and among luxuries we classed those articles which the world over are classed as such, and by all civilized Governments, including free-trade England, are recognized as

the proper subjects of tariff taxation. In this list are always found spirits, wines, and fruits, etc.

It was on this interpretation of our policy that we carried California for the Democratic ticket, and the present bill does not keep faith with our people.

According to the report of the majority of the Ways and Means Committee reductions aggregating over \$15,000,000 have been made on articles of luxury, as follows:

On Havana and other foreign cigars and leaf tobacco	\$3,303,207
On liquors	1,276,990
On laces and embroideries	3,075,779
On silks and silk plushes	3,199,631
On kid gloves and jewelry	1,268,787
On ostrich feathers, downs, artificial flowers, etc	280,165
On opium for smoking	400,073
On plate glass and chinaware	860,210
On paintings and statuary	339,265
On perfumery, cosmetics, and fancy articles for smokers	101,256
Plums, prunes, raisins, figs, lemons, and oranges	834,632
Brandy	214,000

While the ad valorem clause on still wines will enable the foreign winemaker to enter his wines at any price he pleases, presumably the old price that prevailed before we abolished ad valorem on still wines, 5 cents per gallon, and we lose another \$1,170,000 on this item.

Woolen goods, which are needed by everyone and are necessities, after giving the manufacturer free raw materials, pay 30 to 40 per cent; raisins and other dried fruits from 10 to 30. The necessity higher than the luxury. Cotton goods, with free raw materials for the manufacturers, pay from 30 to 40; silks, laces, and velvets from 20 to 50.

The tariff on barley and hops, used almost exclusively by brewers, is reduced in amount \$555,000, and then this wise committee contemplated an increased tax on beer, or else an internal-revenue tax on wine to supply the deficit. Foreign brandies are reduced 70 cents per gallon, and domestic is taxed 10 cents more per gallon to insure the American paying the tax. I have not time to make further comparisons on this line to show that the committee has violated the party's rule of reform, and has not taxed luxuries or reduced on the necessities, as was promised.

The bill is not a Democratic tariff bill. It is about one-half free trade and the other half protection of the McKinley type, and neither is Democratic.

It is said I must support this measure because it originated with a Democratic committee. I must support Democratic measures, but the fact that this originated with a Democratic committee, if it is not a Democratic measure nor in keeping with my pledges to my people, does not compel my support. I did not agree to accept the decision of six men, or eleven, who went behind closed doors in its preparation and after presenting it to the House of Representatives practically denied the right to offer amendments to the bill or the right to question the correctness of the measure to their fellow-Democrats, and my people did not send me here with such instructions. They expected me to keep my pledges made to them, and that I intend doing.

If free trade and high protection are Democratic doctrines—if the necessities are to be taxed as much or more than luxuries—then I am not a Democrat. I made no promise to support such a measure when I asked my people to support me, but on the contrary declared my opposition to such legislation.

It is said that California will be greatly benefited by this law because it gives San Francisco free coal and a reduced rate in iron, but I can not understand how San Francisco can be benefited and all the other industries of the State impaired. San Francisco can only grow as the State grows, and must suffer when the industries of the interior suffer.

Free coal is a benefit, but of iron I am not so sure. I saw here yesterday a sample of iron ore from Shasta, in my district, that was pronounced superior to any in Pennsylvania, and I think California and San Francisco would be more enriched by developing those mines than by buying foreign ore. We must develop all of California's industries and stand together if we would make our State as great as she ought to and will be. I have no idea this bill will ever become a law, as I look for the Democratic Senate to so alter and amend it that when it returns to the House of Representatives it will command the support of all Democrats.

Believing I am doing what is my duty to my people and my State and keeping the promise my party and myself made to the people of California, I must oppose this measure.

Mr. POST. Mr. Chairman, at this stage of the discussion I wish to take up the time of the committee for one moment in order to put in the RECORD and to impress upon the House the opinion of the business men of the country with reference to the pending measure. There is but one opinion among business men with reference to the proposed revolution in economic pol-

icies, and it is reflected in a letter from Mr. W. F. Bailey, a prominent merchant in my district, who writes as follows:

GALESBURG, ILL., January 29, 1894.

MY DEAR GEN. POST: I congratulate you on your speech comparing the conditions under the varying Administrations. Judging from the brief extracts, the whole must be very interesting reading to business men who so keenly feel these changing conditions. I think it was Henry Clay who said the day would come when manufacturers and business men would regret having placed their business interests in the care of any political party, for their success or failure would hinge on the success of the party. The questions of tariff and currency should be eliminated from the field of politics.

It is useless for me to depict to you the effect of the stretching forth the magical wand in the hand of the President. The struggling hosts of the Egyptians under the waters of the Red Sea is nothing to be compared to the business interests of the country floundering under the waves of the Dead Sea of Free Trade. You told me once that members of Congress were too glad to be told what their constituents wanted. I think it would be safe to write over the Speaker's desk in Congress and the Senate these words:

"LET THE TARIFF ALONE."

Write them on every step, and desk, and tower, and stone of the Capitol. Write them on the sidewalks, on the streets, on the public conveyances. Write them in letters that cover the heavens and illuminate them at night, and I will guarantee that no constituent north of Mason and Dixon's line will erase one of them.

Another sentence that will meet the approval of the rank and file is:

"ISSUE NO BONDS."

Imagine a merchant selling his wares without profit and keeping up his store expenses, finding himself running short and offering his notes to the bank for the purpose of getting money to pay expenses, and yet where is the difference in policy? Is not the Government cutting off its revenues and issuing bonds to meet expenses?

Yours, truly,

W. F. BAILEY.

The CHAIRMAN. Debate is exhausted upon the pending amendment.

Mr. MCCREARY of Kentucky. I move to strike out the last word.

The CHAIRMAN. There are already two amendments pending.

Mr. MCCREARY of Kentucky. I ask unanimous consent that I may have two or three minutes only.

Mr. OUTHWAITE. I object.

Mr. MCCREARY of Kentucky. I want to ask the gentleman—

The CHAIRMAN. Debate is not in order.

Mr. OUTHWAITE. You have had ten minutes more time on your side than we have had on this side.

Mr. MCCREARY of Kentucky. I have not had ten minutes of debate upon the pending proposition.

Mr. OUTHWAITE. Your side has had ten minutes more than this side. I was talking to the gentleman from Kentucky [Mr. CARUTH].

Mr. MCCREARY of Kentucky. I hope that the gentleman will allow me to ask a single question of the gentleman from Maine, who offered this amendment.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent for how much time?

Mr. MCCREARY of Kentucky. Two and a half minutes.

The CHAIRMAN. Is there objection?

Mr. OUTHWAITE. Unless there are two and a half minutes on this side—

The CHAIRMAN. The gentleman must state whether he objects or not. Is there objection?

Mr. OUTHWAITE. I withdraw the objection.

Mr. MCCREARY of Kentucky. As I understand, the amendment offered by the gentleman from Maine [Mr. DINGLEY], proposes to confine distillers to the present bonded period of three years.

Mr. DINGLEY. In that respect my amendment continues the law just as it is now.

Mr. MCCREARY of Kentucky. And the bill as reported by the Committee on Ways and Means extended the bonded period to eight years. If the amendment just offered by the gentleman from Maine should become a law it will unquestionably be a great hardship on a number of distillers in the United States, and especially in my own State.

Mr. CARUTH. It will bring to them bankruptcy and ruin.

Mr. MCCREARY of Kentucky. By the extension of the bonded period to eight years men who are engaged in this industry will be enabled to go on with their business; but if the amendment be adopted reducing it to three years it will cause the winding up of a number of distillers in this country and will cause a great reduction in the amount of money received under the internal-revenue laws of the country.

Mr. DINGLEY. Why should the owners of whisky be allowed an extension of five years in which to pay their tax, while the owners of no other product, either imported or domestic—the

owners of no other property taxed in this country—are granted any such extension?

Mr. MCCREARY of Kentucky. Why is it that you impose a tax of \$1 a gallon on whisky while you do not impose such a tax on any other product? And there is no other product in the United States which pays as much as \$160,000,000 into the Treasury annually.

Mr. ELLIS of Kentucky. I call attention also to the fact that no other article on which an internal-revenue tax is levied pays that tax until the article goes into consumption. We simply ask for this product the privilege which is allowed to other articles.

Mr. DINGLEY. But this whisky is kept in bond for the purpose of aging, and improving in value. You propose to allow it to be so kept for eight years.

Mr. ELLIS of Kentucky. The public are interested in the production of pure whisky.

[Here the hammer fell.]

The question being taken on the amendment of Mr. DINGLEY, there were—ayes 81, noes 75.

Mr. CARUTH and others called for tellers.

Tellers were ordered; and Mr. McMILLIN and Mr. DINGLEY were appointed.

The committee again divided; and the tellers reported—ayes 105, noes 80.

So the amendment of Mr. DINGLEY was agreed to.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Georgia [Mr. TATE] to strike out the three sections named in his amendment.

The question being put,

The CHAIRMAN. The noes seem to have it.

Mr. TATE. I call for a division.

Mr. COCKRAN. I rise to a point of order. It is utterly impossible to understand the proceedings now going on, as it has been to understand those of the last five minutes. I ask that the amendment upon which the question is now about to be taken be read from the desk.

The CHAIRMAN. The amendment has been reported. It is a very long one, proposing to strike out three long sections. They can only be reported again by unanimous consent.

Mr. McMILLIN. I presume a statement of their effect will be sufficient.

Mr. COCKRAN. I should prefer a statement.

The CHAIRMAN. The Chair will state the point of the amendment if that is desired. The gentleman from Georgia moved an amendment to strike out sections 29, 30, and 31 of the pending amendment known as the internal-revenue bill.

Mr. OUTHWAITE. Will the Chair state the subject-matter of those three sections?

The CHAIRMAN. They relate to the bonded period.

Mr. McMILLIN. The effect of the amendment is to leave the tax at 90 cents per gallon instead of \$1 as proposed by the Committee on Ways and Means.

The CHAIRMAN. If these sections be stricken out the law on that subject will stand as it is. The Chair will not submit the question until order is restored. (A pause.) The pending question now is upon the motion of the gentleman from Georgia to strike out the three sections which have been indicated, amended as they have been by the amendment of the gentleman from Maine [Mr. DINGLEY], which has been adopted.

Mr. OATES. Will the Chair state the effect of the amendment which has been adopted—just what it is that will be stricken out—not the whole thing, but the substance.

The CHAIRMAN. If these three sections be out of the bill the law on the subject, as the Chair understands, will be left as it is at present.

Mr. OATES. And what will be the effect as to the bonded period?

Mr. BOATNER. Is not the effect of the amendment of the gentleman from Maine to continue the bonded period at three years?

The CHAIRMAN. That would be the effect.

Mr. BOATNER. And if we adopt these three sections as they stand in the bill as amended by the gentleman from Maine, the bonded period will be three years and the tax will be \$1 a gallon?

The CHAIRMAN. That is the understanding of the Chair.

Mr. MONEY. I rise to a question of order. In the disorder here I was not able to hear the statement made by the Chair. I desire now to be informed what will become of the amendment of the gentleman from Maine if the amendment of the gentleman from Georgia should prevail?

The CHAIRMAN. The amendment of the gentleman from Maine has been inserted in the text of these three sections. Of course, if those three sections should be stricken out, the

amendment goes with them; and the present law will stand as it is.

Mr. OATES. If the sections be retained, the duty on whisky will be \$1 a gallon and the bonded period three years.

The CHAIRMAN. That is the understanding of the Chair.

Mr. MONEY rose.

The CHAIRMAN. For what purpose does the gentleman from Mississippi rise?

Mr. MONEY. For information. Members on this side of the House desire information as to the construction to be put upon the explanation of the Chair. We desire to know whether the amendment of the gentleman from Maine would fall if the amendment of the gentleman from Georgia should be defeated.

The CHAIRMAN. The Chair will direct the Clerk to report the amendment, and the gentleman from Mississippi can then see the effect of it.

Mr. MONEY. It is not understood on this side of the Chamber, I will say, because there are diverse opinions as to whether the amendment of Mr. DINGLEY will fall if the amendment of the gentleman from Georgia be rejected.

The CHAIRMAN. The Chair will direct the Clerk to read it.

Mr. MONEY. It is upon the reading of the Clerk that we disagree. We should like to have a statement from the Chair in regard to that question.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Georgia.

The Clerk again read the amendment of Mr. TATE.

Mr. KYLE. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KYLE. I want to understand this proposition. As I understand now, the amendment offered by the gentleman from Maine, which has been adopted by the committee, restores the law as it now is and fixes the bonded period at three years. If the amendment offered by the gentleman from Georgia be adopted it will leave not only the tax but the bonded period as fixed now by law. If the amendment offered by the gentleman from Maine prevails, and the bill is agreed to as it is now, it leaves the bonded period at three years and the tax at \$1 a gallon. That is the way I understand it.

Mr. DINGLEY. I think the gentleman is under some misapprehension. I will state the parliamentary situation simply as I understand it.

The amendment which I have offered, and which has been adopted by the committee, was simply to the text of the bill as reported by the committee, relating to internal-revenue taxation. It strikes out the word "eight" wherever it occurs, and inserts "three," three years being the bonded period under the present law. It strikes out the word "six" and inserts the word "three," three years being the regauging period under the present law. It also strikes out all of that portion of section 31 which relates to wastage for thirty-six months or three years.

Mr. GOLDZIER. Will the gentleman from Maine yield to me for a minute?

Mr. DINGLEY. I think I will make my statement before I yield.

The CHAIRMAN. The gentleman from Maine declines to yield to the gentleman from Illinois.

Mr. GOLDZIER. I wanted to make a suggestion.

Mr. DINGLEY. What is the suggestion of the gentleman?

Mr. GOLDZIER. I suggest to the gentleman from Maine that he cause to be read his amendment that we have just adopted. I think that will give us all needed information.

Mr. DINGLEY. That would involve the reading of a large number of sections. I can state all that has been done by my amendments. They are simply to the text of the bill reported in the form of an amendment to the revenue bill by the Committee on Ways and Means. That amendment provided for a bonded period of eight years, and for a regauging period of six years.

I have simply in my amendment stricken out the word "eight" referring to the bonded period wherever it occurs, and inserted the word "three," which is the present bonded period provided by law, and wherever the word "six" has occurred, I have stricken that out and inserted the word "three," making the regauging period the same as the present law. I have not touched the question as to whether the tax shall be 90 cents or \$1. That is to be covered by another amendment that may be hereafter offered.

Mr. LIVINGSTON. Do you touch the question of leakage or not?

Mr. DINGLEY. I leave as much as the law provides now, up to thirty-six months, or three years. Leakage is covered up to thirty-six months. I leave that just as the present law is.

Mr. OUTHWAITE. You cut off the four additional gallons allowed in the bill?

Mr. DINGLEY. Certainly, I cut off all the allowance of leakage at the end of thirty-six months, and leave the law just as it stands now.

Mr. TAWNEY. If this amendment is adopted as amended, the law will be as it at present stands, will it not, the gentleman from Georgia [Mr. TATE] having withdrawn his modification?

Mr. DINGLEY. The gentleman asks me if it will leave the law just as it stands now. It will leave the law just as this bill provides it, with all after the thirty-six months cut off.

Mr. OATES. I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. OATES. Mr. Chairman, I desire to be in order, and I can not be in order while standing in front of the desk. Yet, there is so much confusion that I can not hear a word which is being said if I remain at my seat.

The CHAIRMAN. The point of order is well taken. The Chair has endeavored to have gentlemen cease conversation, but it seems impossible to get them to do so.

Mr. DINGLEY. A single word with reference to the amendment of the gentleman from Georgia [Mr. TATE], and its probable effect, as I understand it. The gentleman proposes to strike out all the section of the bill as reported by the Committee on Ways and Means relating to this subject, which, of course, covers those sections which have been amended by the committee in accordance with my amendment, and to provide simply that there shall be a tax of \$1, instead of the present law, which is 90 cents.

Mr. OUTHWAITE. He has withdrawn that, leaving the present law on that subject.

Mr. DINGLEY. Now, what I suggest to the gentleman from Georgia [Mr. TATE] is this: There may be some question as to how the amendment, if adopted by the House, would leave the bill. It would certainly leave the three-year bonded period just as provided by the amendment which has already been adopted by the House; but the query as to whether simply declaring that the tax shall be so and so, without adding to that a provision that the tax shall be imposed and collected in the manner now provided by law, may not leave an omission that would prove to be a fatal defect in the law. It seems to me that the amendment of the gentleman from Georgia [Mr. TATE] and its effect, so far as the bonded period is concerned, is not any different from the amendment that I have already offered, only that he comes at it by striking out nearly all the bill as reported by the Committee on Ways and Means.

Mr. OUTHWAITE. Then as I gather from the remarks of the gentleman from Maine [Mr. DINGLEY], it would be wiser to adopt the amendment of the gentleman from Georgia [Mr. TATE] to strike out the whole—

Mr. EVERETT. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EVERETT. I am one of the most ignorant members in the House, as to the rules of the House. I am seeking to get information. Several times on this side we have asked for the effect of the respective amendments. The Chair has said again and again, as the Chair did in the sugar debate, that he would direct the Clerk to read the amendments. That has been done, but that is not sufficient. We should some of us like to know what would be the effect of the adoption or rejection of the several amendments, and the Chair has informed us that we are as well able to judge for ourselves as the Chair is, as to what will be the result of the amendments. Now, I rise to inquire, Is there anything in the rules of the House to prevent the Chair informing us, after the amendments are read, what will be the result? That is the question we are desirous to ascertain.

The CHAIRMAN. The gentleman from Maine [Mr. DINGLEY] is stating as distinctly and clearly as the Chair can what will be the effect. If gentlemen will listen to what he is saying the Chair thinks gentlemen will understand it. After the gentleman from Maine [Mr. DINGLEY] has concluded his statement, if it is desired, the Chair will repeat it as nearly as he can.

Mr. ENLOE. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ENLOE. I would like to know if it is a part of the duty of the Chair to furnish understanding to gentlemen of the House who have not intelligence enough to understand the proceedings?

The CHAIRMAN. It is no part of the duty of the Chair to state anything in respect to the arguments upon amendments. Gentlemen may differ as to what the effect will be. It is not a parliamentary question to ask the Chair to undertake to say what the effect of an amendment will be, except in a parliamentary sense, but not at all in a legislative sense.

Mr. DINGLEY. If the Chair will pardon me, I suggest that the Clerk read section 29—

The CHAIRMAN. The gentleman from Maine has the floor

and if gentlemen will give him attention they will understand the effect of his amendment.

Mr. McMILLIN. The gentleman expressed a doubt a moment ago that I think I can clear up, as to the effect of the amendments that have been adopted. I will do so by stating to the committee—

Mr. DINGLEY. Mr. Chairman, I suggest that the Clerk read section 29 as it would stand if the amendment of the gentleman from Georgia should be adopted, for that is all there will be in the bill [Cries of "Vote!" "Vote!"]

Mr. DINGLEY. Better understand what you are voting on. The gentleman from Georgia moves to strike out all of section 29 after the word "warehouse," and all of the remaining sections.

Mr. TATE. No, the gentleman is mistaken. I have moved to strike out sections 29, 30, and 31 entirely.

The CHAIRMAN. The gentleman from Maine should understand that the last request of the gentleman from Georgia was withdrawn.

Mr. DINGLEY. I did not understand that the gentleman from Georgia had offered the amendment just stated by him. If that be adopted it will simply leave the bonded period as the law now provides, and will attain in another way the object of my amendment. It will also leave the tax at 90 cents a gallon.

Mr. McMILLIN. If the amendment of the gentleman from Maine [Mr. DINGLEY], which has been incorporated into the text of the bill, prevails, then the present law will stand with a tax of a dollar a gallon on spirits. If the amendment of the gentleman from Georgia [Mr. TATE] prevails, then the present law will stand, not only as to its administration, but also as to the 90 cents a gallon tax on spirits. Therefore, it is a contest as to whether we shall collect this additional \$10,000,000 of taxes on whisky, or whether we shall not, the committee having determined not to adopt the extension of the bonded period.

Mr. COOMBS. That is a mistake. Mr. Chairman.

Mr. DINGLEY. In other words, Mr. Chairman, if the amendment of the gentleman from Georgia is adopted it makes the tax 90 cents a gallon; if it is defeated, then the tax remains at a dollar per gallon, as provided in the bill.

Mr. McMILLIN. The contest is simply between a tax of 90 cents a gallon and a tax of a dollar a gallon on whisky, with the extension of the bonded period left out.

Mr. MONTGOMERY. Mr. Chairman, I desire to offer a substitute.

The CHAIRMAN. A substitute for what?

Mr. MONTGOMERY. A substitute for the amendment of the gentleman from Georgia [Mr. TATE].

The CHAIRMAN. The Clerk will report the proposed substitute.

The Clerk proceeded to read the substitute.

Mr. LIVINGSTON. Mr. Chairman, I make the point of order that the gentleman can not offer an amendment at this time. We were voting, and the gentleman from Georgia had asked for tellers.

The CHAIRMAN. There has been no vote taken on the amendment.

Mr. LIVINGSTON. We were voting and the gentleman from Georgia had demanded tellers upon his amendment.

The CHAIRMAN. The gentleman is mistaken as to the status. There has been no vote on the amendment.

Mr. MONTGOMERY. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. MONTGOMERY. I rise simply for the purpose of making an explanation of this substitute—

Mr. McMILLIN. Mr. Chairman, the right to make a point of order against this proposition, if it should be objectionable, is reserved.

The CHAIRMAN. The Chair thinks that if the gentleman from Kentucky desires to make any explanation it ought to come after the proposed substitute is read.

Mr. MONTGOMERY. My only object in offering to make it now was to save the time which would be occupied in the reading.

The CHAIRMAN. But would the gentleman then ask the House to vote on his proposition without having it read? The Clerk will read.

The Clerk proceeded to read the substitute, as follows:

SEC. 29. That on and after the passage of this act there shall be levied and collected on all distilled spirits produced in the United States, on which the tax is not paid before that day, a tax of \$1 on each proof gallon, or wine gallon when below proof, to be paid by the distiller, owner, or person having possession thereof, on or before removal from the warehouse, and within eight years from the date of the original entry for deposit in any distillery or special bonded warehouse, except in cases of withdrawals therefrom without payment of tax as now authorized by law; warehousing bonds, covering the taxes on all distilled spirits entered for deposit into distillery or special bonded warehouse on and after the date named in this section and remaining therein on the fifth day of the following month, shall be given by the distiller or owner of said spirits as required by existing laws, conditioned, however, for payment of taxes at the rate imposed by this act and

before removal from warehouse and within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit.

SEC. 30. That warehousing bonds or transportation and warehousing bonds covering the taxes on distilled spirits entered for deposit into distillery or special bonded warehouses prior to the date named in the first section of this act, and on which taxes have not been paid prior to that date, shall continue in full force and effect for the time named in said bonds. Whenever the tax is paid on or after the aforesaid date, pursuant to the provisions of the warehousing, or transportation and warehousing bonds aforesaid, there shall be added to the 90 cents per taxable gallon an additional tax sufficient to make the tax paid equal to that imposed by section 29 of this act. The Commissioner of Internal Revenue may require the distillers or owners of the spirits to give bonds for the additional tax, and before the expiration of the original bonds shall prescribe rules and regulations for reentry for deposit and for new bonds as provided in the first section of this act and conditioned for payment of tax at the rate imposed by this act and before removal of spirits from warehouse, and within eight years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit. The distiller or owner of the spirits may request regauge of same prior to the expiration of six years from the date of the original entry or original gauge. If the distiller or owner of the spirits fails or refuses to give the bonds for the additional tax or to reenter and rebond the same the Commissioner of Internal Revenue may proceed as now provided by law for failure or refusal to give warehousing bonds on original entry into distillery or special bonded warehouse.

SEC. 31. That whenever the owner of any distilled spirits shall desire to withdraw the same from the distillery warehouse, or from a special bonded warehouse, he may file with the collector a notice giving a description of the packages to be withdrawn and request that the distilled spirits be regauged; and thereupon the collector shall direct the gauger to regauge the same, and mark upon the package so regauged the number of gauge or wine gallons and proof gallons therein contained. If upon such regauging it shall appear that there has been a loss of distilled spirits from any cask or package, without the fault or negligence of the distiller or owner thereof, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of the withdrawal thereof from the distillery warehouse or special bonded warehouse: *Provided, however*, That the allowance which shall be made for such loss of spirits as aforesaid shall not exceed 1 proof gallon for two months, or part thereof; $1\frac{1}{2}$ gallons for three and four months; 2 gallons for five and six months; $2\frac{1}{2}$ gallons for seven and eight months; 3 gallons for nine and ten months; $3\frac{1}{2}$ gallons for eleven and twelve months; 4 gallons for thirteen, fourteen, and fifteen months; $4\frac{1}{2}$ gallons for sixteen, seventeen, and eighteen months; 5 gallons for nineteen, twenty, and twenty-one months; $5\frac{1}{2}$ gallons for twenty-two, twenty-three, and twenty-four months; 6 gallons for twenty-five, twenty-six, and twenty-seven months; $6\frac{1}{2}$ gallons for twenty-eight, twenty-nine, and thirty months; 7 gallons for thirty-one, thirty-two, and thirty-three months; $7\frac{1}{2}$ gallons for thirty-four, thirty-five, and thirty-six months; 8 gallons for thirty-seven, thirty-eight, thirty-nine, and forty months; $8\frac{1}{2}$ gallons for forty-one, forty-two, forty-three, and forty-four months; 9 gallons for forty-five, forty-six, forty-seven, and forty-eight months; $9\frac{1}{2}$ gallons for forty-nine, fifty, fifty-one, and fifty-two months; 10 gallons for fifty-three, fifty-four, fifty-five, and fifty-six months; $10\frac{1}{2}$ gallons for fifty-seven, fifty-eight, fifty-nine, and sixty months; 11 gallons for sixty-one, sixty-two, sixty-three, sixty-four, sixty-five, and sixty-six months; and $11\frac{1}{2}$ gallons for sixty-seven, sixty-eight, sixty-nine, seventy, seventy-one, and seventy-two months, and no further allowance shall be made: *And provided further*, That taxes may be collected on the quantity contained in each cask or package as shown by the original entry for deposit into the warehouse, or, as to fruit brandy, by the original gauge for which the owner or distiller does not request a regauge before the expiration of six years from the date of original entry or gauge: *Provided, also*, That the foregoing allowance of loss shall apply only to casks or packages of a capacity of 40 or more wine gallons, and that the allowance for loss on casks or packages of less capacity than 40 gallons shall not exceed one-half the amount allowed on said 40-gallon cask or package; but no allowance shall be made on casks or packages of less capacity than 20 gallons: *And provided further*, That the proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than 100 per cent: *Provided further*, That if spirits remain in bond after three years the owner shall pay into the Treasury the cost as estimated by the collector of internal revenue of exportation and importation.

Mr. BYNUM (during the reading of the substitute). Mr. Chairman, I rise to a point of order. That is the same provision that is proposed to be stricken out.

The CHAIRMAN. The Chair can not tell that until the proposition has been read.

Mr. BYNUM. Well, it is the same proposition, and reading it simply takes up time.

The CHAIRMAN. The Clerk must complete the reading of the proposition before the Chair can determine the question raised by the gentleman from Indiana.

The Clerk resumed and completed the reading as above.

Mr. OUTHWAITE. I make the point of order against that amendment that its effect is simply to compel this committee to vote again upon a proposition on which it has just voted. It does not change in any respect any portion of this whole subject, including two or three pages of the bill, but requires the committee to vote again upon the matter which they have just voted upon in the amendment of the gentleman from Maine [Mr. DINGLEY].

Mr. BYNUM. In addition to the point made by the gentleman from Ohio, if it has any new matter in it, it should be offered as an amendment to the amendment.

The CHAIRMAN. The gentleman from Indiana has correctly stated the position. If the gentleman from Kentucky [Mr. MONTGOMERY] offers any new matter which is submitted in his so-called substitute as an amendment to the text of the amendment of the gentleman from Tennessee [Mr. McMILLIN], the Chair thinks it would be in order to vote upon that in order that the text may be perfected before the motion to strike out made by the gentleman from Georgia [Mr. TATE] is submitted. If the gentleman desires to offer it as an amendment to the amendment of the text, the Chair will entertain the amendment.

Mr. MONTGOMERY. That is exactly what I propose to do. The CHAIRMAN. It is in order as an amendment, but not as a substitute.

Mr. McCREARY of Kentucky. I desire to offer a substitute for the pending proposition. The effect of this substitute is to extend the bonded period from three to five years, and leave the tax at \$1 per gallon. If we are going to increase the tax from 90 cents to \$1, then we should increase the bonded period from three to five years. I know from my association with many distillers that it is absolutely necessary, if we are going to increase this tax, that there be an increase of the bonded period. If we can not give them eight years, we ought to give them five. I preferred eight years, but that has been voted down.

The CHAIRMAN. The gentleman from Kentucky, as the Chair understands, desires to offer a substitute now for the amendment of the gentleman from Georgia—an amendment to that amendment.

Mr. McCREARY of Kentucky. I simply desire to strike out of the bill the word "three" and insert "five."

Mr. DINGLEY. That would not be in order. The committee has already stricken out "eight" and inserted "three."

Mr. McCREARY of Kentucky. I insist that it is in order, because I offer it as a substitute.

The CHAIRMAN. The Chair will hear one gentleman at a time. The gentleman from Maine makes the point of order, and the Chair will hear the gentleman on the point of order, and then he will hear the gentleman from Kentucky, but he can not hear two gentlemen at once.

Mr. DINGLEY. I understand that the statement of the gentleman from Kentucky to be that he strikes out the word "three."

Mr. McCREARY of Kentucky. I offer a substitute for sections 29, 30, and 31. I was about to explain the effect of the substitute. The effect is to allow five years for the bonded period instead of three years, as provided in the bill as just changed by the adoption of the amendment offered by the gentleman from Maine [Mr. DINGLEY].

Mr. McMILLIN. If I understand the gentleman from Kentucky, he also limits the time during which evaporation shall be allowed for.

Mr. McCREARY of Kentucky. I do. I make it conform to the general plan of allowing five years for the extension of the bonded period, and provide also for the increase of the tax from 90 cents to \$1.

The CHAIRMAN. The gentleman from Kentucky says that he desires to offer a substitute. The Chair can not rule upon the question as to whether it is a substitute or not unless it is read. The Chair has not heard it. The Clerk will report the proposed substitute of the gentleman from Kentucky in order that gentlemen may see whether it is identical with the matter amended by the amendment of the gentleman from Maine, or whether it is a different matter.

Mr. DINGLEY. Before that is read. Is this offered as a substitute? Is it a motion to strike out certain sections and to present other matter?

The CHAIRMAN. The Chair understands that it is a substitute for the amendment offered by the gentleman from Georgia [Mr. TATE].

Mr. McCREARY of Kentucky. Yes, sir.

The CHAIRMAN. It would not be voted upon until the text is perfected. The Clerk will report the substitute.

The Clerk read as follows:

SEC. 29. That on and after the first day of the second calendar month after the passage of this act there shall be levied and collected on all distilled spirits produced in the United States, on which the tax is not paid before that day, a tax of \$1 on each proof gallon, or wine gallon when below proof, to be paid by the distiller, owner, or person having possession thereof, on or before removal from the warehouse, and within five years from the date of the original entry for deposit in any distillery or special bonded warehouse, except in cases of withdrawals therefrom without payment of tax as now authorized by law; warehousing bonds, covering the taxes on all distilled spirits entered for deposit into distillery or special bonded warehouse on and after the date named in this section and remaining therein on the fifth day of the following month, shall be given by the distiller or owner of said spirits as required by existing laws, conditioned, however, for payment of taxes at the rate imposed by this act and before removal from warehouse and within five years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit.

SEC. 30. That warehousing bonds or transportation and warehousing bonds covering the taxes on distilled spirits entered for deposit into distillery or special bonded warehouses prior to the date named in the first section of this act, and on which taxes have not been paid prior to that date, shall continue in full force and effect for the time named in said bonds. Whenever the tax is paid on or after the aforesaid date, pursuant to the provisions of the warehousing, or transportation and warehousing bonds aforesaid, there shall be added to the 90 cents per taxable gallon an additional tax sufficient to make the tax paid equal to that imposed by section 29 of this act.

Mr. TERRY. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TERRY. It occurs to me that the time of this committee should not be taken up by reading this bill over so many times.

The CHAIRMAN. The Chair overrules the point of order. Mr. DINGLEY. Would not the only effect of this be to strike out the word "three" and insert "five?"

The CHAIRMAN. Debate is not in order. The Chair can not tell whether this is the same or not until it is read.

Mr. DINGLEY. I will ask the gentleman if it is not the same—

Mr. McMILLIN. I will make a statement concerning it which I think the gentleman from Kentucky [Mr. McCREARY] will concur in as correct, from which the Chair and the House will see wherein it differs from the present language.

The CHAIRMAN. Then would the gentleman from Tennessee ask the committee to vote upon it without it being read?

Mr. McMILLIN. Not if the Chair desires to have it read.

The CHAIRMAN. The proposed substitute will be read; otherwise there will be controversy among members as to what it is.

Mr. BYNUM. I desire to make this point of order to the Chair, that this is simply a motion to strike out.

Mr. SPRINGER. I make the point of order that debate is not in order until the amendment is read.

Mr. BYNUM. An amendment to perfect the text would be in order; but this can not be offered as a substitute because it is not an amendment to perfect the text, and therefore it is not in order.

Mr. McCREARY of Kentucky. It will only make—

The CHAIRMAN. The Chair wants to hear the gentleman from Indiana, but can not hear him on account of there being so much confusion.

Mr. McCREARY of Kentucky. I desire to be heard upon the point of order.

Mr. BYNUM. The motion of the gentleman from Georgia is simply to strike out different sections of the bill. There can be no substitute for that motion; and this is in the nature of an amendment to the original section, and is not in order while one amendment is already pending.

The CHAIRMAN. The Chair can not tell that until it is read. It will not be voted upon until the text is perfected. The gentleman is assuming that it is the same before it is read.

Mr. BYNUM. No; I am simply saying that it is in the nature of an amendment. It shows that without being read.

The CHAIRMAN. The Chair holds that the amendment must be read.

Mr. SPRINGER. I call for the regular order.

The Clerk resumed and concluded the reading, as follows:

The Commissioner of Internal Revenue may require the distillers or owners of the spirits to give bonds for the additional tax, and before the expiration of the original bonds shall prescribe rules and regulations for reentry for deposit and for new bonds as provided in the first section of this act and conditioned for payment of tax at the rate imposed by this act and before removal of spirits from warehouse, and within five years, as to fruit brandy, from the date of the original gauge, and as to all other spirits from the date of the original entry for deposit. The distiller or owner of the spirits may request regauge of same prior to the expiration of six years from the date of the original entry or original gauge. If the distiller or owner of the spirits fails or refuses to give the bonds for the additional tax or to reënter and rebond the same the Commissioner of Internal Revenue may proceed as now provided by law for failure or refusal to give warehousing bonds on original entry into distillery or special bonded warehouse.

SEC. 31. That whenever the owner of any distilled spirits shall desire to withdraw the same from the distillery warehouse, or from a special bonded warehouse, he may file with the collector a notice giving a description of the packages to be withdrawn and request that the distilled spirits be regauged; and thereupon the collector shall direct the gauger to regauge the same, and mark upon the package so regauged the number of gauge or wine gallons and proof gallons therein contained. If upon such regauging it shall appear that there has been a loss of distilled spirits from any cask or package, without the fault or negligence of the distiller or owner thereof, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of the withdrawal thereof from the distillery warehouse or special bonded warehouse: *Provided, however,* That the allowance which shall be made for such loss of spirits as aforesaid shall not exceed 1 proof gallon for two months, or part thereof; $1\frac{1}{2}$ gallons for three and four months; 2 gallons for five and six months; $2\frac{1}{2}$ gallons for seven and eight months; 3 gallons for nine and ten months; $3\frac{1}{2}$ gallons for eleven and twelve months; 4 gallons for thirteen, fourteen, and fifteen months; 4 $\frac{1}{2}$ gallons for sixteen, seventeen, and eighteen months; 5 gallons for nineteen, twenty, and twenty-one months; $5\frac{1}{2}$ gallons for twenty-two, twenty-three, and twenty-four months; 6 gallons for twenty-five, twenty-six, and twenty-seven months; $6\frac{1}{2}$ gallons for twenty-eight, twenty-nine, and thirty months; 7 gallons for thirty-one, thirty-two, and thirty-three months; $7\frac{1}{2}$ gallons for thirty-four, thirty-five, and thirty-six months; 8 gallons for thirty-seven, thirty-eight, thirty-nine, and forty months; $8\frac{1}{2}$ gallons for forty-one, forty-two, forty-three, and forty-four months; 9 gallons for forty-five, forty-six, forty-seven, and forty-eight months; $9\frac{1}{2}$ gallons for forty-nine, fifty, fifty-one, and fifty-two months; 10 gallons for fifty-three, fifty-four, fifty-five, and fifty-six months; $10\frac{1}{2}$ gallons for fifty-seven, fifty-eight, fifty-nine, and sixty months: *And provided further,* That taxes may be collected on the quantity contained in each cask or package as shown by the original entry for deposit into the warehouse, or, as to fruit brandy, by the original gauge for which the owner or distiller does not request a regauge before the expiration of six years from the date of original entry or gauge: *Provided, also,* That the foregoing allowance of loss shall apply only to casks or packages of a capacity of 40 or more wine gallons, and that the allowance for loss on casks or packages of less capacity than 40 gallons shall not exceed one-half the amount allowed on said 40-gallon cask or package; but no allowance shall be made on casks or packages of less capacity than 20 gallons: *And provided further,* That the proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than 100 per cent.

Mr. OUTHWAITE. I make a point of order against this proposition. The committee has voted upon the proposition which settles this question entirely. The committee has struck out the word "eight" where it occurs in different parts of the bill and inserted in lieu thereof the word "three." The effect of this proposition is to strike out "three" and insert "five." The committee voted a few moments ago upon the proposition to strike out lines 31, 32, 33, 34, on page 36, and lines 35, 36, 37, and a part of line 38 on page 37. In voting upon that proposition the committee deliberately voted to strike out those lines.

The CHAIRMAN. The gentleman is arguing the point of order as if this proposed substitute were identical with a proposition already voted on, except in striking out "eight" or "three" and inserting "five." The Chair asks the attention of the gentleman to page 37, lines 38 to 42 inclusive, which, he is informed, are not included in the amendment of the gentleman from Kentucky.

Mr. McCREARY of Kentucky. They are not.

The CHAIRMAN. That makes a difference which the gentleman from Ohio [Mr. OUTHWAITE] has not referred to.

Mr. OUTHWAITE. At any rate there is a fatal defect in the amendment in this respect, that it proposes to have the Committee of the Whole reverse its action with reference to the lines I have cited on pages 36 and 37. It calls upon the committee to insert lines which it has just voted to strike out.

The CHAIRMAN. The gentleman would be clearly right in his point but for the additional matter to which the Chair has directed the gentleman's attention.

Mr. OUTHWAITE. Does that, in the opinion of the Chair, cure the objection I made to this portion of the amendment?

The CHAIRMAN. The Chair was simply making the suggestion—and wanted to hear the gentleman upon it—that this proposition does contain different matter.

Mr. OUTHWAITE. The Chair will please state the lines to which he calls my attention.

The CHAIRMAN. The substitute of the gentleman from Kentucky leaves out, on page 37, the clause beginning with the words "eleven gallons," in line 38, down to the close of line 42.

Mr. OUTHWAITE. The gentleman has omitted certain lines which the committee have already stricken out. The committee has already stricken out those lines in adopting the amendment of the gentleman from Maine.

The CHAIRMAN. If that point is conceded, the Chair will sustain the point of order.

Mr. McCREARY of Kentucky. I desire to be heard upon the point of order. I trust that the Chair will not decide the question at present. It is immaterial whether in offering a substitute I put in or leave out, in order to carry out my purpose, language which has been before the committee at another time. The House voted upon the question of striking out eight years as the bonded period and inserting three years; and that question was decided in the affirmative. Now, I offer a substitute—not for the proposition of the gentleman from Maine but for the proposition of the gentleman from Georgia; and I move as a part of that proposition to insert five years as the bonded period in sections 29, 30, and 31. I then propose that the remainder of the section conform to the five years bonded period. Now, if in doing this I happen to strike out the five lines which were originally in section 31, I hold that that has nothing to do with the question. The proposition is to fix the bonded period at five years, instead of three years or eight years.

Mr. OUTHWAITE. Let me call the gentleman's attention to a point which he has not met. He proposes to put back again into the text lines which have been stricken out by a vote of this committee.

Mr. SPRINGER. I would like to be heard a moment on this point.

The CHAIRMAN. The gentleman from Kentucky [Mr. McCREARY] has the floor.

Mr. McCREARY of Kentucky. I yield to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. I desire to call the attention of the gentleman from Ohio [Mr. OUTHWAITE] to the rule as laid down in Jefferson's Manual, which exactly covers this point. I read from page 159:

After A is inserted, however, it may be moved to strike out a portion of the original paragraph, comprehending A, provided the coherence to be struck out be so substantial as to make this effectively a different proposition; for then it is resolved into the common case of striking out a paragraph after amending it. Nor does anything forbid a new insertion, instead of A and its coherence.

Mr. OUTHWAITE. This is not a new insertion instead of "A." It is putting "A" back again after it had been stricken out.

Mr. McCREARY of Kentucky. Oh, no.

Mr. SPRINGER. The proposition is just this: The House has stricken out a portion of this text, and inserted three years instead of eight for the bonded period. Now, it is proposed to

strike out all in reference to the bonded period, and insert five years for the bonded period, and 90 cents a gallon as the tax on whisky; which is an entirely new and different proposition, and conforms in several other respects, so as to make the whole proposition coherent or in accordance with the sense intended to be conveyed by the new amendment.

Therefore this proposition introduced by the gentleman from Kentucky [Mr. MCCREARY] is different from anything the committee has voted upon yet, and is to test the sense of the House as to whether we will now impose a tax of a dollar a gallon on whisky and five years for the bonded period, or whether we will take the section as it would be if adopted with the amendment of the gentleman from Maine [Mr. DINGLEY].

Mr. MCCREARY of Kentucky. Mr. Chairman, there is but one way for the House to have an opportunity to vote on the five-year bonded period, and that is the way I have chosen.

The CHAIRMAN. The Chair is ready to rule.

Mr. DINGLEY. Mr. Chairman, a single word on the point of order.

Mr. ENLOE. Mr. Chairman, before the Chair rules I want to be heard.

The CHAIRMAN. The Chair will hear each gentleman who wishes to be heard, in order.

Mr. ENLOE. I desire to state, for the information of the Chair, that I think this possibly presents a question upon which the Chair is not competent to rule, and I call attention to page 157 of the Digest, section 25, of Jefferson's Manual, under the heading of "amendments." The second paragraph reads as follows:

If an amendment be proposed inconsistent with one already agreed to, it is a fit ground for its rejection by the House, but not within the competence of the Speaker to suppress it as if it were against order. For were he permitted to draw questions of consistency within the vortex of order, he might usurp a negative on important modifications, and suppress, instead of subserving, the legislative will.

Mr. DINGLEY. That has nothing to do with this question.

Mr. ENLOE. I insist that it has for this reason: The gentleman from Ohio [Mr. OUTHWAITE] is insisting upon the proposition that, because the House has agreed to strike out all relating to the bonded period of eight years, on the motion of the gentleman from Maine [Mr. DINGLEY], it is not now competent to pass upon that question again. The gentleman from Kentucky [Mr. MCCREARY] does propose to pass upon it in his amendment again, and to modify the amendment by making it five years instead of three, and that presents a substantive proposition distinct from the proposition which has already been passed upon by the House, and it presents a question which the House itself has a right to pass upon, and the Chair has no right to rule it out as against order.

Mr. DINGLEY. Mr. Chairman, I desire, in the first place, to call the attention of the Chair to the fact that it is a well-established principle of parliamentary law that no object can be accomplished indirectly that can not be accomplished directly. The familiar principle of parliamentary law is that when a particular point has been settled by a parliamentary body by a vote, that at that stage the decision of the body, whether committee or House, can not be again changed except by reconsideration, and there being no motion to reconsider in committee it can not be reached in committee.

Mr. MCCREARY of Kentucky. Will the gentleman from Maine [Mr. DINGLEY] allow me to interrupt him?

Mr. DINGLEY. Yes.

Mr. MCCREARY of Kentucky. This House has never voted upon the proposition to extend the bonded period to five years.

Mr. DINGLEY. But the time to put that proposition to the House was when my amendment was pending to change "eight" to "three." Then the gentleman could have moved to amend by making it any figure he pleased.

Mr. MCCREARY of Kentucky. But there have been other amendments offered. There ought not to be any parliamentary law that prevents a deliberative body from making any change in the bill that it desires to make, and if this House desires the bonded period to be five years instead of three, it ought to be allowed to fix it that way.

Mr. DINGLEY. But does the gentleman say that after the Committee of the Whole had settled on a proposition, that there ought to be an endeavor to go and change that proposition?

Mr. MCCREARY of Kentucky. I do not.

Mr. DINGLEY. That is what the gentleman is contending for.

Mr. MCCREARY of Kentucky. When the proposition is pending to fix the bonded period, and when the House might prefer five years instead of three, it ought to have the right to vote upon that.

Mr. OUTHWAITE. It did have the opportunity, and no attempt was made to offer that proposition.

Mr. DINGLEY. The gentleman from Kentucky [Mr. MCCREARY] is undertaking to do by indirection what the rules of the House forbid to be done directly. He can not directly reopen the amendment already settled by the House, which was to adopt three instead of eight. He can not, for example, move to strike out "three" and insert "five;" yet knowing that he can not do that he has undertaken to do it by indirection.

Mr. MCCREARY of Kentucky. If I had offered to strike it out, it might not have been in order in that way; but I offered a substitute and a distinct proposition.

Mr. DINGLEY. Now, how is the gentleman undertaking to do it? He is undertaking to do it by offering all four sections as a substitute—

Mr. MCCREARY of Kentucky. I do not offer all four.

Mr. DINGLEY (continuing). Changed in two particulars. First, the House having settled on the word "three," he strikes that out and inserts "five;" and in order to evade the rule, he introduces another proposition that he calls new, and that is with reference to the question of tax. The Chair will see that in order to bring his amendment, as he claims, within the rule, he has included two distinct propositions, namely, the proposition fixing the tax and that fixing the bonded period.

If both these propositions could be treated together, and if it could be claimed as a new proposition, then the Chair will see that there are two distinct propositions, and that the last proposition is one calculated to unsettle what the committee has already determined, and that the proposition can be divided. The first part of his proposition, offered alone as a substitute, would be in order. The last part of his amendment would not be in order. And it is a familiar principle of parliamentary law that when two propositions are included in one amendment, one of which would be in order and the other would not, both fall.

Mr. MCCREARY of Kentucky. Does the gentleman admit that the first part of my substitute is in order?

Mr. DINGLEY. Unquestionably. The gentleman may offer a substitute fixing that which has not been settled by the House, namely—

Mr. MCCREARY of Kentucky. Five years.

Mr. DINGLEY. Not five years. The three-year period has been settled by the House.

Mr. REED. "Three" has been inserted.

Mr. MCCREARY of Kentucky. But I am not offering a substitute for the proposition of the gentleman from Maine.

Mr. DINGLEY. But the gentleman is offering a substitute.

Mr. MCCREARY of Kentucky. I am offering a substitute for the proposition now pending in committee, which was offered by the gentleman from Georgia [Mr. TATE], and if that should in any way interfere with any other proposition it certainly has no bearing upon this case.

Mr. DINGLEY. It certainly has.

Mr. MCCREARY of Kentucky. This House ought not to be prohibited from voting on a proposition extending the bonded period to five years; and the evidence that the gentleman regards the proposition as a strong one is the earnest way in which he is opposing it.

Mr. OUTHWAITE. Oh, not at all.

Mr. DINGLEY. Not at all.

Mr. MCCREARY of Kentucky. I believe that the House would like to extend the bonded period to five years.

Mr. OUTHWAITE. It has already voted not to extend it beyond three.

Mr. BYNUM. Mr. Chairman—

Mr. MCCREARY of Kentucky. I have not yielded the floor. The committee has declared that as between the three-year bonded period and the eight-year bonded period it prefers three years. Now, I believe that this committee is in favor of extending the bonded period to five years if it increases the tax on whisky from 90 cents to \$1, and I desire, in order to keep up this industry, which yields about \$160,000,000 per annum of revenue, to do it justice by giving a bonded period of five years instead of three years, and I believe that, as a substitute for the proposition of the gentleman from Georgia, the proposition made by me is in order.

Mr. DINGLEY. Under such a rule no question can ever be settled in committee or in the House.

Mr. BYNUM. Mr. Chairman, this question is very simple, it seems to me, when you strip it of all extraneous matters. This committee has voted to strike out eight years and insert three years. That amendment has been agreed to by the committee and must be reported to the House for its action. You can not recall that action of the committee, because you can not make a motion to reconsider; and that amendment, having been agreed to, must be reported to the House.

Mr. SPRINGER. I wish to ask the gentleman whether we did not, in considering the main text of this tariff bill, first agree

to a proposition made by the gentleman from Ohio [Mr. JOHN-SON] and afterwards strike it out?

Mr. BYNUM. Certainly we did, and we did it erroneously. We had no right to do it.

A MEMBER. The same Chairman was presiding then as now.

Mr. BYNUM. The whole question, Mr. Chairman, is this: We have agreed to three years. Now, the gentleman from Illinois [Mr. SPRINGER] cites a case where a motion was made to insert certain words, and they were inserted, and afterward a motion was made to strike out a part of those words with other words. That was correct; but a motion is not in order to strike out the same words that have been inserted and insert instead of them either the original text or anything else.

As stated by the gentleman from Maine, a portion of the proposition of the gentleman from Kentucky would be in order, but when he goes on and includes a provision which is not in order, then his whole proposition must fall.

There is one other point. If the gentleman's amendment is in order at all it is not in order as a substitute. You can not substitute any amendment for a motion to strike out, and that part of his amendment which would be in order would only be in order as an original amendment to the section.

The CHAIRMAN. Perfecting the text.

Mr. BYNUM. Perfecting the text.

Mr. MCCREARY of Kentucky. The Chair so held, and I made no objection to the ruling. What I desire is to get in the substitute at the proper time, and the Chair stated that it would be in order after the vote on the amendment.

The CHAIRMAN. The Chair did not decide that it would be in order. The Chair simply said that that would be the proper time if the proposition was in order.

Now, the Chair has some little difficulty in arriving at a conclusion upon this point. The rule, it seems to the Chair, is quite clear that it is not in order to move to strike out by itself what has been inserted even as an amendment but the rule proceeds to say that—

It may be moved to strike out a portion of the original paragraph comprehending what has been inserted, provided the coherence to be struck out be so substantial as to make this effectively a different proposition.

Now, the Chair can not see where there would be any difference in this proposition. It seems to the Chair that this is a motion to undo that which the committee solemnly did when it struck out "eight" and inserted "three," and then on pages 26 and 27 to make the provision which makes allowance for the loss of spirits while it is in bond, adapt itself to the five-year term, if the term be so extended, rather than to the three-year term. The Chair thinks the proposed substitute is in substance and almost identically the same proposition that has been voted upon by the committee.

The Chair did intimate that if the proposition would be in order at all, it would be in order as an amendment perfecting the original text, before the vote should be taken on the motion of the gentleman from Georgia to strike out; but inasmuch as the Chair is of opinion that the committee has solemnly inserted "three" years instead of "eight," the Chair thinks it would not be in order to move to strike it out and insert something else. It would be but a repetition of the vote previously taken. The Chair therefore sustains the point of order.

Mr. MCCREARY of Kentucky. Mr. Chairman, I desire to make a parliamentary inquiry. If the committee should desire to insert five years in this bill as the bonded period, then, under the ruling of the Chair, how can we get at that proposition? [Laughter.]

The CHAIRMAN. The Chair would not undertake to decide how gentlemen should offer amendments. The question now pending is on the amendment to the amendment offered by the gentleman from Kentucky [Mr. MONTGOMERY]. It has been already read, and unless some gentleman desires, the Chair will not have it read again.

Mr. MONTGOMERY. Mr. Chairman—

The CHAIRMAN. The gentleman will understand that debate is exhausted on the amendment.

Mr. MONTGOMERY. Not on my amendment.

Mr. CHAIRMAN. Did not the gentleman debate it?

Mr. MONTGOMERY. No sir.

The CHAIRMAN. Then the Chair begs pardon. The gentleman has the floor on his proposed amendment.

Mr. MONTGOMERY. I merely wish to explain to the House the effect of this amendment. Its effect is to obviate all the objections that have been made to the extension of this bonded period, if the objections made here are the real objections which gentlemen entertain. In the first part of the amendment I have stricken out the period allowed, until "the first day of the second calendar month after the passage of this act," for paying the tax on whisky in bond. The gentleman from Ohio says that is his objection.

Mr. OUTHWAITE. Not my only objection, though.

Mr. MONTGOMERY. I understand that. The gentleman says his objection is that these parties may take out all the whisky in bond between the passage of the act and the time at which it goes into effect, and I have stricken out the words objected to and put in "from and after the passage of this act." So that every gallon of whisky in bond when the act passes will be subject to the tax. This amendment is made in order that it may not be supposed that there is some advantage to distillers masked behind this proposition to extend the bonded period.

We relieve it from that. In order that there may be an advantage to the Government and no advantage to the owner of the spirits, I have further provided by this amendment that if the spirits remain in bond more than three years the owner shall pay into the Treasury the amount of money estimated by the Commissioner of Internal Revenue to be necessary to export and reimport it. Thereby they would pay the money into the Treasury which is now paid to the foreign ship owners and foreign warehouses for the extension of the bonded period. We provide that if it remains a day after the time now fixed they must pay into the Treasury the amount that it costs them to avail themselves of the law as allowing its exportation.

Now, as to wastage. When you export and reimport spirits you pay only on the amount that comes back, and the Government does not get one cent for the leakage; and I ask if you are going to give these men the benefit of the leakage and evaporation in foreign warehouses, as you do, why not give it to them at home? This bill only does the same thing for him here that is done for him on exportation and reimportation. So that the Government by this extension not only loses no money, but practically makes, under this amendment, money by the extension, compelling the distiller to pay for the privilege given him to keep it at home. You now compel him to pay for exporting it to other people, by which the Treasury gets no benefit whatever.

If your opposition is based on objections that have been made on the floor this amendment removes all these objections; but if you are only voting down this proposition for bonded extension with the spirit and desire to punish these people from whom you are collecting so much money to run the Government, then vote to do so, and let them know that you are not only proposing to tax them but you refuse to accept for the Treasury the money you are compelling them to pay to foreigners.

This will only be giving them the privilege to allow their whisky to remain in bond at home, as it may now in a foreign country until they can find a purchaser. This is the substance and effect of this amendment; and puts this bill in such a shape that no man can vote against it in the interest of the Treasury, and no man can cast a vote against it as amended by this amendment unless it is with a spirit to punish the men who are furnishing one-fourth of the amount necessary to pay the expenses of the Government.

Mr. OUTHWAITE. There is no disposition at all to vote against these men, or to punish anybody. There is no disposition whatever to proscribe anybody. There is a disposition here at this time that we shall not vote to favor somebody; that this House of Representatives, starting out on its career of reform, shall not taint it by extending privileges to one industry in this country for which the Government gets no equivalent. The gentleman from Kentucky ought to be familiar enough with this subject to have shown this House that by the provisions which he now wishes to insert in this law the Government would be benefited.

Mr. MONTGOMERY. I have shown how the Government would be benefited.

Mr. OUTHWAITE. To what extent?

Mr. MONTGOMERY. To the amount of \$4 or \$5 a barrel, which they now pay to obtain an extension of the bonded period by sending their whiskies abroad.

Mr. OUTHWAITE. The gentleman does not say what amount of whisky exported is brought back. The better amendment would be, if it is objected that that takes money out of the country, to bring from the Committee on Ways and Means one that would prevent them from exporting it.

Mr. MONTGOMERY. In other words, cut their throats immediately, instead of destroying them by degrees, as you now do.

Mr. OUTHWAITE. The people are not interested in the overproduction of whisky, and certainly we do not wish to stimulate its production when speculators hold at least 148,000,000 gallons of whisky; and 148,000,000 is more than can be consumed in the next three years, and but 35,000,000—

Mr. CARUTH. I would like to see the gentleman's authority for the statement that they hold 148,000,000 gallons.

Mr. OUTHWAITE. You will find the authority in the report of the Commissioner.

Mr. CARUTH. In the hands of the speculators, you said.

Mr. OUTHWAITE. In the hands of the people who make—
Mr. CARUTH. You said it was in the hands of speculators.
Mr. OUTHWAITE. In the hands of speculators and producers.

Mr. CARUTH. No; you said that it was in the hands of speculators.

Mr. OUTHWAITE. I say the greater portion of it is.

Mr. CARUTH. The gentleman does not understand the subject—that is the whole truth of the matter.

Mr. OUTHWAITE. I understand this well enough to know that the people of this country are not interested in this feature of the bill. I understand it well enough to know that it is not brought in here to subserve any interest of the people. I understand it well enough to know that it would be a favor to the whisky interest of this country.

Mr. SWANSON. It is not in the interest of the small dealers.

Mr. OUTHWAITE. No, it is the large dealers who would be benefited by this.

Mr. CARUTH. The whisky trust does not want this bill.

Mr. OUTHWAITE. Do you speak for the whisky trust?

Mr. CARUTH. I am not speaking for the whisky trust but in favor of Kentucky whisky, pure and unadulterated [laughter and applause]—not the stuff made by the whisky trust.

Mr. OUTHWAITE. The whisky trust, so far as it appears here, does not care particularly one way or the other about this matter.

Mr. CARUTH. The whisky trust has but 10,000,000 gallons of whisky in bond, while the Kentucky whisky producers have 85,000,000 in bond. Gentlemen ought not to seek to break up this industry under a false sentiment.

Mr. OUTHWAITE. Not at all. There is no false sentiment about this matter. I decline to yield further.

The CHAIRMAN. The gentleman from Kentucky must not interrupt the gentleman from Ohio without his consent.

Mr. CARUTH. With all due deference to the Chair, I want in correct the statement of the gentleman.

Mr. OUTHWAITE. Then you had better take your own time.

Mr. CARUTH. I could not get time. You people object to free and fair discussion of the question on this floor. I tried to get sufficient time to present this question properly. I requested you to allow me to ask you a question, and you refused when you had the floor before.

The CHAIRMAN. The gentleman from Kentucky [Mr. CARUTH] is not in order.

Mr. OUTHWAITE. I hope this is not taken out of my time. Now, Mr. Chairman, it is evident (I do not think it is necessary to discuss the question at all)—

Mr. CARUTH. Why make a speech then?

Mr. OUTHWAITE. Wait till I finish my sentence. It is evident that the whisky interests of Kentucky are demanding of the Democratic party that it shall sacrifice its chances of success in order to favor them.

Mr. CARUTH. That is not the fact. The whisky trust is demanding that you shall squeeze out the producers of Kentucky. That is what is the matter.

[Here the hammer fell.]

The CHAIRMAN. Debate is exhausted. The question is on the amendment of the gentleman from Kentucky [Mr. MONTGOMERY].

The question being taken, the amendment was rejected; there being ayes 39, noes 134.

Mr. ENLOE. I offer the amendment which I send to the desk.

The Clerk read as follows:

Strike out lines 1, 2, 3, and 4, in section 29, page 33, and insert:
"That on and after the first day of the second calendar month after the passage of this act there shall be levied and collected on all distilled spirits in bond at that time, or that may be produced in the United States, on which the tax is not paid before that date."

Mr. ENLOE. Mr. Chairman, I have offered this amendment for the purpose of making it perfectly plain that the whisky in bond is to be taxed, as well as the whisky to be hereafter produced.

Several MEMBERS. That is right.

Mr. ENLOE. I think there is some doubt about the construction of the language which I propose to strike out. The words which my amendment inserts make it perfectly clear, I think, that whisky in bond as well as that which is to be produced hereafter shall be taxed.

Mr. McMILLIN. In reply to my colleague [Mr. ENLOE], I wish to say that there can be no question, when you read the text of our bill, that its effect is to tax whisky in bond as well as that out of bond. The language of the section is:

That on and after the first day of the second calendar month after the passage of this act there shall be levied and collected on all distilled spirits produced in the United States—

Mr. ENLOE. Produced when?

Mr. McMILLIN. At any time.

Mr. ENLOE. It does not say that.

Mr. McMILLIN. That necessarily follows, because there is no limitation upon the language.

Mr. ENLOE. I do not understand it that way.

Mr. McMILLIN. It means "distilled spirits produced at any time."

Mr. ENLOE. If that is the meaning intended, why not admit the amendment which will make the language perfectly plain?

Mr. McMILLIN. We insist that it is already plain; but if the committee thinks my colleague's amendment will be an improvement, of course we do not object.

Mr. MONTGOMERY. The subsequent section provides distinctly that the 10 per cent tax shall be collected on all whisky.

Mr. McMILLIN. It seems to me there is no doubt of that at all.

Mr. ENLOE. I submit that the provision will be made a little plainer if this amendment be adopted.

The question being taken, the amendment of Mr. ENLOE was adopted.

Mr. WALKER. I desire to offer the amendment which I send to the desk.

The CHAIRMAN. Before the amendment of the gentleman from Massachusetts is read the Chair will ask the Clerk to read a part of clause 7 of Rule XIV, and the officers of the House will see that this rule is enforced.

The Clerk read as follows:

During the session of the House, no member shall * * * smoke upon the floor of the House; neither shall any other person be allowed to smoke on the floor of the House at any time; and the Sergeant-at-Arms and Door-keeper are charged with the strict enforcement of this clause.

The CHAIRMAN. The amendment sent to the desk by the gentleman from Massachusetts [Mr. WALKER] will be read.

Mr. WALKER. Before the amendment is read, permit me to state that its effect is to increase the tax on whisky to \$1.50 per gallon, and to tax all whisky, wherever it may be, that has not already paid the tax of 90 cents a gallon 60 cents a gallon in addition.

The Clerk read the amendment of Mr. WALKER, as follows:

Amend section 29, line 4, by striking out the word "is" and inserting the word "had" in its place, and between the words "not" and "paid" insert the word "been" and strike out the words "that day" and insert the words "January the twenty-fourth, one thousand eight hundred and ninety-four;" so it will read: "United States on which the tax had not been paid before January the twenty-fourth, one thousand eight hundred and ninety-four."

Also insert in the fifth line between "dollars" and "on" the words "and fifty cents."

Also insert in the eleventh line, between the word "law" and "warehouse-ing," the words, "every person having in his possession distilled spirits such as are described in this section upon which no more internal-revenue tax has been paid than was required by law in force on January 1, 1894, shall be liable to and shall pay a tax equal to two-thirds the amount of the tax before required upon it; and it shall be the duty of such person to return his holdings of such distilled spirits to the deputy or principal United States internal revenue collector of the district in which he resides, and pay the additional tax thereon in such manner as the Secretary of the Treasury shall prescribe under the pains and penalties prescribed in the case of manufacturers or holders of distilled spirits for failure to make returns or for making false returns."

Mr. WALKER. The effect of that amendment is to place a tax on whisky of \$1.50 a gallon, and a tax of 60 cents a gallon on all whisky, wherever it is in the United States, that has paid a duty of 90 cents, and that returns shall be made—[Cries of "Vote!" "Vote!" on the Democratic side]. Well, we will have a vote after my five minutes have expired.

If the committee had used all its ingenuity to devise a scheme of taxation to put \$15,000,000 into the pockets of the whisky trust, they could not have devised any scheme any more thoroughly adapted to it than this. They give the whisky distillers two months in which to pay this 90 cents, and then all their whisky goes free. This will affect, as I understand, 150,000,000 gallons. It would amount to \$15,000,000. You have a deficiency contemplated in your tariff bill. This will make a revenue of \$60,000,000 a year, and make it available at once. Now, if you do not want to benefit the whisky trust \$15,000,000 at once, you will vote for this amendment.

Mr. SNODGRASS. You want a part of it on shoes?

Mr. WALKER. We had better put it on whisky. I think shoes do men more good than whisky. I can understand your whole theory that whisky is more necessary to life than shoes, but we do not hold that opinion. We ask for shoes as against whisky every time.

[Mr. CANNON of Illinois withholds his remarks for revision, and they will appear hereafter.]

The CHAIRMAN. Debate is exhausted on this amendment. The question being taken on the amendment, the Chairman declared that it was rejected.

Mr. TUCKER was recognized.

Mr. WALKER. Mr. Chairman, I call for a division.

The CHAIRMAN. The gentleman is too late in calling for a division after the Chair has recognized another gentleman with an amendment in his hand. Does the gentleman from Virginia desire to amend the pending amendment?

Mr. TUCKER. No, sir.

The CHAIRMAN. Then the gentleman's amendment will not be in order at this time. The question is on the amendment of the gentleman from Georgia [Mr. TATE] to the amendment of the gentleman from Tennessee.

The question being taken, the Chairman declared that the noes seemed to have it.

Mr. TATE. I ask for a division.

The committee divided; and there were—ayes 20, noes 47.

Mr. MONTGOMERY. I ask for tellers.

Tellers were refused; only 10 members voting therefor.

Mr. GEAR. Mr. Chairman, I send to the desk an amendment which I desire to come in at the end of section 29.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend by adding at the end of section 29 the following: "That section 18, of 'An act to amend existing customs and internal-revenue laws, and for other purposes,' approved February 8, 1875, as amended by section 4 of 'An act to amend the laws relating to internal revenue,' approved March 1, 1879, be further amended by striking out of the first line of said amended section, as printed in volume 20, United States Statutes at Large, the word 'twenty-five,' and inserting in lieu thereof the word 'fifty'; and by striking out of the fifth and sixth lines of said amended section, as printed as aforesaid, the words 'one hundred,' and inserting in lieu thereof the words 'two hundred.'"

Mr. McMILLIN. Mr. Chairman, I desire to reserve all points of order on that.

The CHAIRMAN. Does the gentleman make a point of order against the amendment?

Mr. McMILLIN. Yes, sir.

The CHAIRMAN. The gentleman will state his point of order. It is better to dispose of it now.

Mr. McMILLIN. The point of order is that the amendment is not germane.

Mr. GEAR. Mr. Chairman, I should like to be heard on that.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. GEAR. We have here a bill providing for a revenue from whisky. The amendment I offer is certainly germane, because it provides how additional revenue shall be raised, to be paid by people who sell whisky. If that is not germane I am certainly at fault. I think it is germane to any section of the bill.

Mr. HOLMAN. What is the present law to which the gentleman refers?

Mr. GEAR. The law now provides that retail dealers shall pay a license fee of \$25 per annum, and that wholesale dealers shall pay a license fee of \$100 a year. You have 213,434 retail liquor dealers in this country and 47,900 wholesale dealers, who pay in the aggregate \$5,750,000. This amendment will simply double the receipts. Certainly an amendment doubling the receipts of revenue from this source is germane.

Mr. McMILLIN. It strikes me that it is not germane. The section under consideration provides simply for a tax to be imposed upon distilled spirits, but contains nothing as to the regulation of the manner of sale or the license fee for selling.

The CHAIRMAN. The Chair thinks this amendment is in order. It relates to internal-revenue taxes, and is germane to the purposes of the bill.

Mr. McMILLIN. Let us have a vote on the amendment.

The question being taken, the Chair declared that the "noes" seemed to have it.

Mr. GEAR. I call for a division, Mr. Chairman.

The committee divided; and there were—ayes 61, noes 88.

Mr. GEAR. Let us have tellers.

Tellers were refused; only 27 members voting therefor.

Mr. TUCKER. Mr. Chairman, I desire to submit an amendment, which I send to the Clerk's desk.

The amendment was read, as follows:

Amend section 14, page 24, line 6, by inserting after the word "aliens" the words "except as hereinafter provided"; and in line 9, after the word "paid," insert the following words: "Provided, that dividends, interest, or annuities accruing to corporations not doing business for profit, or to States, counties, and municipalities, or to individuals on funds or securities held for charitable or educational purposes, shall not be subject to such deduction;" so that the section shall read as follows:

"That the taxes imposed by this act upon dividends, interest, coupons, and annuities, shall be levied upon and collected from all such dividends, coupons, interest, and annuities, whenever and wherever the same may be payable to all parties whatsoever, including nonresidents, whether citizens or aliens, except as hereinafter provided; and every corporation paying any tax on such dividends, coupons, interest, or annuities may deduct and retain from all payments made on account thereof a proportionate amount of the tax so paid: Provided, That dividends, interest, or annuities accruing to corporations not doing business for profit, or to States, counties, and municipalities, or to individuals on funds or securities held for charitable or educational purposes, shall not be subject to such deduction."

Mr. TUCKER. Sections 12 and 13 of this bill are evidently intended to exclude educational and charitable institutions from its operations, but I think that in section 14 there has been an omission on the part of the committee which I desire to supply by inserting the words suggested in my amendment just read. It will be noticed that the last clause of section 14 reads:

And every corporation paying any tax on such dividends, coupons, interest, or annuities may deduct and retain from all payments made on account thereof a proportionate amount of tax so paid.

So that any educational or charitable institution that has funds invested in a corporation would, under the bill as it now stands, have a proportionate amount of their income deducted. The amendment seeks to avoid that, so that there will be no such deduction and educational and charitable institutions may not suffer under the bill.

Mr. BOWERS of California. Mr. Chairman, I am opposed to this amendment and shall vote against it, as I shall against all amendments to the pending amendment, with the income tax provision.

Some time ago some newspaper asked me several questions; among others, if I favored an income tax? I replied no, because I had given the question no thought. Now I should answer yes, because I now believe I was on the wrong road, and when I find I am wrong I propose to get right by the shortest and most direct route, and I am not going to be deterred in this case because some Democrats happen to be right, as I think, on this question. [Applause on the Democratic side.]

I shall vote to incorporate the income-tax bill with the tariff bill, because I believe this tariff bill, with all its iniquities, loaded as it is with distress and disaster for the people of the United States, will pass both Houses and become a law.

The pending tariff bill is now wholly bad, without a redeeming feature. The addition of the income-tax provision is the only one it now can have. I can not, no Republican can, vote for the Wilson bill. But I will, if opportunity offers, vote for the income tax as a separate measure; but I believe it would be beaten if brought to a vote separated from the tariff bill. Therefore, although I can not vote for the Wilson bill even with this amendment, I feel sure that the only way to secure the income-tax measure is to incorporate it with the tariff bill.

Mr. Chairman, I do not care what one hundred and twenty great men, or one hundred and twenty thousand great men, who are dead and rotten, thought or wrote in ages past respecting this question [laughter]; nor for all the pretty theories of all the college professors that ever lived respecting it. The living palpable facts are before us, and the commonest intelligence comprehends them—the burdens of taxation are not equitably distributed.

Twenty-five thousand people own half of all the wealth of this country; they should pay half the taxes; they do not pay one-fiftieth part, as shown by the tax collectors' returns.

The problem of taxation will be near its settlement when all the property pays its equal share of taxes. [Applause on the Democratic side.]

The assessor goes to the farm—it is all in sight, house, barn, stock, and furniture. All these must pay the tax, full rate, 2 or 3, sometimes 4 per cent, no matter whether the farm made money or lost it. The small farmer, the man who owns but little, who ekes out a living for himself and family by hard labor, must pay the full rate—there is no escape for him. If by reason of sickness or other misfortune he has been compelled to mortgage his farm, he must pay the tax and interest all the same.

If he goes upon the public lands, away from civilization, to build him a home, he finds his possessory right taxed, and he must pay on all in sight or the sheriff sells him out and puts him off. And if he pays the tax he is liable—after he has worked for years to make a home—to wake up some morning and find that while he slept he had been robbed by this benign Government, which by executive order had floated one of these infernal frauds—steals is a better word—yeept a park reservation, a forest reservation, or an Indian reservation over his home; and has he escaped taxation thereby? Oh, no; the tax goes on.

The poor devil of an American citizen who years ago went into the mountains of Tulare County, Cal., took up public land, paid for it, and received his patent for it, now finds a park reservation floated over his home. A company of United States soldiers standing in line between him and his own home, preventing his occupying it, confiscating his property; but in the county of Tulare he is assessed and pays taxes on the farm he is not allowed to approach—pays because he lives in the hope that sometime honesty and justice may rule in this Government and in its courts, and he may come by his own.

A ranch of 50,000 acres in Southern California is assessed at \$5 per acre; it would sell quick for \$40 per acre. Its millionaire owners will not sell it. The taxes are light; the small farms next to

it are assessed at double and treble that amount, and are not so good.

A piece of ground in Southern California was last year assessed for purposes of taxation as of the value of \$5 per acre. It belonged to a large corporation, and that corporation proved in the United States court at Los Angeles last year that it was worth \$800 per acre, and it was sold for \$780 per acre.

Two years ago I read the statement of the condition of a national bank in California, subscribed and sworn to by its president and cashier, as required by law, showing its assets and property of all kinds to be of the value of nearly one million above its liabilities; that year it was assessed for the purposes of taxation, as of the value of \$90,000. The man who has property of the value of \$100,000 does not as a rule pay more than one-quarter of the rate of taxation that the man who has but \$1,000 does, and the man who has \$1,000,000 does not pay more than one-half the rate that he who has but one-tenth that sum does.

The invariable rule is that exemption from taxation of individuals decreases as their wealth increases. Is it a burden for a man to pay 2 per cent on an income of \$5,000; he would pay \$20 per year. Millions of men in this country would gladly assume such a burden and thank God for the opportunity. If the wealthy pay this income tax honestly given in, then they will pay no greater rate than the small taxpayer. It is not possible for an income tax to be unjust or unduly burdensome. The tax on real property on the farm is often a grievous burden.

This tariff bill is to rob the American people of their markets, to reduce the earnings of our farmers, to take away from the American workingman his opportunities to labor and receive wages, to take away from the common people their ability to pay taxes; therefore let it provide that the twenty-five thousand, who own the country, shall pay the taxes to support the Government that pets and sustains them in their greed to pile up wealth.

Mr. Chairman, I am informed that one of the Republican members of this House made the remark that I "was not a Republican—only a Populist." The gentleman was mistaken. I am a Republican, and will not hesitate to place my record as a Republican from 1856 to this day beside that of any Republican in this House. I could not be a Populist—for from my observation the Populist in Congress bears the same relation to the Democratic party that the Old Guard did to its general at Waterloo. It may die, but it never surrenders, and while the ordinary Democrats may scatter, the Populist guard never wavers, and so long as there is one left there will be one solid Democratic vote cast on all measures.

Mr. Chairman, it is the glorious privilege of a Republican to think for himself, to have some discretion in his thinking. He is not compelled to think as directed by someone else. He may think as I do that, despite the finesse of politics, he serves his party best who serves his country best. [Applause.]

[Mr. STORER addressed the committee. See Appendix.]

The CHAIRMAN. The time of the gentleman has expired. Mr. BOWERS of California. I ask unanimous consent that I may have two or three minutes more.

Mr. CARUTH. I object.

Mr. BOWERS of California. I move to strike out the last word.

The CHAIRMAN. There are already two amendments pending, and that would be an amendment in the third degree, which is not in order. Debate is exhausted on this subject.

Mr. TUCKER. I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was agreed to.

Mr. WHITING. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Add as section 85.

That section 43 of the act approved October 1, 1890, entitled "An act to reduce the revenue and equalize duties on imports, and for other purposes," be amended so as to read as follows:

"That the wine spirits mentioned in section 42 of this act is the product resulting from the distillation of fermented grape juice and shall be held to include the product commonly known as grape brandy; and the pure sweet wine which may be fortified free of tax, as provided in said section, is fermented grape juice only, and shall contain no other substance of any kind whatever introduced before, at the time, or after fermentation, and such sweet wine shall contain not less than 4 per cent of saccharine matter, which saccharine strength may be determined by testing with Billings' saccharometer or must scale, such sweet wine, after the evaporation of the spirit contained therein, and restoring the sample tested to an original volume by addition of water: *Provided*, That the addition of pure boiled or condensed grape must, or pure crystallized cane or beet sugar to the pure grape juice aforesaid, or the fermented product of such grape juice prior to the fortification provided for by this act for the sole purpose of perfecting sweet wines according to commercial standard, shall not be excluded by the definition of pure sweet wine aforesaid: *Provided further*, That the cane or beet sugar so used shall not be in excess of 10 per cent of the weight of wines to be fortified under this act.

Mr. WHITING. Mr. Chairman, this amendment was author-

ized by the majority of the Committee on Ways and Means. If adopted it will simply permit the wine-producers of the East to avail themselves of the opportunity of fortifying wine and grape juice as is now the privilege of the wine-producers of the Pacific coast. The present law, which was adopted in 1890, limited the amount of sugar that the sweet wine could carry to 4 per cent, and this amendment simply authorizes the addition of pure cane or refined sugar to such an amount as will prepare the wine fairly for the market. I believe there is no objection to this amendment. The wine-producers of the East as well as those of California, in joint session, proposed this amendment which I have now presented to the House.

Mr. GROUT. Mr. Chairman, the House, or rather this committee, will bear witness that I have occupied but very little time in this debate, and I would not ask attention now only that I have a message for the Democracy from one of their own number. I hesitate somewhat, however, in delivering the message for the reason that the Democratic majority in this House is so beside itself, has in fact gone so completely daft on the question of the tariff as to pay no heed whatever to the voice of either reason or experience.

You have really drifted so far from the teachings of the great founders of the Democratic party, beginning with Jefferson, your patron saint, and including also Madison and Monroe and Jackson, another saint, and even John C. Calhoun, every one of whom, if I have read history aright, was in favor of a protective tariff—

Mr. KILGORE. Will the gentleman permit me to ask him a question?

Mr. GROUT. After a while, but not just now.

I say you have wandered so far from the teachings of these great leaders that I have felt that, like those of old, "you would not be persuaded though one rose from the dead." I will, however, deliver the message, though it fall unheeded on listless ears. It is from a life-long Democrat in my district, who must be over 75 years of age; old enough, you see, to have learned his political lessons from some of those leaders just named, and at a time too when the Democratic party stood for something besides British free trade; at a time, let it be said to their credit, when that party did not draw its inspiration from Sir Robert Peel, whose name has been canonized in this debate on the Democratic side, nor from any other English statesman; but at a time when that party was American in sentiment and had an American policy, including the protection of American industries.

But to the message. It is in the form of a letter, and probably can be best delivered in the language of the writer. Here it is:

ST. JOHNSBURY, January 24, 1894.

Mr. GROUT.

DEAR SIR: I feel as if I would like to write you in regard to that Wilson bill. I am a Democrat, but am for protection as much as any Republican is, for I know that it is for the good of the country.

[Laughter on the Democratic side.]

I am disgusted—

A MEMBER. He has the wrong brand for a Democrat.

Mr. GROUT. He says "I am a Democrat," but he learned his Democracy from Jefferson and Madison and Monroe. Listen, my Democratic friends, while this Democrat talks to you—

I am disgusted with the Wilson bill and in the way they act about it when they see that it is ruining the country. My wool is packed in my barn, between 300 and 400 pounds, because of that Wilson bill for free wool. It will make \$50 a year difference with me between the Wilson bill and the McKinley bill.

Now, that may seem like a small sum to gentlemen who represent districts from the great city of New York, where millionaires are as plenty as blackberries; but if the voice of this man seems small, perhaps you will be able to hear the Democracy in one of those New York districts as it spoke on yesterday, commissioning a gentleman of the name of Quigg, a Republican, to bring you their message. He must have a message from Democrats, for not before for a quarter of a century has that district gone Republican. [Applause on the Republican side.]

But let me go on with this letter:

The McKinley bill is all right; let it alone. Kill the Wilson bill. It is turning most every Democrat to the Republican side. They would rather the Republicans would rule than to have the country ruined. That bill is worse than to put a bag through the machine.

Now, this sentence might have been omitted, because it will not be understood by the committee, though it is perfectly understood by the writer and myself. It refers to an incident that happened in my father's barn, where this man was engaged in thrashing with his machine, when I was a boy of twelve or fourteen.

I had been away to the granary with a load of oats and on my return, in passing the bags to the man attending the separator one fell on the table and was drawn through the cylinder, of

course breaking the machine all in pieces. Now, this old gentleman remembers that that act stopped business in that barn, just as this bill is stopping business throughout the whole country. [Applause on the Republican side.]

"But," says the writer, "don't they know how the election went last fall?" [Applause on the Republican side.]

The CHAIRMAN. The gentleman's time has expired.

Mr. GROUT. I ask for two minutes in which to finish reading this letter.

The CHAIRMAN. The gentleman asks unanimous consent that his time be extended two minutes. Is there objection?

A MEMBER on the Democratic side. I object.

Mr. GROUT. I do not wonder you dislike to hear from the people, but you will have to listen to them at last. Mr. Chairman, I will print the balance of this letter under the general leave already granted.

Don't they know how the election went last fall? But they don't know or care only to have their own way and rule or ruin. McKinley is the man to go for President. Democrats will go for him, for he is right on the tariff. If election was to come off now he would go in with a whirlwind. The Democrats are going through the slaughterhouse to their graves if they pass that Wilson bill, and I want you to tell them so. We get all the news what is going on out there. Everyone is blowing here about the Wilson bill. I will ask you to do all you can to kill it, for that is what the farmers want, so they can afford to keep sheep. They sold this fall for about half price. Put into the Senate to kill it if possible. I was told five years ago that I was voting for a free-trade man. I did not believe it then; now I know it to my sorrow. If you can not kill the bill put it off until the next President is elected. It will be all right then.

Respectfully, yours,

A. W. HAWKINS.

Mr. BRECKINRIDGE of Kentucky. Mr. Chairman, I desire to offer a substitute. I move to strike out the amendment offered by the gentleman and to offer as a substitute that all alcohol or distilled spirits manufactured at any place or for any purpose be required to pay taxes as fixed in section 29.

Mr. Chairman, under the present law and under the bill as now amended, there is presented this curious anomaly, that the beverage whiskies of Kentucky, which can not be manufactured under five or six years (for the process of curing is as much a part of manufacture as distillation), are compelled to pay an additional tax of \$1 without any benefit whatever; that all alcohol manufactured for certain purposes pays this \$1, while alcohol made in the process of making sorghum sugar, and alcohol to the extent of 24 per cent in sweet wines, and alcohol made by the vaporizing process for vinegar pay nothing.

You can instantly see what a terrific burden you put upon the greatest industry there is in certain sections of the country. This industry pays nearly 500 per cent, in the shape of taxes, on the cost of production. You can make a gallon of whisky for from 18 to 22 cents. You have now put a tax of \$1 upon it.

Then, in addition to that, you require the beverage whiskies to be taken out of bond before they are ripe, before they can be used at all. This tax must be advanced by the distiller to the extent of 500 per cent of what it costs to make the whisky. He must advance that money, losing interest upon it; and it requires an enormous amount of capital to carry these goods until that whisky ripens. This necessarily wipes out every small distiller who is not a moonshiner. Every legitimate distiller will be wiped out by it.

Some of our friends from the mountains of Tennessee and Virginia disagree with me. They are the successors of my kinsman, Gen. Cabell, who tried to devise some way by which the smaller distillers in the mountainous country might violate the law lawfully; which has not yet been done. [Laughter.] You compel every small distiller who honestly manufactures and desires to obey the law, to risk bankruptcy.

You have freed from taxation 24 per cent of all the alcohol put into the sweet wines of the Western coast, and are about to free 24 per cent to be put into the wines of the East.

You have freed alcohol put into vinegar, which has been proved before the Ways and Means Committee to be capable of 45 per cent—put into the vinegar barrel, then redistilled at very little expense, so as to net 27 per cent, taken out and sold absolutely free from tax.

You have freed from tax the alcohol used in making sorghum, so that there is a temptation to fraud in connection with factories for the making of sorghum sugar. And now you put an extra burden upon the legitimate distillers engaged in making beverage whiskies by increasing the tax upon whisky already in bond, which is in equity if not in law a violation of the contract between them and the Government, under which implied contract they made their whiskies one, two, or three years ago with the understanding that they should pay a tax of only 90 cents a gallon. On the other hand, you refuse to give them any extension of the bonded period.

Now, is this a just and equitable mode of dealing with men who are entitled to the equal protection of the law? If you are going to raise revenue upon alcohol, raise it on all alcohol made by everybody for any purpose; and if you intend to exact a

forced loan of \$13,000,000 from this interest give them such legislation as will not destroy them. There are perhaps 130,000,000 gallons in bond, of which perhaps 35,000,000 or 40,000,000 must pay the tax before July 1; that is, between thirty-five and forty millions of dollars must be paid on this whisky or it must be sold at auction or it must be exported. It is idle to anticipate the payment of such a sum in the present condition of the money market. On the warehouse receipts large sums of money have been borrowed from the banks.

Distress will be sure to come—contraction of loans, forced sales, and the bankruptcy of many. The strong firms will export, and then the Government, in great need of revenue, will lose the tax on the exported spirits; and the foreigner will receive the commission and expenses thus unnecessarily and cruelly laid on these citizens engaged in a lawful vocation. Such legislation is not only cruel to those citizens, but harmful to the Government and absurd. It injures many more than the distillers. Those who have purchased whisky in bond; those who loaned money on warehouse receipts; those who need loans from banks, whose funds are locked up in those receipts; those who have grain and malt to sell; those who usually work in the distilleries, are injured by this short-sighted legislation.

We have not had the courage to increase the tax on fermented liquors, and to-day we put burdens which I fear can not be carried on distilled spirits.

There ought to be no limit to the bonded period. The tax ought to be paid on the spirits when it is withdrawn from the warehouse for consumption and on the spirits withdrawn. This is the wise, just, and profitable mode of collecting this tax. This would put this industry on a stable footing; would give certainty to it; would prevent the present disastrous fluctuations in it, and would secure larger revenues to the Treasury. One-fourth of the entire revenues is received from this source, and surely it is time to legislate about it without passion, prejudice, or ignorance.

Mr. PAYNE. I am opposed to the amendment offered by the gentleman from Kentucky and hope that the amendment of the gentleman from Michigan—

Mr. BRECKINRIDGE of Kentucky. Well, if my friend from New York [Mr. PAYNE] is opposed to the amendment I will withdraw it. [Laughter.]

Mr. PAYNE. I want to say one word—

The CHAIRMAN. If the gentleman from New York objects, the gentleman from Kentucky can not withdraw his amendment.

Mr. PAYNE. I do not object; I am glad it is withdrawn. I hope the amendment of the gentleman from Michigan will prevail. It is vital to the producers of sweet wine both in California and the East.

The CHAIRMAN. The amendment of the gentleman from Kentucky being withdrawn, the question is on the amendment of the gentleman from Michigan.

The amendment was agreed to.

Mr. BYNUM. I offer the amendment which I send to the desk.

The Clerk read as follows:

Add after the word "person," in line 16, page 2, the following: "less the amount expended in the purchase or production of said stock or produce."

Mr. BYNUM. The object which this amendment seeks is probably covered by the bill as it stands, which embodies the language of the old law. Yet it is not perfectly clear but that the farmer might be required to give in the total amount of his sales of produce and livestock as income. The effect of this amendment, which meets the approbation of a majority of the committee, is to exempt the farmer from tax upon the amount expended by him in the purchase or production of his livestock or his produce. The amendment makes the language of the section more definite.

Mr. DINGLEY. Let the provision be read as it will stand if amended.

Mr. McMILLIN. The old law on this subject has been construed in accordance with the amendment now offered by my friend from Indiana.

The CHAIRMAN. If there be no objection, the amendment will be agreed to.

There was no objection.

Mr. McMILLIN. Early in the day I suggested that we come to an agreement that a vote be taken on the income-tax amendment at half past 4 o'clock to-day. The gentleman from Michigan [Mr. BURROWS] said he would confer with his associates, and that we could probably reach an agreement later. He has now stated to me that if 5 o'clock be fixed as the hour, it will be satisfactory. I hope that arrangement may be made.

Mr. BURROWS. I think there will be no objection to voting on the income-tax amendment at 5 o'clock.

The CHAIRMAN. If there be no objection, the vote on that

question will be taken at 5 o'clock. The Chair hears no objection.

Mr. PENCE. I offer the amendment which I send to the desk.

The Clerk read as follows:

On page 1, lines 11 and 12, strike out the words "a tax of 2 per cent on the amount so derived over and above \$4,000," and insert in lieu thereof the following, viz: "taxes on the amounts so derived at the following rates," viz:

"First. If such annual gains, profits, or income exceed the sum of \$2,500 and do not exceed the sum of \$10,000, a tax of 1 per cent on the amount of such annual gains, profits, or income over and above the said sum of \$2,500.

"Second. If such annual gains, profits, or income exceed the sum of \$10,000 and do not exceed the sum of \$30,000, a tax of 2 per cent on the amount of such annual gains, profits, or income over and above the said sum of \$10,000.

"Third. If such annual gains, profits, or income exceed the sum of \$30,000 and do not exceed the sum of \$60,000, a tax of 3 per cent on the amount of such annual gains, profits, or income over and above the said sum of \$30,000.

"Fourth. If such annual gains, profits, or income exceed the sum of \$60,000 and do not exceed the sum of \$100,000, a tax of 4 per cent on the amount of such annual gains, profits, or income over and above said sum of \$60,000.

"Fifth. If such annual gains, profits, or income exceed the sum of \$100,000, a tax of 5 per cent on the amount of such annual gains, profits, or income over and above the said sum of \$100,000."

Mr. PENCE. Mr. Chairman, I simply wish to say that this is the amendment of which I spoke on yesterday; and while members may not have followed carefully the reading, briefly stated it provides for a graduated tax upon incomes, at the following rates: No tax upon an income of less than \$2,500, that amount being exempt; 1 per cent on incomes of \$2,500 to \$10,000, 2 per cent on incomes of \$10,000 to \$30,000, 3 per cent on incomes of \$30,000 to \$60,000, 4 per cent on incomes of \$60,000 to \$100,000, and above \$100,000 incomes, 5 per cent.

I have nothing further to say, and if I have any time I will yield it to the gentleman from Wisconsin [Mr. SHAW].

The CHAIRMAN. The gentleman can not yield his time under the five-minute rule. He must occupy it if he wishes to use it.

Mr. GROSVENOR. Mr. Chairman, since the absorption of the Democratic party by the single-tax, socialistic, populistic element, the income tax seems to be an assured proposition, and I want to point out a single phase of it which I imagine has not been very fully considered by the advocates of this measure.

One of the important considerations of to-day in the State where I live, and indeed in most of the States of the Union, is to try to find out some way to raise the revenue incident to State governments and local municipal governments, without putting greater burdens upon property. The property of Ohio—and I think the same is true of the other States—including farms, houses, and personal property, is already taxed beyond reason, and can not be taxed any higher.

The farmers of the country are taxed beyond their capacity to pay, and the question of statesmanship in most of the States of the Union to-day is to ascertain how revenue can be raised in other directions than upon tangible property. So, in Ohio, we are looking about us for some method by which corporations may be taxed, not only upon their value as corporations, but also upon their franchises to be corporations.

Now, this bill invades the domain of State taxation, and by paramount authority drives the State away from this means of taxation, and consequently and necessarily places an overwhelming burden, too grievous to be borne, upon the farms, houses, chattel property, and other matters of actual visible property of the citizen.

At the time of the adoption of the Constitution of the United States the States exercised, and claimed the authority to exercise, the right to tax importations into this country. The last right that was ceded by the several States of the Union to the General Government was the right to levy and impose tariff taxation. And then the States contracted, in effect, that they would never levy taxes upon importations; and the Government by fair implication undertook to remit to the States the domain of ordinary taxation. That is, the taxation upon property, the taxation upon franchises, and the taxation upon any other system of property or rights not ceded and yielded to the General Government by the terms of the Constitution.

Now, from that day to this, except in the peril of war, we have abided by that implied condition of the Constitution. Now for the first time the General Government invades the States of the country, usurps the rights of taxation, drives the State away from a vast resource, and forces the burden of State taxation over upon farms and other tangible property. Like many another scheme, it will be found in the long run that instead of benefiting the farmer and the poor man you have destroyed one of the safeguards of the farmer. You have taxed the small stockholder, the widow, and the orphan in the savings banks and the building and loan associations under certain conditions, and those who live by the earnings of small investments which they have in corporations. You not only seize their incomes, and thereby oppress the poor people of the country, but you oppress the whole people of the country by substantially forcing

the State to levy its entire burden of taxation, State and municipal, upon the tangible property of the citizens.

Mr. HALL of Missouri. Will you yield right there?

Mr. GROSVENOR. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIBLEY. I desire to offer a substitute for the amendment to the amendment offered by the gentleman from Colorado [Mr. PENCE].

The CHAIRMAN. The Clerk will report the substitute offered by the gentleman from Pennsylvania [Mr. SIBLEY].

The Clerk read as follows:

Strike out in lines 11 and 12, of page 1, the words "two per cent on the amount so derived over and above four thousand dollars," and insert in lieu thereof the words:

"Two per cent on the amount so derived over and above ten thousand dollars; three per cent on the amount so derived over and above fifty thousand dollars; five per cent on the amount so derived over and above one hundred thousand dollars; ten per cent on the amount so derived over and above two hundred thousand dollars."

Mr. SIBLEY. Mr. Chairman, in the substitute which I offer I think we more nearly meet the demands of all those in this nation who desire an income tax. The demand has been for a graduated income tax. By this graduated system the cost of collection would be slight because of the few affected by it, and the tax would be made obnoxious to the smallest number of people. As was shown by the gentleman from Mississippi [Mr. WILLIAMS] in his remarks, we tax under this system the small revenues of the individual as greatly as we do the larger revenues.

I desire an income tax which shall be kept well above the wage scale, and one which in its imposition shall deprive no home of its comforts, and shall touch only those fortunately situated and of enormous income, and who from their abundance shall be called upon to contribute their due share to the burdens of government. The revenue to be secured in the substitute proposed by me will be vastly greater, and affect injuriously a much smaller number, and be more in accordance with the sentiment of the people.

In the short time allotted to me I can only say that what we do wish to reach, and what we must reach, are the great incomes of the nation.

It is not the twenty-five-hundred-dollar incomes or the five-thousand-dollar incomes that are a menace to this Republic, but it is the incomes reaching up into the millions that threaten us. You can read the history of every nation that has existed upon the globe from the earliest ages to the present time and you will find the same general result. Aristotle wrote the history of eighteen hundred republics that had risen prior to his age, and the history of one is the history of all. It has been the accumulation of wealth in the hands of a few individuals that has led to the overthrow of all.

In this graduated income tax, reaching proportionately the great incomes of this country, we have a check that will measurably stop these vast accumulations. Now I have not agreed with some gentlemen who thought it was proper to bring in here a tariff measure decreasing the revenues by seventy-five or eighty millions of dollars, but in their wisdom they have done so, and what fairer way can be found to meet the deficit thus created than by this income tax?

Mr. HALL of Missouri. Will the gentleman permit a question?

Mr. SIBLEY. Yes, sir.

Mr. HALL of Missouri. I understand the gentleman's idea to be to levy a 10 per cent tax in order to prevent the accumulation of wealth. I want to ask him whether he believes it is a safe principle of national legislation for us to declare that we will use the taxing power not for purposes of revenue, but for the purpose of preventing men from accumulating wealth?

Mr. SIBLEY. I will say this to the gentleman from Missouri, and I know that in this he will agree with me, that I believe it is the property of the nation and not its poverty that should pay its taxes.

Mr. HALL of Missouri. I agree to that.

Mr. SIBLEY. I desire this substitute, Mr. Chairman, so that I may be able to vote for a bill which I do not like. With such a substitute I would vote for the bill on account of the income-tax feature. I have been informed that the income feature will not be found in this bill when it comes back to this House, but I should like at least to see the Democratic Congress present the issue squarely and give their views as to how this tax should be levied. I want to say also that the people of this country have demanded a graduated income tax and not simply an income tax. I have never heard of any demand for a mere income tax unless coupled with the principle of graduation. It requires more of the strength of this Government to protect a man who has accumulated a million dollars than it does to protect a million men with a dollar apiece. Let each bear the bur-

den in proportion to the demand he makes upon the Government for protection. The great Commonwealth of Pennsylvania expended more than \$600,000 within three months to protect one single individual in his accumulated wealth, and I can see no strength in the argument against making the wealth of the country pay its proportion of the taxes and the burdens of Government.

This tax is biblical. It is authorized by God Almighty. I do not vote for it in order to punish anyone, for no one can be punished by being made to pay in proportion as he hath prospered. As was said by the gentleman from Mississippi, the man with \$4,000 or \$5,000 income has to give up, in order to pay his taxes, some of the comforts of his home; but the man who is taxed on his \$100,000 or \$200,000 or \$500,000, simply pays out of his superabundance. Why, sir, man is the only animal that lays up fuel in advance. [Laughter.] Bob Ingersoll once said that the man who, after he got 250,000 neckties, would lie awake thinking how to get another necktie, was the biggest fool in the world. Now, we are simply proposing to stop these men from wanting to get more than 250,000 neckties. [Laughter.]

Mr. MONEY. Mr. Chairman, I am in favor of an income tax, and I favor it more than any tax that is on the statute book. I favor it more than any impost or excise tax that can be mentioned. I favor it because it is a moral tax. I favor it because it is founded upon the rules of equity and justice and the equality of all men before the law. I favor it upon that canon of taxation which is admitted by all, that men should be taxed equally. Men should be taxed equally according to their capacity to pay the tax, and I would have the burden fitted according to the strength of the back that must bear it.

I also favor this tax because there is an equality in the sacrifice that is made by the taxpayer. I would have it so that each man in this broad Republic who pays any tax to the Government should feel just the same inconvenience in the payment of it that any other man should feel. That is only right and just. I favor it also because of the measure of service which the Government renders to the taxpayer on account of which it can demand taxes, the protection which it affords him not only in the enjoyment of his wealth, but also in enabling him to acquire his wealth.

Mr. REED. Is that the reason why you believe in the exemption of all incomes under \$4,000.

Mr. MONEY. In answer to that question I will say that I will vote for the amendment of the gentleman from Colorado. But we want to tax people out of their superabundance and not out of their necessities. Every one of the duties you have laid in this tariff bill is there for protection or for revenue, and when you collect a tax upon consumption you tax the wages of the laborer, because it is only by his wages that he can pay that tax on consumption. But when you put a tax upon incomes you put a tax upon accumulated wealth; not upon the necessities, but upon the luxuries of life.

It is a question, then, for this House to determine whether we shall tax the superabundance of the rich or the wages of the poor laboring man, and for our decision of that question we shall have to answer to our constituents. I am in favor of this tax not only because it is a source of revenue, but because it is a great regulator of the revenue. When we institute a tariff system it should be laid upon such lines of morality and justice as to remain undisturbed for a long series of years, and not have the business of the country disturbed by these biennial or quadrennial adjustments of the tariff.

Then, even with these rules of morality, there must be periods of depression, when there will be a deficit in the Treasury, and there will be other seasons of revival of trade and commerce, when there will be a surplus which is even more dangerous to the country and public honesty than a deficit in the Treasury. Then we can have an income tax which can be lowered or raised as the necessities of the Treasury may require, so that this Government can regulate the income tax in such a way as to supply what we want. I favor it, moreover, because it is not class legislation. It is idle for gentlemen to stand up in the face of the intelligence of this country and declare that it is class legislation. We are all of us working night and day to get ourselves within the prescribed class of paying the tax on \$4,000 a year, or whatever amount may be agreed upon. [Applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED. I am glad to note that the remarks of the gentleman incited applause on the Democratic side, because it shows that they fully sympathize with him in his idea that a tax is a privilege and that the citizen prizes it in proportion to the hold it takes upon him and the hurt that it does him. He is, of course, a trifle inconsistent when he adds the largest portion of the people are to be exempt from the beneficent influence of

this moral tax; and then he adds that it is to be taken out from the superfluous wealth.

The CHAIRMAN. The Chair desires to state to the gentleman from Maine that debate on this amendment has been exhausted.

Mr. REED. Then I withdraw the pending amendment. I desire further to add, Mr. Chairman, as a part of my remarks upon the income tax—

The CHAIRMAN. The Chair does not think debate is in order at present.

Mr. REED. I thought the Chairman would permit it on this occasion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania, and debate is exhausted upon it.

Mr. REED. Can I move to strike out the last word?

The CHAIRMAN. There are already two amendments pending. If the gentleman moves to amend the substitute of the gentleman from Pennsylvania, it would be in order.

Mr. REED. I move to amend the substitute by striking out the last word.

I desire to continue my remarks upon the income tax, although perhaps not so directly as what I have already said. I hold in my hand a petition which I desire to present on behalf of a certain class of persons whom the other provisions of this bill will probably exempt from the operation of an income tax. It is a petition of the woolen manufacturers and everybody engaged in that business, who will, probably, by the operation of the main portion of this bill, be deprived of all power to contribute in the blessed manner alluded to by the gentleman from Mississippi. [Laughter.]

I think that this petition deserves something more than ordinary presentation, because it represents the views of gentlemen who manage a capital of \$500,000,000, engaged in a business into which they were invited by the laws of the people of the United States. The contents of this petition I shall add to my remarks under the power of extension which the House so kindly grants to those of its members who have not time to express their views on life and duty. I will read the letter.

BOSTON, January 19, 1894.

DEAR SIR: We are directed by resolution of a mass meeting of wool manufacturers, clothing manufacturers, and commission merchants, held in New York on Wednesday, January 10, 1894, to transmit to you the action of that meeting, with a request for its presentation to the House of Representatives and publication in the CONGRESSIONAL RECORD. We trust you will embrace an early opportunity to bring the action of the meeting to the attention of Congress.

This meeting was the largest and most representative gathering of those engaged in these industries ever held in the United States; and it is believed that no similar meeting of equal numbers and character was ever assembled in any industry.

The conviction is practically universal among wool manufacturers that the enactment of the Wilson tariff bill in its present shape will temporarily destroy the industry and render impossible any recovery of its high development, so long as it may remain the law of the land. It was this conviction which brought such a great body of men together in New York from so many States and such distant points to join in the protest which was there unanimously adopted.

This petition and protest represents the united judgment of the men engaged in a great group of industries, the development of which has bestowed incalculable benefits upon our country; and we have faith to believe that the Congress of the United States will not refuse to give full consideration to the grounds upon which it is based.

Very respectfully,

RUFUS S. FROST, *President*,
CURTIS GUILD, Jr., *Secretary*.

Hon. THOMAS B. REED,
House of Representatives.

(In behalf of 1,150 signers and participants.)

I will have the petition printed as an extension of my remarks.

The petition is as follows:

PETITION AND PROTEST OF WOOL MANUFACTURERS.

To the Fifty-third Congress of the United States:

The allied industries represented at a meeting held at the Metropolitan Hotel, New York, January 10, 1894, including all branches of the manufacture and sale of woolen goods, carpets, and knit goods, and the wholesale clothing and cloak manufacture, speak for an investment of capital exceeding \$500,000,000, embarked in business under the laws of the United States, on the good faith of the Government that its citizens shall be duly guarded in their vested property rights. As American citizens we have assembled to petition and protest against the enactment of a law which threatens to destroy a large part of this capital and to render it uncertain whether the remainder shall be productive.

The provisions of the wool and woolen schedule of the Wilson tariff bill compel this protest, which is made in the belief that its framers have no adequate conception of its practical effects. It is so drawn as to entail upon the American manufacturer the maximum of loss and embarrassment, and offer to foreign competitors the possession of the American market at the minimum of risk and effort.

We base this protest upon the pledge of President Cleveland, in his message to Congress of December 6, 1887, that "a readjustment of our tariff * * * should be devised with especial precaution against imperiling the existence of our manufacturing interests;" this bill, regardless of that pledge, is framed in a manner that threatens disaster to a great group of industries, located in nearly every State in the Union.

We protest against this measure as the sole cause of the prolongation of business depression, which would at once disappear but for the menace of its future enactment. The Wilson bill has disorganized the business and commerce of the country, and its enactment is opposed by every branch of industry and the entire body of American producers.

We protest against a measure which, while ostensibly one to raise revenue, would create an enormous deficit in the national revenues at a time when these revenues are already insufficient and the national Treasury depleted.

We protest against a measure that creates a deficit by reducing or removing duties almost exclusively upon articles of foreign manufacture or production that compete with American products; and we especially protest against that adjustment of the bill which creates nearly 40 per cent of this deficit, amounting to \$28,000,000 annually, by removing or reducing duties upon wool and woollens which enter into competition with the products of American farms and factories.

We protest against its passage at a time of profound industrial depression and collapse, the most unfortunate that could be selected, when the business of the country is in no condition to withstand the universal readjustment of values it will compel.

We protest against these radical reductions of duties at a time of industrial depression among the great manufacturing nations of Europe, when their markets are glutted with surplus goods, and the difficulties of American competition are greatly accentuated.

We protest against the date fixed for the Wilson bill to take effect because it destroys an entire season's business.

We particularly protest against the treatment accorded the woolgrowing industry and all branches of the wool manufacture in this bill, as harsh in the extreme, and more radical and proscriptive than in any other schedule.

We rest this protest upon the following grounds, to which we invite the attention of Congress and the country.

I. For more than thirty years the Government has ordained that the American wool manufacture should adjust itself to a duty upon its chief raw material.

A great majority of the manufacturers have approved and still approve this arrangement, believing that the benefits of the protective system should be shared equally by farmer and manufacturer, and they have repeatedly protested against the repeal of the duty on wool.

Apart from that question, there is universal agreement among manufacturers that transition from dutiable wool to free wool involves a revolution in the industry, which must be affected at great expense, after long experimentation, and with the utmost caution. Machinery must be readjusted or replaced, help must be reeducated, methods must be modified, the whole manufacture must change, and the whole wool market must be reestablished in new channels. No other industry is in a position so unique and hazardous. No other government undertook to force upon a great industry a transformation so radical without the utmost precaution against disaster.

The threat of this abrupt reversal of economic conditions has already thrust the wool manufacture into a crisis unparalleled in the experience of any domestic industry, involving an enormous shrinkage in the assets of every woolen mill.

The actual transformation is now to be forced in a manner which will give to foreign manufacturers, for the time being at least, the complete control of the American market. Once lost, it will be a terrible struggle to regain it under the most favorable conditions. The Wilson bill allows but one month's interval between the removal of the wool duty and the reduction of the goods duties. This is equivalent to a command that wool manufacturing shall stop for an entire season. Goods made of dutiable wool can not compete with foreign goods made of free wool. Unless an entire season shall elapse after the wool duty is withdrawn, before foreign goods are exempted from the compensatory duties, every yard of cloth manufactured in American mills must be sold at a loss.

II. Having thus presented our market as a gift to the foreign manufacturer, the Wilson bill insures him its retention by the abolition of all specific duties. The chief safeguard of the domestic manufacture, as well as of the revenue, is thus swept away.

In no other line of manufacture are opportunities and inducements for undervaluations so great as in woolen goods. Values are dependent upon a raw material constantly fluctuating in price, and upon frequent changes of fashion, style, pattern, and method of fabrication.

The accurate determination by appraisers of foreign market values in woolen goods is an impossibility.

Specific duties, retained in many other tariff schedules, are equally and equitably applicable to woolen goods. Their abolition is a discrimination as obvious as it is dangerous and indefensible.

The present specific duties, while compensatory for the wool duty, contain also a measure of protection upon various lines of goods, apart from the safeguard growing out of the impossibility of evasion. Their abolition is an average reduction of duty equal to 50 per cent of the whole duty. This reduction is further increased by the reduction of the ad valorem duties.

While free wool will offset some part of these sweeping reductions, the net result involves an enormous and abnormal readjustment, particularly upon those goods which have heretofore controlled the domestic market through the operation of the weight duties.

III. The proposed rates of duty, ad valorem, are insufficient, without accompanying specific duties, to equalize the present differences between foreign and domestic costs of production.

It is a demonstrated and incontrovertible fact that the labor costs in this manufacture are double the similar costs in Great Britain, and often three times as much as on the continent of Europe.

All other manufacturing costs are disproportionate in like degree—the cost of capital, plant, maintenance, supplies, repairs, superintendence, taxation, etc., compelling the employment of much larger capital to produce the same quantity of goods.

A duty of 40 per cent upon the foreign cost of woolen goods, equivalent to a duty of but 23 per cent upon the domestic cost, will not equalize these multitudinous differences in the comparative manufacturing costs.

We protest against that proviso that subtracts 1 per cent per annum for five years from these inadequate ad valorem rates. This proviso, introduced into no other schedule, must operate to exaggerate and prolong the difficulties and perplexities which menace the manufacture from this bill.

IV. We protest against the maladjustment of duties in this schedule, as calculated to disarrange and disorganize this manufacture, and to defeat attempts to adjust it to the proposed conditions.

The schedule is illogical, unscientific, and misfitted. The duty upon yarns, while insufficient, is within 10 per cent of the proposed duty upon the finished product of those yarns, converted into manufactured clothing ready for the customer's back. Multitudinous processes intervening add to the value of the original material, by labor alone, and this constantly accumulating labor cost is ignored in a ratio of duties under which one duty largely neutralizes another. The schedule is adjusted to let down the bars at the most vulnerable point, for a tariff which favors the importation of manufactured clothing must injure the domestic market not only for clothing but for cloths.

American manufacturers of wholesale clothing, by transferring their patterns and methods to the continent of Europe, and utilizing European cloths and European labor, can supply American customers with goods adapted to the American market, pay the proposed duty of 45 per cent, and earn a profit beyond the reach of those who continue to manufacture in this country.

We particularly protest against the glaring injustice done to the carpet manufacture, the proposed duties upon carpets being no greater than upon the yarns from which they are woven.

V. These rates of duty, these ratios of duty, and these methods of applying them, can not fail to immediately and immensely stimulate importations of woolen goods, as the foreign mills realize their opportunity and increase their capacity. The normal production of American mills now equals nine-tenths of our total consumption. Under this tariff the proportion of foreign and domestic products consumed in this country must gradually be reversed.

In the four fiscal years, 1890-'93, the imports of woolen goods have reached the enormous total of \$170,181,600 foreign value, and \$313,223,000 duty paid value, far exceeding the imports under any other schedule, and proving that the present duties are not too high to preserve a domestic market for the domestic manufacturer. These imported woollens are nearly all in the nature of luxuries; and for purposes of revenue alone, the existing duties are defensible.

VI. We make this protest not only as manufacturers, but also in behalf of the labor employed in these industries, including under normal business conditions no less than 500,000 persons. As manufacturers we deplore controversies with labor, and contemplate with profound regret the establishment of conditions which will compel the most radical readjustments of the present scales of wages. If the existing barriers against foreign competition are broken down, manufacturing costs must be correspondingly reduced. Labor is the chief cost and must be the chief sufferer.

The operatives also understand that constantly increasing importations mean constantly diminishing and uncertain employment, in place of the regular wages hitherto received.

Adequate help will be difficult to obtain at the wages this bill will compel, unless there shall be a corresponding reduction of wages in all lines of industry, both manufacturing and otherwise. Such a scaling down of wages means a tremendous curtailment of the consuming power of the people; and we look upon a bill which compels it as detrimental to the welfare of the country, and a measure which carries with it its own condemnation.

A great and prosperous industry, which has advanced steadily to meet all the requirements of our people, has added incalculably to the wealth and resources of our nation, and which stands to-day, in the quantity of wool consumed, and in the variety and value of its products, second to the wool manufacture of no other country, will be condemned to the dry rot of deterioration and decay, if the Wilson bill becomes a law.

We appeal to the patriotism of an American Congress to prevent the consummation of this national misfortune; and we appeal to our fellow-citizens in every walk of life to second our protest against a legislative act of extirpation.

Respectfully submitted.

Mr. ENLOE. Mr. Chairman—

The CHAIRMAN. Debate is exhausted on this amendment.

Mr. ENLOE. I rise to reply to the gentleman from Maine. The gentleman from Maine moved an amendment in the nature of a substitute, and has discussed it for five minutes and the other side has not been heard.

The CHAIRMAN. The Chair will hear the gentleman.

[Mr. ENLOE addressed the committee. His remarks will appear hereafter.]

The CHAIRMAN. Debate is exhausted. The question is on the amendment of the gentleman from Colorado [Mr. PENCE], for which the gentleman from Pennsylvania [Mr. SIBLEY] has offered a substitute.

The question being taken on the substitute of Mr. SIBLEY, it was rejected.

The question then recurring on the amendment of Mr. PENCE, the question was taken, and there were—ayes 66, noes 112.

Mr. SPRINGER. I call for tellers.

Tellers were not ordered.

So the amendment was rejected.

Mr. WHITING and others addressed the Chair.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WHITING], who, as the Chair understands, desires to offer an amendment from the committee.

Mr. SPRINGER. I do not so understand.

Mr. WHITING. I ask unanimous consent to offer the amendment which I send to the desk.

The CHAIRMAN. The Chair has recognized the gentleman to offer an amendment, and it will be read.

The Clerk read as follows:

To amend section 242 to read as follows:

"Still wines, including ginger wine or ginger cordial and vermouth, in casks or packages other than bottles or jugs, if containing 14 per cent or less of absolute alcohol, 30 cents per gallon; if containing more than 14 per cent of absolute alcohol, 50 cents per gallon. In bottles or jugs, per case of one dozen bottles or jugs, containing each not more than one quart and more than one pint, or," etc. (the remainder of the section to be the same as the present bill).

Add to section 235: "but when imported in bottles or jugs, no separate or additional duty shall be assessed on the bottles or jugs."

Add to section 238: "but when imported in bottles or jugs, no separate or additional duty shall be assessed on the bottles or jugs."

Add to section 241: "but no separate or additional duty shall be assessed on the bottles."

Mr. McMILLIN. Reserving the right to object, I desire to know to what section the gentleman wishes this amendment to apply?

Mr. WHITING. This is an amendment to the original bill.

Mr. DINGLEY. I make a point of order against that amendment.

The CHAIRMAN. A point of order is made against this amendment, and the Chair will sustain it unless the gentleman from Michigan has something to say on the point of order.

Mr. WHITING. I hope the gentleman will withdraw the point.

The CHAIRMAN. The gentleman makes the point of order against the amendment, and the Chair is compelled to sustain it.

Mr. KILGORE. Mr. Chairman, I have an amendment.

The CHAIRMAN. Is the amendment of the gentleman from Texas [Mr. KILGORE] one relating to the income tax?

Mr. KILGORE. Yes.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. KILGORE].

Mr. WHITING. I understand the point of order was withdrawn.

The CHAIRMAN. The point of order was not withdrawn.

The Clerk will read the amendment offered by the gentleman from Texas [Mr. KILGORE].

The Clerk read as follows:

Amend section 2 by striking out the words "except such bonds of the United States as are by the law of their issuance exempt from all Federal taxation."

Mr. HOPKINS of Illinois. How will that read if the amendment is adopted?

The CHAIRMAN. The Clerk will read the section of the bill as it will read as amended by the amendment proposed by the gentleman from Texas.

Mr. KILGORE. It comes in on line 3 of the second section, on page 2.

The Clerk read as follows:

On page 2, section 2, line 3, strike out the following language after the word "security."

Strike out the words "except such bonds of the United States as are by the law of their issuance exempt from all Federal taxation."

Mr. KILGORE. Mr. Chairman, the purpose of the committee in reporting the bill is, by the language which I propose to strike out, to exempt from the operations of this bill if it should become a law any income arising from the United States bonds which they say may be exempt from taxation by the Federal Government.

Now, I do not understand that there are any bonds the income from which is specifically exempt from taxation by the United States. There is no necessity for any such provision as this. I do not see here any purpose to tax United States bonds. Such is not the purpose of the amendment I have proposed. All laws which have been enacted authorizing the issuance of United States bonds have provided that they should not be taxed by any State government or by any municipal government in the Union.

Now, I am in favor of an income tax, and I will go far enough to say that I will favor a well-regulated and well-guarded graduated income tax. I am in favor of an income tax because it is legislation in the interests of the entire people. It is an effort to apportion the burdens of this Government among all classes alike, strictly in accordance with the ability of each man to bear the burden, and that is the theory upon which all taxation is founded.

If all men were required to pay an equal sum, the Government could not be sustained, for the burden would be more than could be borne by the mass of the people. If all men were required to pay a tax like a capitation tax, not on their property, the burden would fall heavily upon the great masses of the people, and the few, the favored few, who have enjoyed the fostering care of the Government, or extra opportunities by favoritism, would measurably be exempt from taxation. The theory upon which taxation is levied in every State of this Union is that every man shall bear the burdens of Government according to his ability to bear them and his interest in maintaining the Government, and that should be the rule which should obtain and the principle which should be established in Federal taxation. The proposed exemption of incomes less than \$4,000 is not class legislation. As was argued by the gentleman from Mississippi [Mr. WILLIAMS] the other evening, and very ably argued, there is no discrimination against any class of people in this exemption. They say the bill provides that a man who has an income over and above \$4,000 shall pay on that excess, but the exemption of \$4,000 applies to everybody alike, whether his income is \$1,000 or \$1,000,000.

The \$4,000 exemption applies to all alike, and it can not therefore be class legislation. Now, I say that the burdens of this Government ought to bear upon the accumulated wealth of this country equally, as they have borne heretofore upon the accumulated poverty of the country. The great mass of the plain people have enjoyed this exclusive privilege of paying the taxes for many years, and they are more than willing to share this privilege with the fortunate possessor of the wealth of the land. All taxation is a burden on thrift, energy, and industry, or ought to be if not, whether imposed on the man with a thou-

sand dollars' worth of property or the owner of a hundred thousand dollars' worth.

The converse of this proposition would limit all taxation to idiots and paupers and to the thriftless.

In the States and all municipalities in this Government taxation is apportioned to each citizen according to the value of his property, real and personal. But there is no taxation for Federal purposes imposed on the vast property of the country which constitute its greatest wealth. The principal revenue for the Federal Government is derived from the dire necessities of the people, and the more direful their necessities the more burdensome are the exactions of the Government under the prevailing system.

Mr. SHAW. Mr. Chairman, I regret very much that the question of a graduated income tax has been temporarily disposed of, for it would seem to be in harmony with the plan upon which this bill has been framed. I send to the Clerk's desk to be read an extract from a Canadian paper, showing what the effect of an ad valorem duty on barley is in Canada, and showing that a tax ad valorem really becomes a graduated specific tax.

The Clerk read as follows:

THE NEW DUTY ON BARLEY.

If the American Congress impose an ad valorem duty of 20 per cent upon barley, as is proposed in the Wilson bill, it will be interesting to learn what the duty per bushel would be under the following conditions: The law provides that the value of the article shall be fixed at the current price in the chief markets of the country from which it is exported. Canada has three chief markets from which barley is exported—Winnipeg, Toronto, and Montreal. A few days ago the Winnipeg Commercial, good authority, gave the following as current prices in these three Canadian barley markets: Winnipeg, 30 cents per bushel; Toronto, 40 cents; Montreal, 50 cents. These differences in prices seem to be caused chiefly by the cost of transportation from points of production. If barley was imported into the United States from Winnipeg the duty would be 6 cents per bushel; if from Toronto, 8 cents, or 33 per cent more, and if from Montreal 10 cents per bushel, or 66 per cent more than from Winnipeg. Under a specific duty no such differences could exist. And still the tariff reformers tell us that the only equitable method of levying tariff duties is ad valorem.—*Canadian Manufacturer.*

Mr. SHAW. Mr. Chairman, in order to show the Democracy in Washington how this bill is being regarded by the Democracy at home, I desire to have read a letter on this question from a prominent Democrat of Wisconsin.

The Clerk read as follows:

MILWAUKEE, January 25, 1894.

DEAR SIR: This afternoon received your favor of January 23.

The Fitch bill was very considerably agitated before the Committee on Ways and Means and many petitions were sent in against it from all over the Northwest in 1892. The statistics which I recently sent you were mailed to all Representatives and Senators with a short argument upon them.

Now, as to the 30 per cent ad valorem duty on barley instead of 20 per cent, that small raise would do us no good whatever. The valuation in Canadian ports is only 30 to 35 cents per bushel, and has not been above 40 cents for the best barley within the last twelve months, and that would make 9 to 12 cents per bushel duty. It would let in 10,000,000 to 12,000,000 of Canada barley and malt to compete with our Western product, and knock us out just as effectually as a 20 per cent ad valorem duty would.

As a matter of policy I think it might be better to let the bill go through the House of Representatives with a 20 per cent duty. We might stand a better chance to defeat it in the Senate.

Wall has been to us all here on change, saying, "Well, if you can not get what you want you will take what you can get, wont you." I say, no; and other good strong Democrats say no; if we can not get what will be of some use to us, then let them do their worst, and the worse they do the better we will be able to defeat them hereafter.

Yours, truly,

ROBT. ELIOT.

Hon. GEORGE B. SHAW,
House of Representatives, Washington, D. C.

Mr. GEISENHAINER. Mr. Chairman, it strikes us that this bill exhibits an inconsistency which is in no wise in accordance with the Chicago platform. By the terms of that platform the Democratic party is committed to a tariff reform and to the making of a law for revenue only.

By the peculiar condition in which this measure finds itself at this moment, it seems to be admitted that the McKinley bill was the proper one after all.

The Committee on Ways and Means, after having greatly and properly reduced various schedules of tariff, find themselves confronted with what is computed to be a deficiency of about \$75,000,000. Fearing lest their work will leave the revenues of the Government greatly below the expenditures, they have endeavored to provide for such expenditures by the introduction of a bill for taxing incomes.

Mr. Chairman, we are unwilling to admit that the bill for "reducing taxation and providing revenue for the Government" can be regarded as a failure before it has been tried, and before the requirements and needs of this great land shall have had time to adjust themselves under its provisions. We are unwilling to admit that the Wilson bill without the income feature will be a failure and the McKinley bill a success, just as much as we are unwilling to admit that the present bill, with the income tax included, is a bill to reduce taxation when it reduces duties on imports and calls upon the North and the East to provide for the deficiency.

The gentleman from New York is, in my opinion, perfectly

justifiable in asserting that the revenues under the Wilson bill without income tax will be amply sufficient for all purposes, and in this particular the committee, if of Indian birth, might be styled "Men-Afraid-of-Their-Bill."

The Chicago platform, to our interpretation, declared for an adjustment of the tariff taxes, that the same might be distributed equally among all the people of this land, and it did not contemplate a reduction that should provide revenue far beneath the expenses of the Government economically administered. It did not, in our opinion, propose to levy taxes upon the poor man for the benefit of the rich, and neither did it propose to levy taxes upon the rich man for the benefit of the poor. It proposed that its tariff taxes should be laid in a judiciously designed manner, so that they might fall upon all in such proportion as to be oppressively borne. No word in this platform can be construed in the support of the imposition of an income tax, a tax which has its precedent in this country only in the fact of its having been a war measure.

Mr. Chairman, however equitably an income tax may be imposed there will always be modifications which in the end tend to very greatly vary the same and to reduce the amounts collected. Besides, a tax upon income is a tax upon the property from which the income accrues.

The changes to which this tax is always subject render it very unstable and unreliable, as will be seen from the following table of amounts collected from 1863 to 1872:

1863	82,741,858.25	1868	84,455,598.36
1864	20,294,731.74	1869	34,791,855.84
1865	32,050,017.44	1870	37,775,873.62
1866	72,982,159.03	1871	19,182,650.75
1867	65,014,429.34	1872	14,436,861.78

We do not believe any man having an income above or below the exempted amount would be so unpatriotic as to refuse the Government his proportion of this tax for the support that he receives, but we do know of instances where insolvent men have made large income returns for the purpose of defrauding their creditors. Income tax is assuredly class legislation, and in its designation of individuals might tend to the forming of an aristocracy, which is not only an obnoxious, but an undemocratic feature. Better than an income tax, and in no degree inquisitorial, would have been the reimposition of the stamp act of 1862. This act levied its tribute only upon actual wealth and the transfer thereof. There was no collector to conduct an inquisition, there was no assessor to fix the amount of property when he decreed that a return had been understated.

This little piece of paper was the sole and righteous judge. No undervaluation could be made, as the legality of the transfer would be affected and become invalid. A very large revenue was returned—the check stamp alone being said to have brought upwards of \$2,000,000.

One feature of this bill strikes us as being very inconsistent. An income of \$4,000 is exempt, while the little savings of the widow and of the workman is nevertheless subject to a tax. Savings banks are institutions having no capital, and are the repositories of the savings of people of moderate circumstances. By taxing their small accounts a direct discouragement is given to all savings. Another view: This tax falling mainly upon the North and the East seems to be an emphatic criticism upon the pension list; while as such we believe that these sections would consider this as a decoration of honor, yet they will be quick to resent the censure.

It is true that the Democratic party is committed to tariff reform, and such reformation in all honesty must ensue; but let us ask, is it not tyrannical to the last extent to tack a rider which could not otherwise be carried upon a bill revising tariff taxes?

Is it right that such a price should be extorted for Democracy and patriotism? In conclusion, is it not pertinent to inquire if this tax is sought to be imposed on account of the many officeholders it will naturally necessitate in sections from which small or no returns can be expected? We sincerely trust that this committee, in its great wisdom and fairness, will reject this amendment. [Applause.]

[Mr. McRAE addressed the committee. See Appendix.]

Mr. CAPEHART. Mr. Chairman, the gentleman from New York [Gen. SICKLES] has asserted in a speech on this floor within the past few days that no matter what tax might be laid on the rich, it would not in the end be paid by them, but that they would in some form recoup from the poorer classes, who must ultimately bear all such burdens. These, perhaps, are not his exact words, but I think they fairly convey his idea on this subject. Now, if it be true, as he asserts, that the rich will pay no taxes (and for that reason none should be levied upon them), what better argument can be brought forward in favor of the repeal of those laws which by their operation have encouraged and made possible

the building up of enormous fortunes whose possessors now refuse to bear any part of the burdens of the Government that protects them in the possession of their gains?

A great outcry is raised when an attempt is made to collect from those who are not only above fear of want but in affluent circumstances a moderate tax, such as most other civilized countries levy. We are told that it is inquisitorial, unconstitutional, etc., to pry into private affairs in this manner. Gentlemen seem to forget that in most of the States of the Union personal property is assessed and taxed in a manner quite as inquisitorial as is here proposed. In my own State every item of personal property, with its value, must be stated under oath, and there is quite as much temptation to perjury as there would be here, and no doubt men do sometimes swear falsely, but I have yet to learn of anyone who proposed to relieve the people of any State from a personal property tax because some one might make a false return. I do not believe that those who have incomes sufficient to allow them to live in ease are more liable to perjury than any other class of citizens. The fact is, there is a demand for legislation of this sort from all parts of the country. It is notorious that the wealth of the country does not bear its share of governmental burdens.

From figures given in a recent speech on this floor by Mr. TALBERT it appears that twenty-five thousand of our seventy millions of people own three-fourths of the property and probably do not pay 5 per cent of the taxes, and it seems they do not propose to pay any. The legislation of the last thirty years has all been in their favor and has entrenched them so firmly in the castles of what they call "protection" and "sound finance" that they really look upon the people of this country in a certain sense as their property, to be taxed by them not only for what goods they buy, but for what money they use.

This paternal Government has gone on protecting the industries of the land until our farmers who owned in 1850 60 per cent of the assessed wealth, now own but about 17 per cent. Yet, though his share of property has shrunk to such an insignificant figure, he pays still one-half of the taxes to maintain the Government, while the great capitalist who has gathered through the aid of fostering legislation this world of wealth all to himself, impudently tells us through his representatives on this floor that he can not be made to pay a tax.

Mr. Chairman, in my opinion, these men know not what they do; they are sowing a wind that will some day not far distant breed a whirlwind which will sweep from them not only these special privileges, but possibly their ill-gotten gains. We were sent here by the people who are realizing at last these wrongs, to give them such relief as the law-making power may afford. We were sent here to stop the process of taking from the many who pay the taxes, to enrich the few who refuse to pay taxes. In the efforts at reform in this House, we are met at every step by these privileged interests, who stubbornly resist any change that deprives them of any of the legal sanctions to plunder which they have so long enjoyed. They are here in person and as a party, united and aggressive, not for themselves or their masters, of course; we have their word for it that they are only here to see that the wages of the workingman are maintained.

There is a wonderful sameness in the songs sung by the kid-gloved, silk-hatted gentry who so eagerly crowded but recently the rooms of the Ways and Means Committee, and their representatives on this floor. Its refrain is that we are not asking for anything for ourselves, but we are very fearful for our poor employes. What hypocrisy! At this very hour, perhaps, in the State of Pennsylvania, with more protection than any country ever had, a mob of foreigners—Huns, Poles, Italians, "pauper laborers of Europe," imported by those protected industries to take the place of and drive out our American workmen—are burning and destroying property and refusing to allow men to work who are willing. Here is the real love they bear the American workmen that we hear so much about.

I desire to have read the following extract from a Pittsburg newspaper of the 29th of this month:

FEAR MORE RIOTS—MANSFIELD COAL REGION UNDER ARMS—A MINERS' MEETING TO-DAY—THE PEOPLE AWAITING ITS RESULTS WITH DREAD—RIOTERS SPREAD DEVASTATION—TWO WORKS BURNED AND GREAT DAMAGE DONE TO OTHERS—BEADLING BROTHERS DEFEND THEIR TRIPPLE WITH WINGCHESTERS—ONE RIOTER KILLED AND ABOUT A DOZEN INJURED—A FORCE OF DEPUTIES UNDER SHERIFF RICHARDS AND A POSSE OF CITIZENS CAPTURE SIXTEEN OF THE MOB—THEY ARE LODGED IN THE PITTSBURG JAIL—THE RIOTERS ARE HUNS, SLAYS, ITALIANS, AND FRENCHMEN—PROBABLY ONE HUNDRED THOUSAND DOLLARS' WORTH OF PROPERTY DESTROYED—ARMED DEPUTIES AND CITIZENS PATROL THE REGION.

If American workmen will not work for the wages they offer him the employer sends to Europe for some of its "pauper labor" which they have taken good care to retain on the "free list." Yet every day we hear the same old whine "that we will ruin the wages of American workmen." It is nauseating and disgusting beyond measure.

Mr. Chairman, I represent an agricultural district of more

than 200,000 inhabitants that polled more than 42,000 votes in 1892, people who were prosperous and happy until the blight of high protection fell upon them. When I was young the man in my country who had money to loan was generally the farmer.

As a class, prior to 1873, the farmers were very prosperous and independent, but after that date, when silver was demonetized and tariff for protection became the rule, no thrift, no economy, no skimping and saving could avail to stem the tide of adversity which has brought our farmers from their proud position of independence to one in which they can eke out but a scant subsistence. Bowed down with taxes and debts, he no longer has a dollar to loan, his credit gone, his lands depreciated 50 per cent or more in value, and this during the period of highest protection; he can see no hope for bettering his condition unless some part of the great burdens now borne by him can be shifted to the shoulders of those who profited by his misfortunes, who have grown fat on the taxes he has been paying to every conceivable monopoly. These farmers turned out my Republican predecessor and sent me here to aid in righting this great wrong. They are in favor of an income tax. They believe it to be Democratic and right that those who have vast interests depending upon the protection of the laws should not be exempt from the burdens of Government, which should be borne as nearly as possible by each, according to his ability.

Mr. Chairman, I speak of the farmers and their interests and conditions, because I am on familiar ground. I know all about the farmers of my section, because I am one of them. I was born and reared on the farm that I have cultivated all my life, and when gentlemen on the other side tell me that farms have not declined in value, that the farmer's condition is better than it was, I know it to be untrue. Mr. HOPKINS of Illinois gives a glowing description of the farmers in his district; he says that they wear white shirts and have carriages with tops; another Republican tells us that farmers have glass windows in their houses, whereas in the time of Daniel Boone they had none.

All of these gentlemen seem to think that the tiller of the soil has nothing to complain of; that he should continue to sell his farm products for the best he can get in free-trade markets, and not ask to be allowed the privilege of buying from any country where he can buy cheap, but buy without murmur from the protected trusts, who charge him 50 to 100 per cent more for his goods than he would have to pay if allowed to choose his own market to buy in. The condition of farmers has grown steadily worse, particularly since 1880; prices of farm lands have gone down, down, until in the beautiful Ohio valley, my home, the finest river bottom lands—once worth \$100 to \$125 per acre—can now be bought at from \$30 to \$50. Hill lands that were once worth \$25 per acre can now be bought for \$10.

If protection does so much for farmers, why is this so? Will not some of my Republican friends inform me why these lands have not advanced in value in view of this wonderful home market that protection is said to give us? The assessed values of farm lands does not give a true idea of the demoralization in prices. I believe that very little farm land, improved or otherwise, will bring its assessed value. I know that this is true in my own section. Something has taken prosperity from the fields and planted it in the great cities, where luxury sits in unrivaled splendor; from whose palaces go forth pleasure seekers to cross the Atlantic, with ability to spend one hundred millions of American gold in the Old World each year, and yet unwilling to contribute to that Government which protects their homes and their wealth in their absence even the mite of 2 per cent on their net incomes.

What is this subtle power that has enabled the few to gather to themselves so rapidly so large a share of the country's wealth? The explanation is found in the fact that the people interested in protection, interested in banks and money-lending, have been allowed to make our laws for a generation. Aye, they have been invited to fix at their own figures the tax that the people should pay to them, and they have not been slow to avail themselves of their opportunities. The power to tax is a power that should be most zealously guarded. In our case it has been most shamefully abused. The Republican party has been and is now in unholy alliance with these plunderers. It says to them: "Give me gold to pay for the 'blocks of five' and I will allow you to name the rate at which the people of the United States shall be taxed to fill your coffers."

Gentlemen declaim against an income tax because its tendency, as they say, will be to establish classes among citizens.

Mr. Chairman, we have classes now. Have you never heard of the Coupon Clipping Class, those who toil not, neither do they spin? A class composed of people made rich by class legislation, and largely exempt from all taxation by reason of the law which prohibits the taxing of Government bonds. There is another class, unhappily large and growing larger—an office-holding class, created by the civil-service law with the intent to de-

prive the people of the privilege of naming their own servants. The gentleman from New York [Mr. COCKRAN] says that in passing this measure we are seeking to oppress a class of our citizens, and almost in the same breath tells us that he does not know one rich corporation or one rich man who objects to this tax, but that they in fact desire it, because it will afford them a distinction above their fellow-citizens.

Mr. Chairman, this powerful argument is on a par with all of the reasons given by the opponents of this tax, arguments so childish and contradictory as to be ridiculous. It has been shown that it is a just tax, easily and cheaply collected; that through its operation the Treasury will receive some contribution from sources heretofore barren; that it is a tax easy to pay because it never falls on the unfortunate. Let us not be deterred by the cry of class legislation; it comes from the very men who by the aid of vicious laws have been enabled to turn all the little streams of prosperity into their deep channels of wealth.

How can the Government by law bestow prosperity upon a part of its citizens? What has the Government to give, but something which it takes from the people? And can it promote prosperity by taxing one part of the people and giving to another? Rather let the taxes be levied for the support of the Government alone, and let all pay in proportion to their ability.

Mr. SHAW. Mr. Chairman, I will print a communication from the Kraus-Merkel Malting Company, of Milwaukee, upon this same question, it being a letter addressed to a member of Congress in response to an argument made by him on the floor of this House.

The letter is as follows:

MILWAUKEE, WIS., January 25, 1894.

DEAR SIR: With reference to your statement, made on January 18, during the debate on the tariff in the House of Representatives, as reported on pages 1079 and 1095 of the CONGRESSIONAL RECORD, that the Iowa farmer need not fear competition from the importation of Canadian barley for the reason that no Canadian barley is imported into the Milwaukee and Chicago markets where he sells his barley, I desire to call your attention to the statistics of the Milwaukee Chamber of Commerce relating to the receipts and shipments of barley and malt at this market, and mail you a copy of the secretary's report for 1892, the latest obtainable.

On pages 102 to 104 we find the total quantity of barley in the market for 1892 to be 13,256,617 bushels, of which 6,024,169 bushels were shipped out and 6,025,160 bushels taken by local brewers and malsters. Of this 6,025,160 bushels we learn, on page 113, that about one-half, or say 3,025,160 bushels, were malted by local brewers for their own use and about 3,000,000 bushels were malted by local malsters and shipped out. Hence, of 12,049,329 bushels marketed in Milwaukee, only 3,025,160 bushels remained for home consumption, the balance, 9,024,169 bushels, having been shipped and principally to Eastern malsters and brewers.

Of the receipts at and shipments from Chicago of barley and malt for 1892 I can give you only the figures obtained from the secretary of the Milwaukee Board of Trade. They are:

Barley receipts, 15,133,975 bushels; barley shipments, 10,825,394 bushels; malt receipts, 637,552 bushels; malt shipments, 5,386,319 bushels. Deducting the malt receipts from the malt shipments, and allowing 10 per cent on the balance in order to reduce it to barley, we have an additional 4,273,890 bushels, making a total of shipments from Chicago of 15,099,284 bushels of barley. True, this leaves only 34,691 bushels for home consumption. However, adding the difference between stock in store at the beginning and end of the year, of which I have no record, will probably cover it.

We have, then, as a grand total the following:
Receipts of barley in Chicago and Milwaukee for 1892, including the stock in store in Milwaukee at the beginning of the year, 23,390,582 bushels; shipments 24,123,453 bushels.

In addition to this, we have the further fact of minor importance because of the comparatively small quantity involved, that prior to the enactment of the McKinley bill Milwaukee brewers did import yearly some 50,000 bushels of Canadian barley.

With a tax on Canadian barley, permitting the importation of about 12,000,000 bushels, the Chicago and Milwaukee shippers must be in a position to compete with the foreigner, which means lower prices to the farmer, or the exclusion of just so much Western barley from the Eastern market as is imported from Canada. And the reason for this is that the Canadian farmer is geographically more fortunately situated than the Iowa farmer. In order to reach the principal barley market, the point to which by way of the primary markets the bulk of the Iowa barley ultimately goes, namely, New York and the East, the Canadian farmer pays but about 1 cent per bushel freight, whereas your Iowa farmer pays an average of 16 cents. Outside of the question of wages, which for the sake of an argument we will assume not less in Canada than in Iowa, how is your Iowa farmer, paying 16 cents freight, to compete with the Canadian, who in addition to about 1 cent freight pays a tax of only about 8 cents or 9 cents under a tariff of 20 per cent ad valorem, unless he be satisfied with a lower price for his product than he now obtains?

In view of the above, since it is not to be supposed that in the barley market the Iowa farmer will be favored to the exclusion of, say, the Wisconsin farmer, particularly since the Wisconsin barley is about 30 per cent more valuable than the Iowa barley, as per the last annual crop report of the Agricultural Department, it is quite clear that the Iowa farmer will suffer in common with the Western and Northwestern farmers by the importation of Canadian barley under a low tariff "for revenue only."

Yours, very respectfully,

KRAUS-MERKEL MALTING COMPANY,
Per R. NUNENMACHER, Treasurer.

Hon. W. I. HAYES,
Washington, D. C.

Mr. CULBERSON. Mr. Chairman, I simply desire to have read the section of the statutes which authorize the issue of United States bonds now outstanding, in order to show that the criticism upon the bill made by my colleague [Mr. KILGORE] is altogether untenable.

Mr. KILGORE. Will my colleague allow me a suggestion in his five minutes?

Mr. CULBERSON. A question?

Mr. KILGORE. Yes, sir.

Mr. CULBERSON. Oh, yes; but let the law be read first. The Clerk read as follows:

CHAP. CCLVI.—An act to authorize the refunding of the national debt.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate \$200,000,000, coupon or registered bonds of the United States, in such form as he may prescribe, and of denominations of \$50, or some multiple of that sum, redeemable in coin of the present standard value, at the pleasure of the United States, after ten years after the date of their issue, and bearing interest, payable semiannually in such coin, at the rate of 5 per cent per annum; also a sum or sums not exceeding in the aggregate \$300,000,000 of like bonds, the same in all respects, but payable at the pleasure of the United States, after fifteen years from the date of their issue, and bearing interest at the rate of 4 per cent per annum; also a sum or sums not exceeding in the aggregate \$1,000,000,000 of like bonds, the same in all respects, but payable at the pleasure of the United States, after thirty years from the date of their issue, and bearing interest at the rate of 4 per cent per annum; all of which said several classes of bonds and the interest thereon shall be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority; and the said bonds shall have set forth and expressed upon their face the above-specified conditions, and shall, with their coupons, be made payable at the Treasury of the United States. But nothing in this act, or in any other law now in force, shall be construed to authorize any increase whatever of the bonded debt of the United States.

SEC. 2. *And be it further enacted, That the Secretary of the Treasury is hereby authorized to sell and dispose of any of the bonds issued under this act, at not less than their par value for coin, and to apply the proceeds thereof to the redemption of any of the bonds of the United States outstanding, and known as 5-20 bonds, at their par value, or he may exchange the same for such 5-20 bonds, par for par; but the bonds hereby authorized shall be used for no other purpose whatsoever. And a sum not exceeding one-half of 1 per cent of the bonds herein authorized is hereby appropriated to pay the expense of preparing, issuing, advertising, and disposing of the same.*

Mr. CULBERSON. I simply want to make a statement that I understand that that is a part of the contract, and I do not see how you can avoid it.

Mr. KILGORE. Now, I desire to ask my colleague a question.

Mr. CULBERSON. Certainly.

Mr. KILGORE. Does that apply to bonds now in existence?

Mr. CULBERSON. Yes.

Mr. KILGORE. Does my colleague insist that, as a legal proposition, Congress would not have the right to change that rule with reference to these bonds and tax the income produced by them, and that the doctrine of vested rights would not apply in such cases?

Mr. CULBERSON. I understand, Mr. Chairman, that Congress would not undertake to change a contract which had been solemnly entered into between the United States and the holders of these bonds, and indeed could not do so with due respect to the Constitution of the United States.

Now, the gentleman, I suppose, wants to raise the point that the inhibition in the Constitution against the violation of contracts is an inhibition upon the power of State governments and does not refer to the power of the Government of the United States. All lawyers know that the Supreme Court have so decided years and years ago. But it does not affect this question at all, as the Supreme Court, in construing the Thurman act, held that the inhibition applied to the power of the General Government in respect to vested rights.

I desire to ask my colleague if he is willing, in the face of this contract entered into by the United States, to now violate it?

Mr. KILGORE. No, sir; I do not suggest any violation of the contract by the amendment offered.

Mr. CULBERSON. That is all there is to it.

Mr. KILGORE. But I want to answer the question in my way. I say it is not an invalidation of that contract to levy a tax upon incomes from United States bonds.

Mr. CULBERSON. I mean a violation of the contract.

Mr. KILGORE. It does not invalidate it. It is not a violation, nor is it an impairment of that contract for the Government to levy a tax upon the income arising from this property, which itself is not taxed in any way nor by any authority.

[Here the hammer fell.]

[Mr. RICHARDSON of Michigan addressed the committee. See Appendix.]

Mr. McMILLIN. In reply to the gentleman from Texas [Mr. KILGORE], who is the author of the amendment just reported, I wish to say there has been no disposition on the part of the committee to enable any class to escape taxation who could under the Constitution and laws be taxed, provided they have incomes above the amount exempted from taxation in this bill. I wish to be perfectly candid, and will say that in the first draft of this bill the words which the gentleman mentions were left out, but upon examination of the funding act that has just been read by my distinguished friend from Texas [Mr. CULBERSON], it was found that by the express terms of their issue, which became a part of the contract that went with the bonds, it was provided that they should be exempt from the imposition that we are now seeking to place upon them.

Therefore, Mr. Chairman, as we were holding ourselves forth to the world pleading for justice, we could not afford to go out undertaking to violate contracts; and if we did attempt it, our efforts would be utterly futile. You can not violate a contract once it is solemnly entered into. Further, if I may suggest to my friend from Texas a point in which he and I and all of us are alike interested, those who favor this bill can not afford to put into it an unconstitutional provision which would risk the whole measure.

Mr. KILGORE. But if the gentleman from Tennessee will allow me, it is not unconstitutional for the Government to impose reasonable taxes upon the income arising from any property. If the Government grants a homestead it may tax it; if it grants a patent it may tax the income therefrom.

Mr. McMILLIN. But in the case of granting a homestead there is no constitutional provision prohibiting the taxation and no contract to prevent it. If there is the Legislature can not tax it. The Legislature can not override the Constitution.

Mr. BROOKSHIRE. Does not my friend from Tennessee believe that the end aimed at by the Republican party in passing the funding act in 1870, providing for taking up outstanding bonds and putting other bonds in their place, was to create a contract between the bondholders and the Government?

Mr. McMILLIN. I think that highly probable; and, Mr. Chairman, if I may state my own opinion candidly, I think it was wrong. I believe in the doctrine of taxing everything and letting the burdens of government fall where the wealth rests. But this is a matter of contract.

Mr. CULBERSON. Mr. Chairman, I desire to state, in order that there may be no play on the word "tax," that I do not understand that this amendment, by its terms, proposes to tax specifically the interest or the principal of United States bonds in the hands of anybody. That is not the language of the proposition, and that is a point which my colleague from Texas [Mr. KILGORE] seeks to make prominent in this discussion. But while that is not so, yet if we do levy an income tax upon the interest of United States bonds, we do, or attempt to do, indirectly that which we can not do directly. It is not a tax upon the bonds. It does not purport to be a tax upon the interest directly, but the gentleman proposes to levy a tax on incomes derived therefrom, which is doing by indirection what we can not do directly. Everybody knows that, notwithstanding the Populistic ideas abroad on this subject, that the object of making this exemption of United States bonds and securities from taxation was to insure the highest prices and the highest premiums that could be obtained for the bonds when they were sold. It would therefore violate the very terms of the contract to subject the incomes derived from the interest upon the bonds to taxation.

If they had been offered for sale with all these impediments in the way, taxes by the United States Government, by State, and municipal governments, what capitalist in this country, what business man, what poor man even, would have invested his funds in them, or would do so now?

Mr. CANNON of Illinois. Does the gentleman claim that where the interest upon a Government bond comes into the hands of a holder that income can not be taxed after it has come into his hands?

Mr. CULBERSON. I think so. You can not do indirectly what you can not do directly.

Mr. CANNON of Illinois. But it ceases to be interest and becomes money in the holder's hands.

The question being taken on the amendment of Mr. KILGORE, it was rejected.

Mr. SPRINGER. Mr. Chairman, I desire to offer the amendment which I send to the desk.

The amendment was read, as follows:

Insert after the end of line 17, page 2, the following:
The amount of money and the value of any and all other property, real or personal, received by gift, devise, or inheritance.

Mr. SPRINGER. The object of this amendment is to include in the incomes to be returned by every individual the amounts received by gift, devise, or inheritance.

* Mr. McMILLIN. I will say that we were of opinion that the bill would cover such property, but if there is any doubt about it, it had better be made clear.

Mr. BYNUM. I call the gentleman's attention to the fact that that amendment would provide for a direct tax on real estate.

Mr. McMILLIN. I did not notice that the amendment included real estate.

Mr. SPRINGER. It is a tax upon the value of whatever comes by inheritance.

Mr. TALBOTT of Maryland. Does not the gentleman know that in many of the States there is now a tax of that kind and that it is considered very burdensome?

Mr. SPRINGER. I know that in many of the States there is a tax upon everything, but this exempts all inheritances up to

\$4,000. It treats incomes by inheritance just as it treats incomes from gains and profits in business.

Mr. COX. Suppose the inheritance is \$5,000 and consists entirely of real estate, do you propose to tax that?

Mr. SPRINGER. Yes; to put a tax upon the value of it.

Mr. COX. Then, you fly in the teeth of the decision of the Supreme Court in your own case?

Mr. SPRINGER. I think not. The law that imposed an income tax during the war provided for a tax upon inheritances, and the succession tax was a part of that law, as gentlemen all know.

The Supreme Court has never questioned the right of Congress to tax men receiving through inheritances, just as any other income, and it was part of the law that was decided in the very case to which the gentleman referred.

Mr. COX. Now, if the gentleman will look at his own case, he will find that it decides that there were but two direct taxes in the United States; one is on real estate and the other on polls or capitation tax. Now, if the inheritance is entirely real estate, and you tax that, I can not understand why that it is not a direct tax.

Mr. SPRINGER. Put it into the bill, and if the Supreme Court wants to put it out let them take it out. [Expressions of dissent on the Democratic side.] It is no more a tax upon property than it is a tax on income you have already received, which you have provided for in your bill. It is an amount that has been received individually or otherwise. It is part of one and the same case; and I think it is a just subject of taxation. It is the most righteous feature of the tax that can be found in this bill. It is the opinion of the members of the committee that it was included already; and if it is not included specifically it ought to be included by terms.

Mr. BAKER of New Hampshire. Mr. Chairman, I hold in my hand a letter received this morning from an active business man in my district. It is the practical business expression of an experienced business man. I shall ask that it be read as a part of my remarks, and hope the House will note that he says his product is not a protected industry, yet that his sales have been very injuriously affected by the proposed tariff reduction. The advocates of an income tax claim that it is a just and simple method of taxation, but this clear-headed business man shows in a few plain words the incidental inconvenience and expense to which he would be subjected by it. The letter is complete in itself, and I ask that it be read.

The Clerk read as follows:

PIKE STATION, N. H., January 29, 1894.

DEAR SIR: It was with much interest that I read your able speech of the 24th on the tariff question. I am glad to know that the New Hampshire delegation are all right on this question.

I can not see why the present Administration have not understood long ere this from the condition that the country is getting into that any radical change in the tariff would be disastrous.

The goods we manufacture are none of them protected by the tariff, and we supposed that free trade would not affect our business materially, but experience has proved that we were mistaken. Our sales for the past six months have fallen off fully 60 per cent over the previous six months, and they naturally should have increased 20 or 30 per cent.

Here in the interior we have not felt the hard times as severely as in the larger centers, but we are commencing to realize the fact now, and we are really having distressing times.

I notice that the income tax becomes part of the tariff measure. It seems to me that connecting the two will help defeat them both; certainly the income-tax bill as approved by the Democratic members of the Ways and Means Committee must be very unpopular. The amount of work and expense it will put upon the average business man and the average corporation will be a very great hardship.

If passed it would cause our small company the expense of taking an inventory at half a dozen small mills scattered about the country, and the work of two expert accountants for two months to get our business in shape yearly to make such a report as is required, and this would come at a time when we do not take our regular inventory.

Undoubtedly you have all these matters clearly in hand, and I only write to thank you for the plain and satisfactory way in which you handled the question.

Very respectfully, yours,

E. B. PIKE

Hon. HENRY M. BAKER, M. C.,
Washington, D. C.

The CHAIRMAN. Debate is exhausted on the pending amendment.

Mr. PICKLER. I move to strike out the last word.

The CHAIRMAN. That is not in order. That will be an amendment in the third degree, which is not allowed under the rule.

Mr. PICKLER. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PICKLER. The amendment before the House is the amendment of the gentleman from Wisconsin, and I move to strike out the last word.

The CHAIRMAN. The amendment before the House is the amendment of the gentleman from Illinois.

Mr. PICKLER. What are the subsequent amendments?

The CHAIRMAN. The amendment is an amendment to the

amendment of the gentleman from Tennessee [Mr. McMILLIN], to which the gentleman from Illinois has offered an amendment, which makes two amendments, as many as can be pending at one time under the rule; and the question now is on the amendment of the gentleman from Illinois.

Mr. BYNUM. I offer an amendment to the amendment of the gentleman from Illinois, as a substitute.

Mr. VAN VOORHIS of New York. I offer an amendment to the substitute.

The CHAIRMAN. The Clerk will report the amendment, the proposed substitute of the gentleman from Indiana.

The Clerk read as follows:

Insert after the end of line 17, on page 2, the following:
"The amount of money and the value of any and all other personal property received by gift, devise, or inheritance."

Mr. VAN VOORHIS of New York. I offer an amendment to that.

The CHAIRMAN. The gentleman from Indiana has the floor on his amendment.

Mr. BYNUM. The only effect of the substitute is to place the same tax upon money and personal property that is placed upon incomes, and that the personal property or money shall be included as a part of the income. It strikes out real estate, which is unconstitutional.

Mr. COX. While I agree with the construction of the gentleman from Indiana, I think that the language of his substitute ought to go a little further, and include choses in actions, bonds, etc.

Mr. BYNUM. I will amend the provision so as to include the suggestion of the gentleman from Tennessee to insert choses in action.

The CHAIRMAN. The gentleman from Indiana will please prepare the amendment as he desires to have it voted upon.

The modified amendment was read, as follows:

Insert after the end of line 17, on page 2, the following:
"The amount of money, notes, bonds, and choses in action and the value of any personal property received by gift, devise, or inheritance."

Mr. VAN VOORHIS of New York. I send up the amendment I desire to offer.

The CHAIRMAN. The amendment will not now be in order. The gentleman can not amend this amendment.

Mr. VAN VOORHIS of New York. Then I will have it read for information.

The CHAIRMAN. The gentleman desires to have it read for information. The Clerk will read

The Clerk read as follows:

In line 12, section 1, and in line 33, section 3, strike out the word "four" and insert "one." In line 2 of section 3 strike out the words "three thousand."

Mr. VAN VOORHIS of New York. Mr. Chairman, if we have got to have an income tax, I am in favor of widening its scope. This bill only reaches 85,000 taxpayers. I want to reach 850,000 incomes. If we are going to have an income tax, I want to reach every member on this floor. Of course the Committee on Ways and Means forgot, when they prepared this bill, that a Congressman gets \$5,000 a year, besides mileage and clerk hire. They never thought of their own case. If they had, they would have made the exemption \$1,000, as I propose to do, instead of making it \$4,000. By making it \$1,000 it adds \$60 to the tax of every member of this House, over and above what this bill puts on him.

Mr. HENDRIX. Tax the poor Congressman, and let the rich Congressman go untaxed.

Mr. VAN VOORHIS of New York. That is it. Now the amount of tax which would be added by adopting my amendment in a single year in this House would be about \$21,000. I do not want the country to believe that I am here voting to exempt myself from taxes that I am voting to put upon the people.

I do not want the country to believe, and I do not believe, that the Ways and Means Committee, in fixing the exemption at \$4,000 had in view their own cases, and that they intended to exempt members of Congress from taxation on the bulk of their salaries. But it looks that way, and unless we adopt some amendment similar to the one I propose, the country may get a wrong impression of our motives in framing a tax law so skillfully that we exempt ourselves almost entirely.

Then adopt my amendment; let us step up to the captain's office, every man of us, and pay \$80 into the Treasury, instead of merely paying \$20 as this bill provides.

Mr. PICKLER. I move to amend by striking out the last word of the substitute.

The CHAIRMAN. That is not in order; it would be an amendment in the third degree.

Mr. PICKLER. There is no amendment pending to the substitute.

The CHAIRMAN. But the substitute is itself an amendment to an amendment.

Mr. PICKLER. Then the Chair holds that an amendment to a substitute is not in order?

The CHAIRMAN. No, sir.

Mr. PICKLER. That is my understanding.

The CHAIRMAN. The Chair does not so hold.

Mr. PICKLER. I am simply seeking to offer an amendment to the substitute. The gentleman from Indiana has offered a substitute and I am moving to amend it.

The CHAIRMAN. The Chair does not hold that a substitute is not amendable, but that the substitute of the gentleman from Indiana is not amendable because it is itself an amendment in the second degree. The Chair can not state the matter more plainly. The question is on the amendment of the gentleman from Indiana.

The amendment was agreed to.

Mr. SPRINGER. I ask that the amendment, as amended be now read.

The Clerk read as follows:

At the end of line 17, on page 2, insert the following:

"The amount of money, notes, bonds, and choses in action, and the value of any personal property received by gift, devise, or inheritance."

The question recurring on the amendment it was agreed to.

Mr. MALLORY. I offer the amendment which I send to the desk.

The Clerk read as follows:

Strike out all after the word "commissioned" in line 59, page 21, down to and including "purposes" line 118, page 22; and in lieu thereof insert the following:

"But nothing herein shall be so construed as to authorize or permit the provisions of section 3176 of the Revised Statutes of the United States to be applied in any manner to any matter relating to or connected with the income tax."

In lines 3 and 4, page 18, strike out the following words: "and thirty-one hundred and seventy-six."

Mr. MALLORY. Mr. Chairman, I desire to call the attention of the gentleman from Tennessee [Mr. McMILLIN] to the amendment which I offer, with a vague hope that it may prevail.

Mr. McMILLIN. Will the gentlemen suspend in order to allow the amendment to be read again.

Mr. MALLORY. I can state to the gentleman the effect of the amendment. It simply proposes to strike out all that relates to section 3176 as now embraced in the Revised Statutes, and also to declare that no part of section 3176 of the Revised Statutes shall apply to this matter of income taxes.

My purpose is to take away from subordinate officers of the Government, collectors of internal revenue and their deputies, the right, which is given to them under this bill as it is now, to invade the premises of the citizen at any hour of the day or night, without warrant, without affidavit, simply upon suspicion, and investigate his most private papers. The sanctity of the domicile is something the Democratic party has always stood by. The right of the individual to be protected in his home and in his premises against unwarranted invasion is one of the highest rights conferred upon man by civilized government.

The proposition contained in this measure to which I object permits a deputy collector of internal revenue to go upon the premises of any individual at any hour of the day or night, and even to go into his bedroom, if necessary, to unlock his safe, and investigate his most private papers. It seems to me that for the condemnation of such a provision it is only necessary to call attention to it.

Now, sir, if as a matter of fact there were no provision against fraud and deception on the part of him who hands in his report, there might possibly be some pretense of excuse for this drastic legislation. But you will find that there are in the bill provisions prescribing penalties for false information, for refusals to give information, and for fraudulent returns; and I think this House will make a great mistake if it commits itself and the Democratic party to anything so wrong and unjust and contrary to all precedent as the provisions of this amendment that I refer to.

I should like the gentleman from Tennessee to bear in mind that there is no occasion for this tremendous power that is here conferred upon many subordinate officers of the Government. Without warrant, without affidavit, without anything except his own sweet will, whenever he deems it necessary for him to do so, the officer is empowered under this section to go into the private premises of any individual citizen of the country at any time; not only to do that, but to scrutinize his most private papers, merely on the pretense that it is necessary for him to do so in order to ascertain whether the citizen has given proper return of his income.

I am free to admit that section 3176 of the Revised Statutes does provide for the exercise of this very power; but it is limited to investigations as to frauds upon the internal-revenue laws. But here when you open the door to allow this subordinate officer, without warrant as I say, without any authority ex-

cept his own *ipse dixit* that he thinks it necessary to go upon the premises of the individual, we are doing something that has never yet been done by Congress.

Mr. HENDRIX. I call the gentleman's attention to the further fact that under this bill the internal-revenue collector may follow a man to any part of the country, may go into his hotel room at midnight.

Mr. MALLORY. I understand that. That I think is provided for in another section.

[Here the hammer fell.]

Mr. EVERETT. Mr. Chairman, I have been trying for some time to get a chance to express my opinion upon this subject of the income tax. I could favor the amendment proposed by the gentleman from Florida if I thought that it struck at the great evil of this tax; but, on the contrary, that clause he has read does not touch the great evil of the income tax, an evil which has been acknowledged by Sir Robert Peel, by Mr. Gladstone, and by all the financiers who have carried through the income tax; an inherent injustice of the system which never can be explained away.

That injustice, Mr. Chairman, is that while we propose to tax the accumulated wealth of the country, and while the gentlemen who favor the income tax have stated again and again that we are taxing the accumulated wealth of the country, we put on a level all the incomes derived from accumulated wealth, the incomes derived from salaries, and the incomes which are won by the intelligence and the experience of those men who work for their salaries and have no other means of support.

That injustice can not be done away with. You pass over incomes derived from accumulated property, where those incomes are below \$4,000; and when the man who has, perhaps, risen from the ranks, who has been a laborer, but who has managed by his intelligence to commend himself to a body, public or private, has renounced the ordinary opportunities of private gain in order to take a situation from which he shall receive a lucrative salary, you say that his income of \$5,000 or \$10,000 shall be levied on, the same as the income derived from accumulated wealth, from a man who does not do one stroke of work and whose fathers before him have not done any?

Mr. Chairman, it has often been said that this tax is easy to collect. It is easy to collect, and it is easy to raise and to lower. It is far too easy to collect. At any time when any party having the reins of government is disposed to be extravagant, at any time when any party is disposed to squander the property of the country, that party has nothing to do but to add 2 per cent more income tax, 4 per cent, or 6 per cent more income tax, or to lower the limit of the incomes to be taxed.

Gentlemen say that the tax is popular in England. It is utterly unpopular in England. It has never been popular; and one reason why it is unpopular is that it is in the power of the government, without adding anything to its collecting force, to raise or to lower the income tax as it pleases, and play ducks and drakes with the incomes of the people.

But, Mr. Chairman, I have another word to say, and it must be said if I can be allowed the time. Granting that an income tax is a good tax, which I do not; granting that it is equitable, and just, which I do not grant, it ought not to have been brought in in this way. It is wrong to propose it as an amendment to a tariff bill to which it is wholly ungermane. We were told that we were to come here to vote on tariff reform. We never were told we were to come here to vote on an income tax.

Mr. TUCKER. Why, the Secretary of the Treasury advises it.

Mr. EVERETT. When we went into the campaign of 1892, before the present Secretary of the Treasury was appointed, we were never told that we were to come here to vote upon an income tax.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. EVERETT] has expired.

Mr. LOCKWOOD and others asked that the time of Mr. EVERETT be extended five minutes.

Mr. GOLDZIER. I object.

The CHAIRMAN. Unanimous consent is asked that the gentleman from Massachusetts [Mr. EVERETT] be allowed to proceed for five minutes.

Mr. GOLDZIER. I object.

The CHAIRMAN. Debate on the pending amendment is exhausted.

Mr. MALLORY. I ask that the amendment be read again.

The CHAIRMAN. If there be no objection, it will be again reported.

Objection was made.

Mr. COOMBS. Are we not to know what we are voting for?

The CHAIRMAN. Objection is made. As many as favor the adoption of the amendment of the gentleman from Florida [Mr. MALLORY] will say "aye;" those opposed "no."

The amendment was rejected.

Mr. MAHON. I offer the amendment which I send to the Clerk's desk.

The Clerk read as follows:

Strike out all that portion of section 6 beginning with and including the word "and" in line 26, and ending with and including the word "dividend" in line 55.

Also strike out sections 7, 8, 12, and 13.

Mr. MAHON. I want to say to the friends of this income measure, if they will give me their attention, that I consider it the most important amendment which has been offered to this bill. I simply ask to strike out the sections that require corporations, building and loan associations, telephone and telegraph companies, and similar organizations, to pay an income tax. This amendment will allow the people to receive their dividends, and then, as you claim, the people will be honest in their returns—let them make their own returns.

The reason for offering this amendment is that in this country there are over half a million people in moderate circumstances, and in my own State they can be found on every hand, whose incomes in part come from the investments they have made in savings institutions, in bank stock, in manufacturing companies, in railroad companies, and I make a low estimate when I say there are half a million of poor men and women in this country who have invested their little savings in the stocks of the corporations mentioned in this bill. What does this bill do? It proposes to tax all incomes of over \$4,000. It goes beyond that.

Every poor man in this country who receives annually \$100 or \$200 or \$300 in dividends from savings invested in some such corporation as I have mentioned, perhaps one-half of his entire income, will have this tax levied upon his proportion of that income before he gets it. Under this law the sleuth hounds of the Government of the United States will walk into the offices of these corporations and make the savings bank presidents deduct 2 per cent from the dividends that form part of the incomes of these poor people.

Now, if you are the friends of the poor man in this measure and if your allegation is true that the people will make honest income returns, and I do not doubt it, then I ask you to let these corporations pay to these people the money that belongs to them, and not have this Government putting an embargo upon the passage of these dividends from the corporations to the individuals who own them.

Mr. HALL of Missouri. Building and loan associations are not included, you know.

Mr. MAHON. Yes they are, because they lend money. The Supreme Court of the United States decided, as to the old income law, that the tax was not a tax upon corporations.

[Here the hammer fell.]

Mr. SICKLES. Mr. Chairman—

The CHAIRMAN. The Chair desires to recognize some gentleman who wishes to oppose the amendment.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I rise to oppose the amendment. I think this amendment comes from an appropriate quarter. It comes from the Republican party, which has been at all times in favor of legislating in favor of the moneyed corporations of the United States, and when gentlemen make the statement that taxing a bank, an insurance company, a railroad, a street-car company, a gas company, a telegraph or telephone company, or rather the dividends from such corporations, is taxing the poor people of this country, they show either a wonderful degree of ignorance or a wonderful degree of audacity. There is not a man within the sound of my voice who does not know that it is not the widows and orphans of this country who own the banks and the railroad companies and the insurance companies of the United States. There may be some few widows and orphans who have such investments, but they are widows and orphans of large estates. Now what does this amendment amount to? It exempts from the operation of this law any banking institution, street-railway company, turnpike, canal, navigation or slack-water company, telegraph, telephone, or electric-light company, gas company, water company, or other corporation, and so on.

Mr. LIVINGSTON. The Standard Oil Company.

Mr. WILLIAMS of Mississippi. Yes; the Standard Oil Company, too. In other words, it is a sort of Pennsylvania protective amendment with the object of protecting the people that natural opportunities and wealth have already protected sufficiently. And when the gentleman in such a connection makes an appeal in behalf of the poor men and the poor people of this country, I can not express myself in parliamentary language as to the sincerity of his utterance. I think, Mr. Chairman, that one of the good things about this bill is that it will bring into the public Treasury some of the money earned by the corporate interests to whom public franchises have been granted, and who in that respect stand in an entirely distinct position. This law,

I say, will have the effect of bringing into the Treasury some of the money derived from the natural and the artificial monopolies of the country, thus reaching those who hitherto have never been reached by the taxing power of this Government. The amendment of the gentleman from Pennsylvania, intended to prevent that beneficent result, should be voted down.

I yield the rest of my time to the gentleman from Tennessee [Mr. McMILLIN].

The CHAIRMAN. The time of the gentleman has expired. Debate on this amendment is exhausted.

The question being taken, the amendment was rejected.

Mr. MAGUIRE. Mr. Chairman, I offer the amendment which I send to the desk.

The amendment was read, as follows:

Amend the amendment by striking out sections 1 to 18 thereof, both inclusive, and inserting in lieu thereof the following:

"And be it further enacted, That a direct tax of \$31,311,125 be, and is hereby, annually laid upon land values in the United States, and the same shall be, and is hereby, apportioned to the States and Territories and District of Columbia, respectively, in proportion to population as ascertained by the census enumeration of the year 1890.

"SEC. 2. That the said direct tax laid by this act shall be assessed and laid on the value of all land exclusive and irrespective of the improvements thereon: Provided, That all lands belonging to the United States, or to any State, county, or municipality, shall be exempted from assessment and taxation under this act: And provided further, That all land subject to taxation under this act shall be valued and assessed, for the purpose of taxation, at its full market value, on the first Monday in March of each year, the valuation for the fiscal year commencing on the 1st day of June, 1894, to relate to the first Monday of March, 1894.

"That, for the purpose of assessing said tax and collecting the same, sections 9 to 12, both inclusive; sections 14 to 48, both inclusive, and sections 53 to 58, both inclusive, of that certain act entitled 'An act to provide increased revenue from imports to pay interest on the public debt, and for other purposes,' approved August 5, 1861, are hereby reenacted and made of full force and effect in so far as they provide for the assessment and collection of direct taxes on lands and lots of ground, and for any and all methods and procedure in the levying, collection, and enforcement of such taxes."

[Mr. MAGUIRE addressed the committee. See Appendix.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

Mr. McMILLIN. Let us have a vote, Mr. Chairman.

The CHAIRMAN. The committee has ordered that a vote be now taken on the amendment of the gentleman from Tennessee [Mr. McMILLIN], and any pending amendment. There is one pending amendment, that offered by the gentleman from California [Mr. MAGUIRE], which the Clerk will now report.

The Clerk proceeded to read the amendment.

Mr. McMILLIN. That has been read once, and unless some gentleman desires to have it reread I ask that it be not read.

The CHAIRMAN. The gentleman from Louisiana [Mr. BLANCHARD] asks to have it reported.

The amendment was again reported.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. MAGUIRE. Division.

The committee divided; and there were—ayes 6, noes 180.

So the amendment was rejected.

Mr. JOHNSON of Ohio. Mr. Chairman, I desire to put on record the names of the gentlemen who have had the foresight and the patriotism to vote for this single-tax amendment. They are the gentleman from California, Mr. MAGUIRE (the mover of the amendment); the gentleman from New York, Mr. TRACEY; the gentleman from New York, Mr. WARNER; the gentleman from Ohio, Mr. HARTER; the gentleman from Kansas, Mr. SIMPSON, and myself.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. COCKRAN. Division.

The committee divided; and there were—ayes 175, noes 56.

Mr. COCKRAN. I ask for tellers.

The question was taken on ordering tellers.

The CHAIRMAN. Thirty gentlemen have arisen in support of the demand for tellers, not a sufficient number—

Mr. MORSE. The other side.

The CHAIRMAN. There is no other side on tellers. The ayes have it, and the amendment is agreed to. [Loud applause on the Democratic side.]

So the amendment was agreed to.

The CHAIRMAN. The Chair will now state the question as it stands, as the Chair understands it. On last Saturday afternoon, when the committee rose, the gentleman from West Virginia [Mr. WILSON] had offered an amendment, which the Clerk will now report.

The amendment was read, as follows:

Amend paragraph 190, page 29, by striking out the word "twenty" in line

23, and inserting "twenty-five," and by striking out "thirty" in line 24, and inserting "thirty-five."

Mr. LOCKWOOD. I raise a point of order on that.

The CHAIRMAN. The Chair will state the parliamentary situation.

Mr. LOCKWOOD. I raise the point of order.

The CHAIRMAN. The gentleman from New York [Mr. TRACEY] offered an amendment to this amendment which the Clerk will now report.

The Clerk read as follows:

Amend by striking out the word "thirty-five" and insert the word "forty."

The CHAIRMAN. The gentleman from New York [Mr. PAYNE] offered a substitute for the proposed amendment of the gentleman from West Virginia, which the Clerk will report.

The Clerk read as follows:

Strike out "20 per cent ad valorem" in lines 23 and 24, and insert "20 cents per bushel;" and in lines 24 and 25 strike out "30 per cent ad valorem" and insert "30 cents per bushel."

Mr. PICKLER. And I offered an amendment.

The CHAIRMAN. The Chair understands that the amendment of the gentleman from South Dakota is the present law.

Mr. PICKLER. I: is.

The CHAIRMAN. Then it need not be read.

Mr. PICKLER. No.

Mr. LOCKWOOD. I raise the point that this is not in order under the rule as adopted by the House on the 28th of January, and as published in the RECORD.

The CHAIRMAN. The Chair must request gentlemen to preserve order. The Chair can not hear the gentleman from New York as there is so much talking and confusion upon the floor. Gentlemen desiring to converse will please retire to the cloak room.

Mr. LOCKWOOD. The point of order which I make is that under the rule that was adopted, which appears on page 1674 of the RECORD, this amendment at this time does not come within the rule, and is not in order. The rule reads, after reciting certain other matters—

that said amendment shall be open to general debate during Monday and Tuesday and thereafter to consideration—

The CHAIRMAN. The gentleman will suspend until order is restored. Will the Sergeant-at-Arms pass in the rear of the seats and request gentlemen to retire to the cloakroom or cease conversation? [After a pause.] The Chair will now hear the gentleman.

Mr. LOCKWOOD. I said, Mr. Chairman, that under the special order for the government of the Committee of the Whole or the House that was adopted and appears in the RECORD under date of January 28, page 1674, it was decided that the special order should be extended, and that no other matter should be in order except the bill H. R. 5452, reported from the Committee on Ways and Means; that—

said amendment shall be open to general debate during Monday and Tuesday, and thereafter to consideration under the five-minute rule, unless sooner disposed of, until the bill H. R. 4864 is reported to the House.

The bill (H. R. 4864) has not been reported to the House, and therefore this amendment can not be in order, under the rule that was adopted by the House as I have read. The other rule provides that amendments may be in order under that rule until Monday of this week, and that all amendments then pending, and that have not been passed upon in the committee shall be considered by the House. If it is ruled by the Chair that this amendment is pending, then I make the point that it has not been disposed of by the committee, and could only be considered in the House when it comes to take up the question of the general tariff bill.

Mr. TRACEY. Mr. Chairman, I have not the rule before me, but as I read it this morning it appeared to be very clear that it would not be in order to vote upon this amendment until the committee had risen and the bill was being considered by the House. I would like to call the attention of the Chair to the rule originally passed and the subsequent rule brought in by the gentleman from Ohio [Mr. OUTHWAITE].

My recollection is that the second rule which was brought in, the amendment to the original rule, provided that only the question of internal revenue could be considered in the Committee of the Whole, and that all other questions which were pending in the Committee of the Whole must go over and be taken up after the rising of the committee and when the bill is under consideration in the House. I think the Chair will find, if he looks at the rule which he has before him, that my impression is correct.

The CHAIRMAN. The Chair is ready to rule—

Mr. LOCKWOOD. The Chair will find that the language of the rule as introduced had reference only to the internal-revenue bill, and had no reference whatever to the original tariff bill which was before the House. The language is very clear

and concise; and its effect is that only amendments to the internal-revenue bill can be submitted in Committee of the Whole at this time. There is no provision in the rule that additional amendments may be offered to the original tariff bill.

The CHAIRMAN. The Chair is ready to rule. The Committee of the Whole on the state of the Union is proceeding under two special orders. The first one it will not be necessary to read; it is familiar to the committee; and the second, which is familiar, modifies the first in certain respects. The modification made by the second rule is to provide for the consideration of the amendment which has been offered by the gentleman from Tennessee [Mr. McMILLIN], known as the internal-revenue amendment. As the Chair thinks, the only modification made or intended to be made, of the first rule is to permit the consideration of that amendment. The language of the rule expressly provides that that shall be considered until it is disposed of in Committee of the Whole.

Now it has been so disposed of; it would not be insisted that any further legislation could be had in Committee of the Whole in reference to the amendment of the gentleman from Tennessee. That has been finally disposed of. Now, in addition to that, the second rule especially provides that all other provisions of the first rule not inconsistent with this second or amendatory rule shall be continued up to and including Thursday, February 1, 1894. The Chair thinks there can be no question that the amendment is in order. The point of order is overruled.

Mr. LOCKWOOD. Mr. Chairman, I appeal from the decision of the Chair; and upon that appeal I desire to be heard.

The CHAIRMAN. The gentleman from New York [Mr. LOCKWOOD] appeals from the decision of the Chair. The Chair will hear the gentleman.

Mr. LOCKWOOD. Mr. Chairman, the rule which was adopted with reference to the consideration of the internal-revenue amendment to the tariff bill provides, as the Chair has stated, that after general debate upon the question on Monday and Tuesday, that amendment shall be considered on Wednesday under the five-minute rule, unless sooner disposed of or until House bill 4864 is reported to the House; that all the provisions of the original order not inconsistent with the supplemental or amendatory order are continued up to and including Thursday, February 1, 1894.

Now, the point I make is that this amendment offered by the chairman of the Committee on Ways and Means was left under the consideration of the Committee of the Whole as a matter disposed of; that it is not now before this committee any more than any other matter that might have been offered as an amendment in Committee of the Whole; that it stands exactly in the position of an amendment which has been offered in Committee of the Whole and rejected, because on Saturday, the day on which this amendment was considered, the committee refused to extend the time for its consideration and failed to reach any determination upon that point. The rule which was brought in here never contemplated either in its language or in its spirit that this committee after passing upon the internal-revenue questions involved in the amendment offered by the gentleman from Tennessee, should go back to the original tariff revision bill, and that amendments might be offered to it. As the Chair may well understand, as the House may well understand, if the proposition of the gentleman from Tennessee is in order, then it is in order now for any member to offer any amendment to the original tariff bill.

The CHAIRMAN. The question is, Shall the ruling of the Chair stand as the judgment of the committee?

The question being taken, there were, on a division (called for by Mr. LOCKWOOD), ayes 184, noes 14.

So the ruling of the Chairman was sustained. [Applause.]

Mr. LOCKWOOD. I rise to a parliamentary inquiry. Debate, as I understand, had not been closed on this amendment at the time the committee rose.

Mr. BRYAN. Yes, it had.

Mr. LOCKWOOD. I beg the gentleman's pardon; it had not. At that time the chairman of the Committee on Ways and Means made a motion to close debate, and upon that motion no quorum voted, so that the motion to close debate was not carried. I ask now, Mr. Chairman, whether debate is in order upon this amendment? [Cries of "Vote! Vote!"]

The CHAIRMAN. The motion before the Committee of the Whole when the committee rose, on Saturday last, was to close debate upon the pending amendment. Upon that motion a quorum did not vote; the Chair appointed as tellers the gentleman from West Virginia [Mr. WILSON] and the gentleman from New York [Mr. WARNER]; and the committee was dividing. That was the status when the Committee of the Whole rose on Saturday afternoon last.

Mr. LOCKWOOD. Then I desire to address the committee.

The CHAIRMAN. But debate is not in order. The tellers

must resume their places, and the vote must be concluded. The gentleman from West Virginia [Mr. WILSON] and the gentleman from New York [Mr. WARNER] will take their places as tellers. The question is on the motion to close debate.

The committee proceeded to divide.

The tellers reported the affirmative vote.

The CHAIRMAN. No quorum has voted. Those opposed to the motion to close debate will pass between the tellers.

Pending the division—

Mr. WARNER said: Mr. Chairman, I rise to a point of order. By the clock behind you, you will see that the hour has arrived for the committee to rise.

Mr. LOCKWOOD. I raise the point of order that the hour of half past 5 has arrived.

The CHAIRMAN. No quorum has voted, and the time has arrived for the committee to rise.

The committee accordingly rose; and the Speaker having resumed the chair, 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, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. PLATT, one of its clerks, announced that the Senate had passed bills of the following titles; in which the concurrence of the House was requested:

A bill (S. 1403) to authorize the construction of a bridge across the Niobrara River, near the village of Niobrara, and making an appropriation therefor; and

A bill (S. 1022) for the relief of W. H. L. Pepperell.

ORDER OF BUSINESS.

The SPEAKER. The gentleman from Indiana [Mr. BROOKSHIRE] will perform the duties of the Chair at the evening session. The House will now take a recess until 8 o'clock, the evening session to be devoted to debate only on the pending bill.

EVENING SESSION.

The recess having expired, the House was called to order at 8 o'clock p. m. by Mr. BROOKSHIRE as Speaker *pro tempore*.

The SPEAKER *pro tempore*. The House is in session this evening, pursuant to the special order, for further consideration of the bill (H. R. 4864) to reduce taxation, to provide revenue for the Government, and for other purposes.

The House resolved itself into Committee of the Whole House on the state of the Union, with Mr. ENLOE in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the purpose of considering the tariff bill.

TARIFF.

[Mr. COOPER of Wisconsin addressed the committee. See Appendix.]

[Mr. BAKER of Kansas addressed the committee. See Appendix.]

Mr. HOOKER of New York. Mr. Chairman, the people of the district which I have the honor to represent in this body have a greater interest in the bill under consideration than they have had in any other public measure which has come before the National Congress of the United States in the last generation. So that, with a high sense and due appreciation of the convincing and unanswerable arguments that have already been presented against it, I am constrained, in response to the general demand of my constituents for its defeat, to urge my strongest protest against the enactment of this measure.

That interest is not confined to any one class of individuals, but alike to the farmer, the mechanic, the artisan, the manufacturer, and the business man, and all are presenting their prayers and petitions to this honorable body that the safeguards of their progress and prosperity, the foundations of their blessings and contentment, be not exposed to the ravages of underpaid foreign labor and the degrading effects of foreign competition.

The year ending in October, 1892, has gone down to history noted as being the most prosperous year in every branch of human activity. On every hand were felt the abundance of prosperity and the beneficent results of a tariff that fully protected the American home and the American fireside.

The farmer was rewarded by full demands for his products; the manufacturer was compelled to bend all his energy to supply his trade, while the artisan and the mechanic realized their hopes in the value of their labor and incessant opportunity for their skill and workmanship.

The avenues of commerce were in full operation in every direction, widening the fields for the products of the farmer and the manufacturer, bringing to every branch of enterprise the

fullest compensation for the energy expended and the labor performed.

On the 8th day of November, 1892, it is a matter of regret to all classes of our population at the present time, by some mysterious influence or hallucination, by a strange commingling of various elements and classes of the body politic, having every conceivable theory of governmental policies, all united under a Democratic platform, susceptible of various interpretations, as manifested by those most prominent in its authorship; by the carelessness of those satisfied with their prosperous condition or their temporary conversion to the glowing predictions and eloquent theories of "those students of maxims and not of markets," the people decreed that there should be a change in the present tariff constructed upon the lines of protection to American industries, and that there should be substituted for it a tariff law formed solely with reference to revenue, without consideration for the factory and laborer, the farmer and the mechanic.

From the moment the result of the election on that fatal day became known, when its purport and inevitable consequences to our agricultural and commercial enterprises began to be suspected by the people, there seemed to be a mighty awakening throughout the domains of our land, and we were brought face to face with the full realization of the fears and distrust that would be occasioned by any tinkering or remodelling of the present tariff laws. This excusable distrust and uncertainty began to assume serious proportions. The manufacturers, fearing the evil consequences that might follow a tariff revision, not knowing what particular articles would be affected by the change—the Committee on Ways and Means had not been designated—dared not prepare for the supplies of the coming year, and were compelled to shorten the time of labor, and finally to close their factories.

The employes, being thrown on their own resources, were forced to draw their savings from the banks and building associations, or, as was largely the case in my district, to sacrifice what they had invested in their homes, in order to procure the necessities of life.

Widespread consternation was manifest in every corner of the land within a short time after the inauguration of the present Administration; yet no effort was made to check the impending dangers until after six months commercial desolation and oppression had opened the eyes of the new rulers, with the possible exception of an unsuccessful effort to attribute them to the money question, particularly the purchase clause of the so-called Sherman bill.

While the great Empire State has at times seemed to be on the side of tariff reform in the great political issues in which national questions have been at stake for discussion and determination during the past thirty years, let it be said to the credit of the Thirty-fourth Congressional district of New York, which I have the honor to represent, that it has always been found in the forefront of the battle, bearing aloft the banner of "Protection to American industries and American homes."

We have been told that the present condition of affairs has been brought about as the result of legislation enacted by the Republican party from which there was no relief except the tedious process of legislation, which would wipe out our industries without any hope or promise of any substitutes for them.

Mr. Chairman, it may be an easy task to hamper or even destroy the industries which have been built up during a generation of unprecedented national prosperity, but it will be a most difficult undertaking, when once you have them destroyed, to build on their ruins and bring about a condition of affairs such as existed prior to November, 1892.

Then every man was at work, the product of his labor bought more of the necessities and luxuries of life than ever before known in any part of the world—now he joins the countless army of the unemployed, whose tramp can be heard in deafening volume in all the walks of life, and seems to threaten the very foundation of the nation. Then every furnace and factory in the land was in full operation, furnishing remunerative employment for millions of free, prosperous, and happy workers, whose wages were invested in homes which they were yearly improving, and whose lot was shared by faithful and loving wives, and the children whom they were bringing up, blessed with all the opportunities, such as prosperous parents could extend to them—now, all the industries are closed or are working on short time and reduced wages, and these same workmen are waiting in vain for the once welcome and never-failing factory whistle to call them to their daily labor.

Many of these persons whose condition I have endeavored to depict voted for a change in 1892, and they certainly ought to be satisfied to the fullest extent; and I believe the prevailing condition of affairs has succeeded in making them so, and that they are now thoroughly repentant for their misdeed and are

praying to be delivered from their so-called friends, the Democratic party.

Mr. Chairman, I will leave to others better prepared than I to discuss the constitutionality of this question of protection to agricultural and manufactured products, and fully concur with the unanimous opinion of the Republican party and various of the foremost leaders in the Democratic ranks, that it not only comes within the privileges and rights of this body to enact laws for protection, but is as essential to the development of our nation as any other measure that we will ever be called upon to consider.

When I recall that this principle is and has been sustained by State and national courts, when I see here and there many of their strong free traders rising and earnestly endeavoring to have some particular products of their own districts protected, I am more firmly convinced of its justice and necessity. Mr. Chairman, I stand on no selfish grounds on this question; if I ask for the retention of the duties on any articles produced in my district or State, I am equally earnest and cheerful in granting protection to every other Congressional district in the Union. Standing on the broad principle of protection to all, I view with contempt the endeavors of those advocating so strenuously the principles of free trade for the entire nation, except in the product of some article largely the staple of their own districts.

I heartily approve of protection to the iron and coal industries of Alabama, Kentucky, Pennsylvania, and West Virginia; the fruit-growers of the Pacific coast; the lumber grown upon the shores of the placid waters of Puget Sound, throughout the North and the great Northwest; to the lead ores of the Rockies and the Cascades and of Missouri; to the woolgrowers of Texas as well as Montana and Ohio; to the sugar producers of Louisiana, Vermont, Nebraska, and the Dakotas; to the manufacturers throughout the entire country, and to the agriculturist wherever he may be found within the bounds of the nation.

I am narrowed by no sectional feelings and would spread the beneficent results of protection to the whole Union.

These are my sentiments and convictions relative to this great question, and with this statement I may be pardoned if I enter mostly into the merits of the argument as it affects my own district. It is nearly evenly divided between its agricultural and manufacturing interests.

Mr. Chairman, I hold in my hand a pocketknife manufactured in my district. It is the product of one of the many institutions of manufacture that sprang up all over the land contemporaneous with the passage of the McKinley bill. I am advised by those who are judges of this class of goods that its quality and make are inferior to none.

The manufacturers of this, knowing its superior quality and usefulness, have named it the "Major McKinley" knife, and its blade bears his name as a just tribute to the wise policy of this economic measure. This industry, located at Little Valley, N. Y., furnished employment for many laborers who were consumers of the surrounding farmers and the merchants of the town.

It is proposed by the measure pending our consideration to exterminate this industry by reducing the duty on this class of goods to 45 per cent ad valorem, and thus transfer the manufacture to other lands. I can not describe better the effects of this than by a letter from the treasurer of the company, which I send to the Clerk with the request that it be read.

The Clerk read as follows:

Anticipating the passage of the McKinley law, the Cattaraugus Cutlery Company erected a factory at Little Valley, N. Y., in the summer of 1890 for the manufacture of pocket cutlery. Operations were begun early in 1891, and during nearly all of that year the company employed from seventy-five to ninety men. During the latter part of 1891, and from that time until immediately after the election of 1892, one hundred men were employed.

In consequence of the tariff agitation following the last Presidential election, sales began to decline, and in a very marked degree after July 1, 1893. The working force of the factory was reduced to forty-five men, and the factory was only run four days each week. Since January 1, 1894, wages have been reduced about 10 per cent on an average, and the factory is only running eight hours a day.

In my judgment the passage of the Wilson bill will either compel the company to suspend operations altogether or necessitate a reduction in wages of at least 30 per cent. Under the ad valorem scheme of duties it would seem that there would be a great uncertainty as to the actual value of goods imported and this would create an uncertainty as to the prices which might be obtained for our goods, as well as the quantity which might be sold. All this would affect wages and the general business of the company. The competition with foreign goods would not be fair.

Under the McKinley tariff we have been doing a good business, have found a ready sale for all our product, and have been able to pay good wages. Our business was prosperous until, by the election of 1892, it seemed that a new system was to be tried, and the present tariff materially modified. Since then we have seriously felt the effect of the agitation. Many of our men have had to quit work on account of the depression and uncertainty, and the indications are that we shall not be able to run much longer with our present force, if the Wilson bill should become a law with the duty on cutlery as it now stands in the bill.

Mr. HOOKER of New York. No one can doubt for a moment our ability to produce cotton goods in this country with our own labor and capital, so that they will reach the consumer as cheap

as those manufactured abroad, provided our laborers would work here for the same price they do in foreign countries.

I send to the Clerk's desk to have read a letter from a manufacturer of cotton goods, at Jamestown in my district, but who was also engaged in that same business in England.

The Clerk read as follows:

I write to ask you to vote against the Wilson bill. I have here an investment of over \$100,000; my machinery at first came from England and I have paid large sums in duties. I employ about 65 people, men, women, boys, and girls, and I pay in wages when fully going nearly \$400 a week.

I have been shut down now four months because the worsted mills here for whom I make warps are doing scarcely anything.

If the Wilson bill were out of the way I feel assured trade would revive again, but if the bill is passed I see no hope of doing anything again.

I pay about 50 per cent more in wages than I did in England for the same work, and I have no idea that the people here would work for English wages. Then, too, the removal of the tariff, or the lowering of it so as to admit English goods, would glut the market here and make business very bad.

I hope you can vote against the bill.

Yours, truly,

F. H. SMITH.

Mr. HOOKER of New York. What better evidence can be had as to the effect on wages which the reduction of the tariff on cotton goods 50 per cent would have? Here is a man who has worked on both sides of the water, under free trade and a protective system, and gentlemen on the other side ignore the practical suggestions and cling to the hobby of free trade.

This is only one of 250 manufacturing industries of Jamestown, N. Y., a city which has an output of \$10,000,000 annually, all of which will materially suffer by the passage of this bill. The laborers of the city, numbering upwards of 5,000, are alive to the serious conditions confronting them, and a large number have signed and forwarded to me the following petition, giving their views of the situation and the effects of the proposed bill:

Petition from the employes of the Jamestown Worsted Mills, Jamestown, N. Y.

The undersigned workmen, every one of us a voter, many of us having worked in England under the condition of free trade, as well as in this country under a protective tariff, do hereby earnestly appeal to Congress to make no change whatever in the present tariff laws which will expose us to more severe competition than we now have. We are in a condition to know that such a change would mean loss and in many cases severe suffering to us, and entirely irrespective of party we unite in this petition to those who represent us in Congress and who will need our votes in the future, that they do not by their action on this question make us to suffer. It may be a question of political economy to others; it is one of comfort or misery to us. We are of all parties on other issues, but as one man in regard to this. Some of us are already unemployed for the first time in years, and the rest of us are working on short time, caused entirely by the fear of what you are going to do in this matter.

This petition was sent me by a laborer in the Jamestown Worsted Mills, a man born in England, who knows the condition of laborers in that country by experience, but who loves the country of his adoption, and who writes me the letter which I send to the Clerk's desk to be read.

The Clerk read as follows:

Our mill is running on short time for the first time since it was built, twenty years ago. Until last fall we were running over time every little while; now less than one-half our looms are running, and those only five days a week. I am sorry to say some have had to take children out of school and put them at work. Some are facing the certainty of losing their homes and all they paid on them.

The prospects for the future are black. HOOKER, for God's sake, do what you can for us.

I remain, yours, respectfully,

JOE WHITAKER, Jamestown, N. Y.

Mr. HOOKER of New York. This is not the experience of a single individual, but of hundreds and thousands of laborers throughout the land whose united appeals to this body should receive due and proper consideration. Among the many petitions received against the passage of this bill, I have here a protest and set of resolutions which were unanimously adopted at a large mass meeting in the city of Jamestown, presided over by one of the leading Democrats of Western New York.

The only Democratic daily newspaper in the city published the following editorial concerning the meeting:

This meeting was a nonpartisan gathering. The men who issued the call and the people who attended were of every shade of political opinion. They were not there as Republicans and Democrats, but they were there as citizens of Jamestown who saw in the proposed tariff tinkering a menace to the industrial life of this community. They believed that the passage of this iniquitous act would hush the hum of every factory spindle in Jamestown, and they very properly protested. That is all that can be done at present. Time alone can decide the future. If our representatives at Washington listen to the appeals of the thousands of unemployed, if they heed the voice of the people in every manufacturing city in the Empire State; if they do their duty by their constituents they will oppose this proposition to protect English industries and do all in their power to prevent this outrage.

Mr. Chairman, I would now ask that the resolutions there adopted and the letter from the presiding officer transmitting the same be read by the Clerk, that the Democratic majority of this body may be enlightened as to the feelings and fears that their brethren are experiencing in many States.

The Clerk read as follows:

The inclosed resolutions explain themselves. I have been in favor of tariff reform, but I have had enough of it. The Wilson bill is too radical and in-

jurious to suit me; very unjust to all interests of this country. It ought to be killed. We know you will do what you can for us.
Our mill has now been closed nearly four months.
I remain, yours, very truly,

JEROME PRESTON.

[Resolutions.]

Whereas the nation is to-day and for months has been suffering from a business depression unparalleled in its history, which has resulted in putting out the fires in our factories, shutting down our mills, closing our factories, and depriving hundreds of thousands of honest Americans of the opportunity of earning a livelihood:

This condition has been brought about, we believe, by proposed changes in the fiscal policy of the Government.

The tariff bill, commonly called the Wilson bill, now pending in the House of Representatives, has confirmed the gravest fears and apprehensions that have been entertained for months by careful and conservative men of all classes paralyzing business, dissipating capital, and bringing want and distress to the homes of numberless thousands.

This bill is inimical to the interests of our country, driving capital from what would otherwise be legitimate investments and degrading rather than elevating American labor.

The time has come when men should forget partisanship and politics and political ties and affiliations, and rally to the defense of American industries, American labor, and American homes.

The city of Jamestown, like all other industrial communities, has suffered immeasurably from this threatened destruction of American industries. The annual output of the manufactured product of the factories in this city has been reduced from about \$10,000,000 to about \$3,000,000, and the prosperity incident to the growth of our city in adding value to real estate has ceased. This serious loss is felt by capital and labor alike; therefore be it

Resolved, That this mass meeting in session at Allen's Opera House, in the city of Jamestown, Friday evening, December 22, 1893, denounce the so-called Wilson tariff bill as a blow to American industries in general, and the interest of the workman and business man alike.

Resolved, That we request our Senators and Representatives in Congress, DAVID B. HILL, EDWARD MURPHY, Jr., and WARREN E. HOOKER to vote and use their influence against the passage of the said bill; also

Resolved, That we will hold responsible all persons in public life aiding or assisting in placing this bill, so destructive to our prosperity or any thing kindred thereto, upon the statute books of this nation.

Resolved, That the chairman be directed to forward to Washington copies of the above preamble and resolutions to Senators HILL and MURPHY and Representative HOOKER.

Mr. HOOKER of New York. The city of Dunkirk, which until the last election was the stronghold of the Democracy in my district, had ninety-seven manufactures in full operation in November, 1892, having an output of over \$5,000,000 annually. To-day there is hardly a factory in full blaze, and a scarcity of labor that is fast assuming the most serious aspects.

The principal industry of this city is the Brooks Locomotive Works, which has but one superior in the world in point of the number of locomotives they can manufacture, and no superior anywhere in any other respect; their engines have always been in full demand by the largest and wealthiest trunk lines in this country. I will quote the following from a letter which I have received from the vice-president of the company, inasmuch as it presents an interesting and instructive object lesson concerning the pending bill:

During the three months—October, November, and December, 1892—we employed an average of 1,235 men and completed during the same months 54 locomotives (we would have completed 67 locomotives during these months but for delays beyond our control, as we had a large number under contract); during the corresponding months of 1893 we employed an average of 377 men and completed 23 locomotives; during the present month of January we will not build a locomotive.

The average number of men employed during the last week of December, 1893, was 34. If you ask for the reason, I would say lack of orders since May, 1893, and if you ask what caused the lack of orders, I would say, in my judgment, general depression throughout the country in all branches of business, such depression being brought on through fear on the part of capitalists and manufacturers and suspicion of evil designs by the party in full power at Washington.

The causes that have led to this condition of our business are the same causes that have paralyzed every department of business in the country except the soup foundry and the charity kitchen, two enterprises which flourish when the Democratic party is in power and during such times only, as history very clearly shows; the fear and distrust of capital caused by the advent into power of a party which declared in its national platform that the protective principle was a fraud and unconstitutional, and which pledged itself to what it fancied was its heaven-imposed duty of tearing root and branch from the statute books every vestige of the laws which are so largely responsible for making this the greatest manufacturing country on the globe.

The President says, "We wage no exterminating war against any American interest." All the same, there are vast financial interests in this country which believe that the Wilson bill was deliberately planned and completed by its authors with a clearly defined purpose to utterly annihilate certain American interests. If this is not true, then a careful analysis of the bill is misleading, to say the least.

This is the principal industry of our little city and 1,200 of our men are idle and walking the streets; one year ago they were all employed, helping to build one complete locomotive per day. On the basis of five persons per family, which is the factor now universally used, there are 6,000 persons, or one-half of the entire population of our city deprived of the ability to earn their bread from the conditions surrounding the single industry, many of whom have already to be fed from the public crib or by private charity. Ask the grocer, the baker, the butcher, the tailor, the shoemaker, the merchant of any kind what that means for him; what it means for the different sources of supply of 8,000 well-paid persons alone now deprived of their purchasing power. Ask the 1,200 men what they think of the condition and not the theory that confronts them, and they will tell you in the majority of cases, "Give me a chance to undo this mischief," and if he does not reply he is going to do a power of thinking.

Considerable discussion has been indulged both in and out of this body relative to the free so-called raw materials, and after much study of the subject, I am frank to admit I am confused

and utterly unable to realize exactly what raw materials are. As I understand it, raw material is any substance found in its natural state before the skill and workmanship of man have in any way fashioned, shaped, or manipulated it. Under this definition I believe there can be in reality no such article of merchandise as a raw material. As applied to coal and iron, it can only be worth what the royalty is on the land in which it is found.

Under the common estimate twenty tons of iron and four tons of coal are required for the manufacture of one locomotive. As it lies in its natural state, the iron is valued at about \$5 and the coal \$1, making the complete cost of the raw materials used in the construction about \$6. This \$6 worth of material having passed through the various processes of manufacture soon becomes one of the masterpieces of human workmanship in the shape of a locomotive, valued at least at the sum of \$4,000.

This presents a forcible and logical conclusion that it is much wiser to turn our attention away from the \$6 worth of the so-called raw material and devote our deliberations to the mechanics and laborers who by their daily skill and labor give the additional \$3,994 in cost.

Mr. Chairman, the suspension of business in a concern of this character (the Brooks Locomotive Works) entails more misery and suffering to that community than any word of mine can portray. Aside from the farmers and the merchants so dependent upon them, there are three times the number of persons directly and personally affected by the partial closing even now than the population of the city which the chairman of the Ways and Means Committee honors with his residence.

The great oil belt in this country commencing in New York, running through Pennsylvania, West Virginia, Ohio, and Kentucky, has its beginning in my district, and many millions of dollars are invested, and thousands of laborers are employed at large and remunerative wages.

The large number of small producers so thickly scattered through this belt are rightly alarmed at this attempt to admit crude and refined petroleum free and to bring them into competition with the growing oil fields of Russia, Canada, and the South American States. These small producers have millions of dollars invested, and it would seem that the numerous risks they are compelled to undergo even in the legitimate field of prospecting, drilling in unexplored territory, and the constant rising and falling in the market are enough burdens to an industry that converts thousands of acres of seemingly worthless land into fields of remunerative investment and employment.

It is but necessary to read the following petitions of 123 signers from towns largely affected:

BOLIVAR, ALLEGANY COUNTY, N. Y., December 6, 1893.

We, the undersigned, producers of petroleum oil, and residents of the Allegany County (N. Y.) oil fields, and parties identified with the business, respectfully ask that you will do all in your power to defeat that portion of the Wilson bill which proposes the free entry to this country of crude and refined oils; as the free entry of these oils would mean ruin of all that class who have their capital invested in that business. It would be a blow from which this section of your district would not recover for many years.

OLEAN, N. Y., December 7, 1893.

We, the undersigned petroleum oil producers, residents of Olean, N. Y., do most earnestly protest against the placing of petroleum on the free list, as proposed in the Wilson tariff bill, or any reduction in the present rate of duty on petroleum.

We believe the proposition of placing petroleum on the free list if enacted into a law would not only be ruinous to our business, but highly injurious to the thousands of people who are directly and indirectly dependent thereon.

Mr. Chairman, I come now to a hasty review of the interests of the farmer upon whose influence, knowledge, and industry the stability of our national fabric is founded, and to whose credit it can be truthfully said that no country that has protected his interests and been influenced by his demands has had cause to suffer in any way by reason thereof.

Upon the productiveness of our agriculture and the success of our farmer the wealth and prosperity of the whole nation depend. The magnitude of the agricultural interests is astonishing and wonderful when we consider that the five millions of farms are worked by over 11,000,000 of farmers and farm laborers, representing over 30,000,000 of people, or nearly one-half of the entire population of the nation.

As far back as 1880 the value of the farms of the United States exceeded ten thousand millions. To the patience and increasing industry of their owners these farms yielded an aggregate annual value of over four thousand millions, in the production of which over half a billion dollars' worth of farm implements were utilized.

The value of the live stock on these farms is nearly three thousand millions. Although these few figures do not permit of a complete realization of their full portent, they certainly are enough to convince every thoughtful man of the responsibilities of legislation affecting agricultural interests, and especially should we use the utmost care and protection to the farmer when it is known that the broad acres are not as prolific as they should be,

and that the yield of every tillable acre can be increased 50 per cent.

Agriculture must stand first, as it has stood in all great nations of the world. The farmer has respect for fixed laws; he deals with facts and figures; there is no chance of vagaries of speculation that disturb him or lead him away from his paths of industry, of rectitude, and economy. Cultivating with diligence and fidelity the growing crop, his ideal is only in the abundance of his crop. The producing power of the American farmer as a factor of wealth so far exceeds all other enterprises that we must be more careful and considerate in national legislation for the protection of his interests in the future than in all the past.

The product in 1893 of four of the leading items of agriculture, namely, corn, cotton, wheat, and oats, was the enormous sum of \$2,695,000,000. This represents absolute capital. It is not like the fictitious bonds of the great corporations of the country, but it is absolute wealth. It has been estimated that the egg crop of the United States in the last year was worth more than all the iron produced in the same period. The actual value of poultry, eggs, butter, and milk was greater than all the manufactured products of the United States, and yet in the drafting of a great tariff bill, such as is now before the House, men are prone to say that the agricultural schedule does not amount to much. Protection to farmers is a matter of very little concern.

How does this measure compare with the needs of the farmer? With a single sweep the entire duty on wool is taken off, while a duty of 40 per cent on the manufactured product is retained. As an excuse for this incongruity it is stated that ample time should be given those having large investments in wool manufacturing to turn their capital into other channels. What of the farmer? Are we to have no solicitude for the 2,000,000 farmers who have \$100,000,000 capital invested in this industry, and who would be compelled to sacrifice 47,000,000 sheep?

These pretending friends of the farmer go still further and place twenty-six other articles on the free list, among them being the following with the duty under the McKinley law given:

Apples, 25 cents per bushel.	Bristles, 10 cents.
Bacon, 5 cents per pound.	Cabbage, 3 cents.
Preserved meats, 25 per cent.	Cider, 5 cents per gallon.
Beef, mutton, and pork, 2 cents per pound.	Eggs, 5 cents per dozen.
Flax straw, \$5 per ton.	Feathers, 10 per cent.
Flax not hatched, \$22.40 per ton.	Green peas, 40 cents per bushel.
Hemp, \$25 per ton.	Buckwheat, 15 cents per bushel.
Hair, 15 per cent.	Corn, 15 cents per bushel.
Lard, 2 cents per pound.	Oats, 15 cents per bushel.
Milk, 5 cents per gallon.	Rye, 15 cents per bushel.
	Wheat, 25 cents per bushel.

The admission of the foregoing articles free of duty more directly affects the farmers of New York State than any other section. During the last few years the imports of eggs averaged over 15,000,000 dozen annually, and of such imports over 99 per cent came from the Dominion of Canada. Prior to October 1, 1890, eggs were free of duty; the McKinley tariff placed a duty of 5 cents per dozen upon them.

An assault is also made upon the growers of hay and potatoes. The hay product of the United States last year was worth \$95,000,000 more than the cotton crop, and the value of the potato crop for the State of New York alone was over \$12,000,000.

Yet if it be true, as stated by the framers of this bill, that the tariff adds just so much more to the cost of an article, they have taken away \$2 from the worth of every ton of hay and 15 cents from the value of every bushel of potatoes produced by the farmer.

In the State of New York a family of five persons may be considered as representing a fair average for the whole United States. The family of a mechanic or laborer who receives an annual salary or compensation and purchases all he consumes is used to illustrate the operation of the tariff law, so far as the results of the tariff reformer are concerned. Take a family with an annual income ranging from three to four hundred dollars per annum. By comparison of one hundred and ninety-five occupations, the annual wages in England as compared with the United States are found to be \$309 in England and in the United States \$597, showing a difference in favor of American labor of \$288 annually. The average daily wages of ordinary labor in the United States are \$1.32 per day as against an average in England of only 60 cents per day.

This New York family expends annually for clothing, \$56.56; for food, \$182.36; for sundries or all other articles outside of rent, light, and fuel, \$73.08. Upon these articles the duty levied according to the Democratic theory is on clothing, 66 per cent, equal to \$22.49; for food, 23 per cent, equal to \$34.10; for sundries, 27 per cent, equal to \$15.54, or a total tax of \$72.13.

It is reasonable to suppose that the farmer can not expend anything like the same amount the mechanic expends for the maintenance of his family. In all articles except that of clothing it would not equal half. Therefore it is reasonable to say that the farmer's outlay annually as a tax, according to the Democratic

theory, would not exceed \$50, all of which we deny as being true either in theory or practice, but give these figures for the sake of the argument.

Now, to offset this tariff tax of \$72.13 of the mechanic, or the probable reduced amount of the farmer of \$50, we have accumulated profits or benefits upon the agricultural products which the farmer produces. The average farmer in my district is benefited as follows:

Wheat, 29 bushels to the farm, 1893: Rate of duty 25 cents per bushel present law, increased value by reason of tariff	\$7.25
Oats, 125 bushels to the farm, 1893: Rate of duty 15 cents per bushel present law, increased value by reason of tariff	18.75
Corn, 63 bushels to the farm, 1893: Rate of duty 15 cents per bushel present law, increased value by reason of tariff	9.45
Rye, 14 bushels to the farm, 1893: Rate of duty 10 cents per bushel present law, increased value by reason of tariff	1.43
Barley, 23 bushels to the farm, 1893: Rate of duty 30 cents per bushel present law, increased value by reason of tariff	6.40
Hay, 30 tons to the farm, 1893: Rate of duty \$4 per ton present law, increased value by reason of tariff	120.00
Potatoes, 107 bushels to the farm, 1893: Rate of duty 25 cents per bushel present law, increased value by reason of tariff	26.75
Buckwheat, 17 bushels to the farm, 1893: Rate of duty 15 cents per bushel present law, increased value by reason of tariff	2.55
Eggs, 207 dozen to the farm, 1893: Rate of duty 5 cents per dozen present law, increased value by reason of tariff	10.35
Total	196.13

The foregoing result shows the advantage of the present tariff as affected by nine articles of the product of the farm. We leave out all live stock, fruit, garden farming, poultry, butter, and dairy products, which, if thrown into the calculation, would at least double the benefit which the present tariff law guarantees to the agricultural classes.

The result as shown by comparing the cost in taxes, which is \$50, with the benefits in tariff, \$196.13, leaves a balance in favor of the farmer of \$146.13.

The Wilson bill proposes the sweeping away of this \$146.13, leaving the farmer to bear his share of the national burden for the support of the Government as surely as if the present tariff law were to remain in force.

Another serious objection and criticism to this bill is the substitution of ad valorem for specific duties. Ad valorem duties were denounced by Thomas H. Benton, the brilliant apostle of Democracy more than a generation ago, as one of the refined subtleties, which, while aiming at an ideal perfection, overlooks the experience of ages, and disregards the warnings of reason.

Again, with the new possibilities for deceiving in values and escaping duties, it can be expected that the wary foreign manufacturer and exporter will allow no scruple to prevent the use of such splendid opportunities, and we will be brought to the ridiculous necessity of increasing our vigilance and custom-house officers for the collection of smaller customs.

Mr. Chairman, the passage of this measure means the degrading of our farmers, the enslaving of our wage-earners, the closing of thousands of additional mills, factories, and workshops; it means the transfer of the base of manufacturing from this to the lands of cheap labor, the surrendering of our markets, which are the best in the world, to those who will bear no expense of the Government, and are praying for the passage of this measure. Further, it means a deficiency in the revenues of our Government of over \$100,000,000, which is expected to be met by issuing the bonds of the Government, and thus increasing the interest-bearing debt of the country.

The defeat of this bill will send a thrill of joy to every home in the land, bring back renewed prosperity and abundance, enlarge the revenues of the Government and save us the humiliation of borrowing money to pay the ordinary expenses of our Government, and place us once more in the midst of the happy and prosperous conditions that prevailed prior to the advent of the present Administration, and inspire again that confidence and trust so essential to the existence of commercial interests. It will be a welcome response to the united appeal of suffering thousands who are entreating at the very doors of legislation that this measure be cast into oblivion.

Mr. Chairman, I appeal to the majority in this Chamber to discontinue this assault on our industries, our workmen, and our homes. You made a mistake when you attributed all this suffering and financial disaster of the past year to the purchase clause of the so-called Sherman act; you made a mistake in your policy of attempting to take from the poor pensioner the paltry pittance which had been granted him by this Government as a reward for his bravery, courage, and daring; you made a mistake in your attempt to rebuild the shattered throne of a savage queen and disputing the title of a Christian government which you had already recognized. You will make a far greater mistake if on the morrow you ignore the appeals of the sovereign people of this land and madly rush onward to the enactment of this measure.

Will not your sad experience in everything you have at-

tempted heretofore at least cause you to hesitate in your furious attack on American institutions, and to consider carefully the far-reaching dangers of a measure so thoroughly repugnant to the wishes of the people and so antagonistic to the onward progress of our nation? [Applause on the Republican side.]

[Mr. HUNTER addressed the committee. See Appendix.]

[Mr. KEM addressed the committee. See Appendix.]

Mr. CUMMINGS. Mr. Chairman, I had hoped, sir, that the work of the Committee on Ways and Means would have been submitted to a Democratic caucus for revision. This was done in the Fiftieth Congress when what is known as the Mills bill was brought before the House. Every Democrat had an opportunity to test the sense of his fellow-members on amendments affecting the interests of his constituents. But if a Democratic caucus was not allowed to revise this bill, I did hope, sir, that the bill would have been subject to revision in Committee of the Whole of this House.

Mr. Chairman, I am probably the only Representative in Congress who is a member of a trade union. I have belonged to a trade union for more than thirty years. I am, sir, a member of New York Typographical Union, No. 6. [Applause on the floor and in the galleries.] Great trade unions, whose interests their members believe to be affected by this bill, have sent delegations asking me to seek a hearing for them before the House of Representatives to present their views, and to ask that the bill be amended in accordance with their suggestions. They failed to secure the aid of the New York member upon the Ways and Means Committee, and they delegated me to appear for them before the House; but, sir, unfortunately, owing to the special order reported from the Committee on Rules I have been unable to secure any action of this House, or even a hearing, upon any of their amendments.

On behalf of the gold-beaters of the city of New York, a trade union with 1,500 members, I protest against the passage of this bill without giving them an opportunity to suggest an amendment to it. On behalf of the Hatters' Union of America, numbering 70,000 members, I protest because they have had no opportunity to propose an amendment to this bill. On behalf of the Furriers' Union of the city of New York I enter another solemn protest. On behalf of the printers, and of the Journeymen-tailors' Association, numbering in all over 100,000 members, I enter a like protest. On behalf of the cloak-makers, thousands of whom are wandering the streets of New York to-night crying for work and for bread, I protest against any action on this bill without giving them an opportunity to be heard. [Applause.]

On behalf of the flower and feather workers and of those engaged in the curled-hair industry I protest. On behalf of the tobacco strippers, the rattan makers, the lithographers, the workers in ivory, the pencil makers, the steel-pen makers, and the cutlers I enter another solemn protest. These people have no one of their own number to appeal for them on this floor beside myself, and I want them to know that I have done all that could be done toward securing them a hearing in this House. The only trades union whose claim I have had an opportunity to present to the House was that of the diamond workers.

Mr. BROOKSHIRE. May I ask my friend a question?

Mr. CUMMINGS. I want to use all my time, or I would gladly yield.

Mr. BROOKSHIRE. If you are arranging a tariff for revenue only, is there any necessity for calling before the committee everybody interested, as the custom is when arranging a tariff for protection?

Mr. CUMMINGS. I am not arranging a tariff. I am asking a hearing for these men before you pass a bill not drawn up for revenue only.

These diamond workers asked for a duty on diamonds of 15 per cent. The Committee on Ways and Means granted it, but owing to the action of the New York member on the committee, they afterward came into the House and proposed an amendment reducing the duty to 10 per cent. The House took the bit in its teeth and raised the duty on cut diamonds to 30 per cent and also put a duty on the raw material, a duty which had never been placed upon it before in the history of the country. I have received the following letter concerning the matter, which I desire to read to the House:

NEW YORK, January 29, 1894.

DEAR SIR: On behalf of the diamond-workers of the city of New York I beg to express to you our sincere thanks for the lively interest you are taking in the question of duty on diamonds. It is with the greatest apprehension, however, that we observe the change in the rate of diamonds as fixed by the adoption of the amendment offered in the House last Friday. We hardly believe that the gentleman who offered this amendment is sufficiently conversant with the details of this trade, and we think if you would kindly explain to him the misery which such a law would create in our ranks, he would certainly assist you to have this matter properly adjusted.

A 15 per cent rate on uncut or rough diamonds would entirely destroy this industry in this country. As it requires nearly 3 karats of rough to make 1

karat of polished diamonds, you will observe that a duty of 15 per cent on uncut diamonds would be almost the same as 30 per cent on cut. The rough or uncut diamonds which have always been on the free list, should by all means remain so, and a duty of 15 per cent as asked for in our petition should be adopted. We are almost confident that a 15 per cent rate will yield a much larger revenue to the Government than either a 10 or 30 per cent rate, and we think that all the larger importers of diamonds would be satisfied with a 15 per cent rate, although some would prefer the existing 10 per cent, on the plea that a 15 per cent rate might induce smuggling. We contend, however, that no firm will smuggle at 15 per cent any more than they would at 10 per cent, but a 30 per cent rate would undoubtedly be so great a temptation to smugglers that responsible firms would probably suffer very extensively from the abuse of such a tempting rate to smugglers.

The importation of precious stones has been nearly \$15,000,000 per annum, and a 15 per cent rate would yield to the Government an additional revenue of about \$750,000 annually, and would protect legitimate importers against smugglers, just as well as the present 10 per cent rate.

We hope that you will use your best endeavors to have the rough or uncut continued on the free list, and the duty on cut diamonds fixed at 15 per cent.

Some of our men would have come on to Washington to see you personally about this matter, but we must admit that a scarcity of money in our ranks, which it would require for traveling expenses, prevents any of us from coming. We feel assured, however, that our interest will be well looked after in your hands knowing you as we do as the champion of the workingman.

In conclusion we only desire to add if a duty was placed on uncut or rough diamonds, not a single diamond could be cut in this country, and all our men would have to seek other means of making a living.

Yours, very respectfully,

J. GOMPERS,

President Diamond Workers' Union, American Federation of Labor.

HON. AMOS J. CUMMINGS, M. C.,

Washington, D. C.

Now, Mr. Chairman, this bill blasts industries in my district like the breath of a simoon. All that I have asked, and all that I do now ask, is that the amendments which these trades unions desired to have me offer should be laid before the House, and a vote taken upon them. Men talk about the interests of trades unions and mechanics and farmers whenever a change in the tariff is proposed. Their interests are mine. Why, sir, the district that I represent has in it a million people to the square mile.

There are 800 or 900 families living in one tenement house in the district, and 6,700 persons living on one block. They are to-day without work, all in abject misery. You tell me that the House of Representatives desire to pass a bill without giving these working people an opportunity to be heard—without asking that the bill be amended in some particulars so as to insure them work and bread! Sir, I do not believe it [applause]; but under the special order this will be done. I ask this House to continue the special order until the amendments proposed by these trades unions can be considered and acted upon. [Applause.]

Mr. COOPER of Texas. Mr. Chairman, taxation is a burden that has pestered the people, and a theme that has puzzled the minds of statesmen, patriots, and political economists in all governments in all ages. De Tocqueville said that "taxation was the theme of the demagogue." With more truth he could have said that taxation is the theme of the patriot. No government can exist without taxation, and the privilege of taxation is the highest and most dangerous power that a government can claim or exert, and as the wise exercise of this power is the surest test of statesmanship we can well understand why it has been said that "the history of taxation is the history of human governments."

The political party to which I belong believes that taxation should be equal and uniform, and that no more money should be taken from the taxpayers than is necessary to defray the expenses of Government economically administered, and that every person and thing that is protected by the Government should equitably and adequately compensate for the protection received.

The pending question is how, upon what articles, and for what purpose should import duties be levied and taxes collected. Upon the question of tariff taxation there are a multitude of opinions, but I think I can safely group the several ideas or propositions into three divisions, as follows:

First. High tariff for protection and incidentally producing revenue.

Second. Necessary tariff for revenue and for protection.

Third. Low tariff for revenue only.

A proposition fairly stated is half argued, and having stated these propositions, I will not undertake to elaborate an argument upon each of them, but the trend of my discussion will be to prove that the two first propositions when put into execution by law are unjust, injurious, and indefensible, and that the last proposition is just and beneficial so far as tariff taxation can be just and beneficial.

The first proposition is the protective theory, and is advocated by the Republican party. The Republicans argue that the entire tariff schedule should now, and should always be so arranged and adjusted, not to cheapen necessities and enhance luxuries but to secure the greatest degree of protection, and that the primary object of the tax should be to protect home industries and projects, and that the raising of the needful governmental

revenue is a secondary consideration. And to this end they do and would make duties so high as to prohibit importations, in the hope and under the belief that thereby they can stimulate home industries, force home productions and diversify home industries, and increase the wages of labor. And to accomplish these purposes they oppose all internal taxes as an impediment to higher tariff and a trammel to home productions. This proposition, I think, is morally and politically unjust and indefensible.

The second proposition differs from the first in degree and not in kind, and is advocated by what I denominate quasi-Democrats and Republicans. They urge that it is right to tax the many for the benefit of the few, but not to the extent that the first-mentioned class of protectionists insist. They argue that when it becomes necessary for the Government to raise a dollar by taxation, and it can be raised either upon a necessity not produced here—like tea—or from a necessity produced here—like clothing—that we should raise the tax from the necessity produced here, because, they say, in that way the Government would collect its revenue, and in so doing will enable the manufacturer to realize a large profit and thereby be enabled to pay higher wages to his employes, because such a tax limits importations and enhances the value of the supply thus diminished. And, like the high protectionists, they oppose all internal taxes, that there may be more protection.

Both the foregoing systems are paternalistic and class legislation.

The third proposition is advocated by the Democratic party, and is to the effect that import duties should be levied for revenue purposes only, and should be so placed as to give the least possible opportunity to manufacturers to raise prices or form trusts or limit production in the hope of greater profits, and that the tax should be so adjusted as to be collected from the luxuries and not the necessities of life.

Protection *per se* has no place under this doctrine, but the true principle that should be held to in all legislation is observed, *i. e.*, "the greatest good to the greatest number." To accomplish this purpose they favor internal taxes—excise taxes as now laid, and income taxes as proposed in the bill under consideration, because the excise internal taxes now collected fall on luxuries, strike the consumer and not the producer, are paid voluntarily, and neither stimulate nor depress production above or below a natural and healthy condition, and the income tax will make the surplus wealth of the country in part bear the burden of government, and to some extent compensate for the protection given such wealth by the Government—the people.

Mr. Chairman, these questions, as I have undertaken to state them, have been discussed in the American Congress for nearly one hundred years. The greatest statesmen of the century have brought to the consideration of the subject of tariff taxation the profoundest legal acumen and the highest political wisdom. The constitutionality, the ethics, the expediency, the justice, and the necessity of such taxation have been the themes on which have been lavished the legal logic of a Webster, the wit and eloquence of a Clay, and the subtle, political intuition of a Calhoun.

But of all the early advocates of protection not one—not even of the most ultra—went to the lengths of the protectionists of today, or advocated protection as a separate principle, as class legislation to be continued beyond the day when the "infant industries of the country should be fully established."

The tariffs of 1816, 1824, and 1830 were measures so moderate that they would now be considered the work of free-traders. More radical or extreme measures would not have been tolerated by even the warmest champions of the protective idea in those days.

The vast expenditures rendered necessary by the civil war, and the search for means for meeting the great demands upon the Treasury of the United States, led to the bringing forth in 1863 of the first war tariff—the Morrill bill. It was no time then to carp at methods or quibble over schedules. Cavil and criticism were then silenced by the necessities of the hour, and the American people bowed their necks to a yoke that never could have been imposed in days of peace. Little did they then think that nearly a third of a century afterwards their children would still be struggling to cast off the yoke almost doubled in weight by additional burdens subsequently added, under the delusive title of "the revision of the tariff by its friends."

From that hour until the present, with occasional intervals, this particular form of taxation has been under discussion by the people, the politicians, and the press of the country. While the annual outlay of the Government for pensions, for interest on the vast public debt, and for the redemption of Government obligations was so great as to fill the minds of statesmen with just apprehensions of its solvency, the burden was tolerated, but even then with impatience. But when those difficulties had been

sufficiently adjusted to allay these apprehensions, and when the dawn of returning prosperity began to break over the land, the question again came to the front.

The policies of direct and indirect taxation, of excises and tariffs, prohibitive tariffs, tariffs directly and incidentally protective, and tariffs for revenue only, have been discussed daily and nightly from that time even to this hour. Speeches, editorials, books, and debates have familiarized the people with the theories of custom-house taxation, and the enactments of various Congresses have furnished in their workings practical tests by which those theories might be tested. The "campaign of education" has been fought with so much vigor that the masses of the entire nation to-day stand on one side or the other of this momentous question, and it might seem that any further discussion would not only be useless, but undesirable.

But, Mr. Chairman, this question is not for us alone to decide. The day has long since passed when the discussions of this body were or were not intended to be solely for the mutual exchange of the views of the members or for the purpose of influencing their political action. This is preëminently "the people's chamber," and this has been the people's contest. They have demanded, and their demands must be heeded.

It would no doubt be impossible, Mr. Chairman, for any tariff bill to be drawn by human wisdom so as to be entirely satisfactory to all in the adjustment of its free and taxed schedules, in the relative proportions of the rates of the taxed articles and in the selection of the specific or ad valorem duties as the method of determining the amount of the tax. While this bill is not in entire accord in all its features and items with my personal views, or the interest of my constituents, yet I shall support it heartily as a step in the right direction, as a turning back from the rapacity, the greed, the injustice, the oppression, and spoliation which have characterized our legislation for more than a quarter of a century, and a turning of our faces toward the dawning of that to be hoped not distant day when the Chinese wall of selfish, personal, and class legislation shall be leveled to make room for the spread of a nation's activities; that day when international trade shall cease to be legislated against as a crime, and when the star of America's commercial empire shall be reflected from the bosom of every sea, and guide our groaning ships into every port. [Applause on the Democratic side.]

Mr. Chairman, the protectionist, by argument having been driven from every position taken, falls back in the last redoubt; that is, that protection benefits labor and secures higher wages to the laboring man. This is now their party shibboleth and the magic word with which they hope to win the votes of the masses and perpetuate their unjust system.

I shall enter into no extended discussion of this point, but content myself with calling attention to a few incontrovertible facts in this discussion. This question has been fairly, elaborately, and with painstaking care discussed by my colleague from Texas [Mr. BELL], and I could do no better than to adopt his argument, but I will supplement the views that have already been expressed by the following statements:

An increase in wages does not follow an increase in tariff rates. During the first gubernatorial canvass made in Ohio after the passage of the McKinley bill Governor Campbell, the Democratic candidate for governor, made public challenge at every political gathering at which he spoke in the State for any man whose wages had been raised since the passage of that bill to stand up or raise his hand. Though duties had been raised in almost every schedule of that bill not a man responded to this request in the great manufacturing State of Ohio.

On the other hand, the daily papers regularly contained notices of cuts and reductions of wages, strikes, and lockouts. It has been shown that while the English operatives in some trades receive less per day than the American operatives, yet the latter, by superior machinery and intelligence, turns out a greater amount of work to the dollar than the English laborer, and is therefore a cheaper laborer.

In this discussion it must not be forgotten that our protectionist friends, who pretend to be so solicitous about labor and the wage-earner, have always permitted cheap labor to come to this country free. There is not and never has been a duty on labor coming to this country to compete with American labor, and there never will be if it has to originate or proceed from the manufacturer or his advocate in this House.

If the high-tariff men are sincere in their declarations of a desire to protect American laborers' wages, why have they not put a duty on immigrant laborers, that would either have raised a liberal revenue, or have kept competing labor out of this country and retained the work for our own countrymen? They ought to do this and protect American toilers from real dangers instead of trying to frighten them by thrilling accounts of imaginary ones. But the decisive test of the ability of the manufacturer to compete with foreign goods in the United States is

that he not only does compete with them here after the tariff is removed, but he ships some of his goods to Mexico and South American countries and successfully competes with the Englishman there.

Mr. Chairman, I am not one of those who fear the test of the competition of American energy and skill and intelligence with the same qualities as exhibited in the people of other countries. To my mind such fears are a reflection upon the national superiority of which we love to boast and in which we have earned the right sincerely to believe. Were it not rendered impossible by the stern necessities of governmental expenditures, it would please me to cast my vote for the entire abolition of every legislative trace of that mistaken policy which teaches that a nation is enriched by the taxation of its citizens; that the nation should favor the rich, and let the rich take care of the poor; that the advantages of soil and climate should be counterbalanced and the laws of supply and demand thwarted by the enactment of high tariffs; that exportation is fostered by the discouragement of importation; that nations are induced to buy by being denied the right to sell; that policy which with one hand closes to the laborer the cheap markets of the world, while with the other it throws wide open the nation's doors and permits the wealthy manufacturer to defeat the just demands of the American toiler by the introduction, free of duty, of competing laborers from every land.

The eighteenth century was made memorable by the emancipation of three millions of colonists from legislative oppression. The nineteenth century has been commemorated by the emancipation of four millions of Africans from personal bondage, and I would signalize the advent of the twentieth century by the emancipation of sixty millions of Americans from the fetters that hamper their commercial freedom and bind them in helpless subservience to the interest of a rich though untitled nobility.

Breathing free air, reveling in free sunshine, educated in free schools, choosing, believing, and practicing free religion, casting free ballots, we need but free coinage and the free right to buy and sell to give us a fee-simple title to the highest measure of liberty ever enjoyed by the members of a political body. [Applause on the Democratic side.]

In all other political measures we have outstripped the nations of the East. But in this one respect we have permitted England to leave us behind, and to-day we find a practical test of our theories in the spectacle of the only free-trade nation in the world standing forth in undisputed supremacy as the world's purveyor, as the acknowledged commercial mistress of the sea. There is no sunbeam that does not illuminate some part of her territory; no wind that does not belly out the sail of some of her merchantmen; no shore so distant that it has not furnished a safe landing place for England's wares.

Crouching behind their protective tariff walls Germany and France and Italy and Russia wonder at the prosperity of un-walled Albion. They, like us, have not learned the lesson of self-confidence, self-reliance, and faith in their own ability to cope with mankind. God speed the day when we shall wake from our lethargy, break our artificial environments and extend to the world the invitation, "Come, and let us trade together."

But, Mr. Chairman, the necessities of a national revenue, made more urgent by the folly of a deposed party, not only forbid us to dispense with a tariff, but impose on us the disagreeable necessity of retaining many of the oppressive features of the tariff now in operation. A thorough and equitable adjustment of all the items in such a bill would so wrench and strain the vast fabric of protected interests, and would lead to such a derangement of values, that even the best friends of tariff revision must hesitate and doubt the wisdom of such a sweeping measure. But the shrewd observer will not confound the symptoms of the disease with the effects of the antidote. The sting of the surgeon's lance may temporarily cause more pain than the eating of the cancer, yet it is necessary to inflict that sting in order to extirpate the poisonous growth from the system ere we may expect a purification of the patient's blood and the restoration of his system to health.

Apart from the effects of those early tariffs which were enacted at a time when the country was practically without manufactures and without skilled labor necessary to put them in operation, the whole tendency of tariff legislation in this country has been to foster in our economic system, and stimulate by unnatural processes an artificial and vicious growth, whose very existence is a menace to our economic health. I say that this growth is artificial because instead of following the laws of supply and demand, of spontaneous origin, local adaptation, and natural development it has relied on forced or hothouse methods in utter disregard of the dearth or abundance of our natural resources—in utter disregard of the demands of the farmer for a foreign market for his products—in utter disregard of that law

of trade which directs the buyer to the nearest and cheapest market, and the seller to the nearest and highest market. I have said that this growth is vicious. Every system in legislation as elsewhere must be judged by its effects.

Let us see what have been the effects of this false growth. A natural and healthy industry is steady and continuous; a pampered and forced one is capricious and fitful according to the artificial succor extended or withheld. A natural industry leads to a natural, steady, and healthy growth. It seeks in the first place some line of production in which it has natural climatic and local advantages, such as close proximity to water power, to coal, to natural gas, to forests of timber, to supplies of raw material, and to large bodies of consumers.

Having these natural advantages, it fears no competition, asks not the imposition of new tariffs, and trembles not with apprehension and panic at the suggested modification or repeal of old ones. It does not look for its profits to some factitious advantage secured by frequent and plaintive appeals to Congress for special legislation, but it relies with old-time straightforwardness on economic management, fair dealing, honest products, improved machinery, and strict attention to business.

Such an industry being natural, being in response to the needs of the locality or section of the country in general, is not created by legislation and can not be destroyed by just legislation. But the moans and groans, the entreaties and demands, the fears and the tears of many of our protected industries, and their eternal clamor for more governmental favoring show plainly that they are either seeking to hoodwink Congress and the people by false pretenses, or that they are not industries whose existence meets the demands of the people.

That this special legislation is not needed to protect them from foreign competition has been frequently and clearly shown during the progress of this debate. American goods are to-day sent to Canada, to England, to Mexico and to the South American countries, and there sold in open successful competition with the products of the rest of the world. If the Eastern manufacturer can send wares to the far-off Rio Grande, more than 2,000 miles from the New England factories, and still on, and on, 1,300 miles beyond that stream to the City of Mexico, and there find himself able to sell them in direct competition with English and German and French and Spanish and Italian and Australian and Swiss goods, it is an insult to the intelligence of the American people to plead our inability to sell the same goods in this country under this bill, or some square out-and-out free-trade law.

We have just closed the greatest international exhibit of the products of human skill that the eyes of man ever beheld, and in almost every character of industry except in the fine arts and those arts that relate to the production of luxuries, this country fully demonstrated her ability to compete successfully in manufacturing; and her superior machinery, the superior intelligence of her operatives, her closer proximity to raw materials and to the chief food products upon which all nations alike must live, assure to her the ability to compete successfully in selling.

Mr. Chairman, the protective tariff system is vicious, and is vicious because it is paternal, and paternalism is the dreaded menace to our republican institutions. It diverts capital from the prosecution of industries in which we have natural advantages over other nations into ventures that have no natural foundation, and which could not succeed without the aid of paternal legislation. By shutting out competition it has built up, by a perpetual levy on the income of all consumers, a class of men whose wealth is equaled in its immensity only by their greed; whose highest conception of the functions of government is that it is an institution originated, perpetuated, and operated for the sole purpose of fostering, protecting, and subsidizing private business interests.

It has developed a class of people who insist on believing that they can do no work, however great their poverty or destitution, except that of operatives amid the whirl of machinery. Living of necessity in towns and cities where property is highest in price, they are seldom able to own a home, and as their daily earnings are consumed as fast as received, they are seldom prepared for idleness, and the briefest suspension of work leaves them a prey to want and suffering, liable to eviction for rent, and dependent upon the help of others more fortunate for the bare necessities of life.

Living amid the excitement and attractions of cities and receiving all their earnings in cash at short intervals, they acquire a taste for the luxuries about them, and become so wedded to urban life that when the mills shut down, or from other cause they are thrown out of employment, no power can induce them to go to the country, though the unpicked cotton, the unharvested grain, or the ungathered fruit may guarantee them healthful employment and security from want. Instead of seeking work where work is and accepting any work to be found, they

insist that Congress shall somehow see to it that their own particular mill or factory shall continue to be operated on full time, whether the conditions of trade or the interest of their employer permit it or not.

This destruction of the spirit of shiftiness and adaptation to environment is one of the vital objections to the system of protection. It is a system that corrupts the manufacturer, the importer, and the operative, and last and worst of all, this paternal idea and system corrupts, or tends to corrupt, the whole people by gradually sapping the foundation of an independent, self-helpful, self-reliant character. They see the manufacturer looking to tariff laws for prosperity. They see the strong, hearty ex-soldier shamefully asking for and securing a pension for a disability the existence of which his most intimate neighbors and friends never knew of or suspected. They see "loyal" citizens knocking at the doors of Congress and the Treasury for tens and hundreds of millions of dollars' worth of property alleged to have been lost in the civil war, but whose history is as difficult to establish as that of the mighty but mysterious monarchs who constructed the pyramids or carved the sphinx. They see people everywhere turning aside from all time-honored modes of support and advancement, and looking to legislation, State and national, for a sure and easy means of obtaining a livelihood.

No wonder the farm and the forge have lost their popularity; no wonder the once fertile fields are overgrown with sumac and sassafras, persimmon and pine; no wonder that the road that leads to the city and to the capital is crowded with people coming to stay, even if the stay means to starve.

Eight hundred years ago when the Princess Anna Comnena beheld the unnumbered hosts of the Crusaders sweeping through the streets of Constantinople, she wrote in her famous history, "All Europe seems to be loosened from its foundation and hurling itself upon Asia." This thought occurs to us to-day as we behold the whole Yankee nation coming to town and coming to the capital.

History but repeats itself, and in a sense this is but a revival of those crusades that filled the daughter of the great Emperor Alexis with wonder. A new Peter the Hermit has preached pensions and appropriations for all; a new St. Bernard, not less successful, if less eloquent, has proclaimed the gospel of protection and special private legislation.

In those days the priests asked the people to give them their money and they would hold it in trust for God. In these days angels of the gospel of greed and grab preach to the army of consumers, "Give us your money and we will hold it in trust for the factory hand. All we do is done in his name and for his benefit." As the church and its high priests held and kept the gifts made to it for God eight hundred years ago, so the manufacturers hold the consumer's money to-day, and would continue to collect and hold it had not the Democratic party come forward and served an injunction on these philanthropists and filed a bill in equity asking for a distribution of the trust fund.

Yes, Mr. Chairman, for thirty years a new, a strange, and a deplorable change has come over the American people. We used to determine the probability of success in trade and in farming and kindred pursuits by an intelligent mastery of all the facts affecting them, and by weighing these facts and estimating the probabilities as to favorable weather, large acreage, convenience to market, etc. Now the factor to be considered is the degree of protection Congress can be induced to extend. Bounties are asked for, subsidies asked for, appropriations asked for, and every other kind of aid asked from the Federal Government and the Federal Treasury. All this current of paternalism finds its copious fountain head in the doctrine of protection. Hence this all-pervading, overpowering, and pestiferous craving to be fed with the Government spoon; and hence the breaking down of those noble traits of personal independence, self-reliance, and unfaltering confidence in industry, energy, economy, and enterprise that shed luster on our national character in the early days of the Republic.

Mr. Chairman, the gentlemen who have opposed this have prophesied that if it is enacted into law its operation will be attended with such a harvest of ruin and suffering as to result in the overthrow of the Democratic party and the restoration of the Republicans to power, and in the permanent reestablishment of the policy of protection. If they sincerely believe this prediction, it is inconceivable to me how they can find it in their hearts to oppose a measure whose effects will at once bring triumph to their cause and prove a justification of their political sagacity.

I can not divine the future, Mr. Chairman, but I, too, may hazard a prediction. If the history of the past teaches us anything at all it is that national thought and national policy swing without halt from one extremity to the other of the arc of legislative possibility. Egypt exchanged the worship of Isis and Osiris for that of Allah in a day; in eight years the Zend Avesta

was supplanted by the Koran throughout the whole of the great empire of Persia; Luther tacked his "ninety-five propositions" to a church door in Wittenburg and half the population of the German empire passed from the traditions of the Papacy to the practice of Protestantism.

No people in Europe had yielded so implicit, so abject a submission to the oppression and tyranny of the nobility as the French; but the limit of subservience was reached in 1789, the rebound followed, the wrongs of centuries were avenged, and the nation trampled on its former gods of caste and the divine right of kings, and waded through seas of blood to the opposite ideas of legal and political equality.

Maj. Pitcairn's soldiers fired on a group of minute men on the village green at Lexington, and the pendulum of colonial thought and feeling and policy oscillated from the extreme ideas of monarchical government and personal subservience to the opposite ideas of confederated republics and individual sovereignty. And so it may be with us now.

For thirty years the American people have been yielding more and more to the seductive arguments of protection and practicing more and more its precepts. It has concentrated wealth into the hands of a few men richer than Croesus or Crassus of old, and brought poverty, want, and helplessness into thousands of homes. It has deranged the economy of modern industrial life, reversed the laws of business, and made a fourth of our population totally dependent on the will or whim of the manufacturer for bread. It has enriched our lexicography by attaching new and ominous meanings to the words "combine," "lockout," "boycott," and "strike." It has helped to invest anthropology with new interest by adding to its classifications the "snob" and the "tramp."

Fostering sectional strife, that it may fatten on a nation's necessities, and festering in that political corruption which is the sure product of its teachings, reverencing no law but the tariff law and bowing at the foot of greed, this hideous and unnatural dogma stands on this floor to-night and asks the representatives of the people to stay the hand of restraint and suffer it to prolong and perpetuate the blighting evils that have burned the memories of its sway into the minds of a long-suffering people. It tells us that if we interfere with its nefarious work the people will cast us out and reenthroned protection on the national statutes.

Mr. Chairman, everything future is possible, and this, too, may be possible, but if this prediction should be verified—if the pendulum of national policy has not swung to its outer verge, but has only halted a moment to resume its motion with increased momentum—be sure that it will drag in its train the whole progeny of social, economic, and political ills that owe their origin to the perversion of the functions of government, and to a vitiated public thought.

The propaganda of protection and paternalism can not be dissociated in the public mind. The voice that pleaded in conscious helplessness for temporary protection in 1824 and in 1830 is to-day arguing for permanent protection. The rates defended as a war necessity in 1863 are demanded as a peace necessity in 1894. The bud of incidental protection has become the full bloom of intentional protection. Protection is a doctrine to whose extension no limits can consistently be set. If we legislate specially to help the manufacturers get rich, we can not justly refuse to do so for every artisan, tradesman, professional man, and farmer that asks equal favor.

Once admit that it is the function of our Government to support the people, and we can no longer brand as unreasonable the demand for governmental absorption and operation of all the business interests of the people and the employment of all the people by the Government. And just so surely as the theory of protection develops into that of paternal communism, just that surely will the practice of the one verge into the practice of the other. Just so surely will the swing of the pendulum carry us with a mysterious and resistless force from our former traditional ideas of individual effort, self-reliance, and the sovereignty of the citizen, into that field of political experiment where the doctrine of the equality of the people finds its only basis of truth in the fact that all are equally deprived of incentive to effort, and equally annihilated in importance by an all-pervading and indiscriminate communism.

Mr. Chairman, let us stop where we are and return as soon as financial exigencies will permit to the practice prevalent in the early days of the Republic. By enacting this bill into law we shall arrest the swing of the pendulum, and begin our return to the practice of the greatest possible degree of commercial freedom. Enact this bill into law and if it shall be permitted to survive the temporary disorders necessarily connected with the uprooting of a great and long-standing evil, I feel assured that the result of its workings will justify the hopes and confidence of its friends. It will take years to uproot the evil tendencies

sowed by the repudiated policy of protection, but if the principles of this measure are fairly tested and faithfully followed in future legislation, we shall see an era of prosperity more desirable because more natural, and therefore more steady and permanent than that partial and artificial prosperity attained by taxing the many for the benefit of the few. Pass this bill and one by one the evils that I have indicated will disappear and prosperity will return to our land.

Give this bill a test and the millions of farm laborers and tens of millions of consumers will participate in the benefits hitherto restricted to a few. Pass this bill and the farm will again become attractive, and manufactures will diffuse themselves according to the needs of the people. Let legislation follow the principles of this bill and sectional strife will disappear, and, better than all, the citizen will once more learn to look to himself, to his own industry, energy, enterprise, economy, and business skill for success. Rescued from the evils of a false economic policy, emancipated from bondage to the superstitions of a dethroned political faith, granted once more that equality of opportunity long preached in theory, but jealously withheld in fact, let us pass through the portals of the twentieth century into an era of legislative justice which, while regarding as equally sacred the rights of all our citizens, shall especially constitute itself the protector of the humble and the poor; adopt this principle and adhere to it, and ere that century shall have reached its midway mark not only will our country have outstripped all its competitors in the race for commercial supremacy, but the prosperity of its people will at once be a vindication of the wisdom of our policy, a sure guaranty for its continuance in this country, and an irrefutable argument for its adoption throughout the world. [Applause on the Democratic side.]

[Mr. BLANCHARD addressed the committee. See Appendix.]

Mr. PASCHAL. Mr. Chairman, anyone at all familiar with the debates incident to the origin and progress of tariff legislation, from its inception in England to its latest utterances upon this floor, must indeed be vain if he supposes he can contribute thereto originality of idea, expression, or illustration, although the media through which he seeks to convey them may be infinitely varying and attractive. I do not, therefore, Mr. Chairman, intend to discuss the pending measure with the hope of adding anything new either to the arguments or statistics in support of them already advanced and so thoroughly and ably presented on this floor during the present and past sessions of Congress.

But, Mr. Chairman, there is a phase of this question that has been but lightly, if at all, touched upon, and whether or not it can be clearly presented in the brief period allowed me, yet deserves the most earnest and thoughtful consideration of every citizen of this Republic, regardless of political affiliations. To him who may have but a casual acquaintance even with the lessons of history, it is not difficult to read the signs of the times.

It is true that to such a one it might not be apparent to what port the great ship of state, freighted with its priceless legacies to humanity, is destined, but he is thoroughly alive to the fact that she is rapidly sailing over troublous waters, beneath whose surface lie shoals and breakers that may wreck the vessel, despite the utmost care and precautions of those in charge of her. Here, then, Mr. Chairman, we find the first potent cause of that universal unrest, that has escaped no intelligent man's observation; here the silent forces are at work with the instinct of self-preservation, blind though they may be in their methods for relief, yet withal groping their way to the light, whence they may enjoy as co-equal inheritors the blessings of our nineteenth century civilization, in proportion as their talents, energy, thrift, industry, and skill may have contributed thereto.

When superstition and ignorance hung like a pall over Europe during the Dark Ages the same slow but universal discontent and disquiet marked the epoch and presaged the coming dawn, when the fetters fell from the minds of men and a wider civil and religious liberty resulted. And so, Mr. Chairman, every revolution since that great awakening has been but the struggle of man for a greater participation in the benefits of society, government, and civilization.

When the great principles of civil liberty were unknown, or but a myth, and when the divine right of kings was unquestioned, quick and sharp was the tyrant to place his heel upon the necks of those who faintly sought to remonstrate against his usurpation and tyranny or to enlarge their liberty, such in name alone; but as the centuries rolled by a higher wisdom prevailed at times, and when a wise monarch was surrounded by wise counsellors, the great truth was impressed upon him that his reign could be great, prosperous, and happy, and win the plaudits of posterity, when those he ruled were prosperous and happy. Wise concessions, therefore, to natural and just demands took the place of

suppression, violence, and force; and when statesmanship has risen above selfish greed for power or self ambition has become subordinated to the general welfare and prosperity of the whole people.

History tells us that in these periods, revolutions, bloodshed, and political upheavals have been averted or indefinitely postponed; and it points with equal certainty to the fact that as just demands for laws intended or calculated to promote the welfare of all alike and to equitably distribute the burdens of Government have been persistently denied, so has violence and bloodshed marked the history and progress of a nation. These propositions are so elementary and abundantly attested by the experience of mankind through centuries of slow evolution from barbarism to civilization that they may be safely assumed as the basis for suggestions hereinafter made.

Indeed, Mr. Chairman, so true is it that these conditions exist, and are recognized by all intelligent men regardless of political affiliations, that I may point to the fact that no discussion of these grave economic questions takes place in these Halls, in the press, or the pulpit, in the forums, or at the hustings, but the writer or speaker claims that the mass of the people, and especially the unfortunate poor, will be benefited by the carrying out of his views upon those subjects, and appeals and relies for support upon those grounds.

Mr. Chairman, after argument and statistics have become exhausted in a vain effort to trace existing evils directly and wholly to one political party measure or to another (and it matters not to which so far as the statement of my propositions and conclusions are concerned, for while I believe they are primarily and largely due to Republican legislation, as has so often been, and can be again, with reasonable certainty shown), yet it is to American citizens as patriots in the broadest sense that I address myself in my appeal to sustain the existing measure, regretting the while that a cast-iron political environment precludes a candid, dispassionate consideration of that appeal.

The basic truth remains, Mr. Chairman, that the great mass of the people of these United States feel to-day that the tendencies of our laws either in their framework or execution, is to widen the gulf between the rich and the poor, to deny to labor its just reward and to award to capital an undue proportion of its share or earnings. The great truth only recently recognized by those engaged in the beneficent undertaking of converting the savage, that the true road lay through his stomach, and other physical environment applies with equal force to the poor farmer, laborer, or artisan that constitute the great mass of our people.

You can not satisfy his just demand for a change in legislation, under which he has experienced a deprivation of the ordinary comforts of life by the most elaborate and ingenious reasoning that can be devised intended to sustain and perpetuate that legislation, for, as has been so often said, it is a condition and not a theory that confronts him; like the attorney who tried to convince his client by a chain of legal reasoning that he could not be legally incarcerated, had his theory knocked into pi by the sententious rejoinder of the poor devil, "But I am in jail."

Mr. Chairman, the careful observer cannot mistake the ground swell that underlies the practically unanimous appeal of the laboring man for either relief from the undue pressure of the burdens of taxation, or that being impractical under an honest and economical administration of government, to so adjust it that that the great aggregations of accumulated wealth be required to bear its just share in the support of government. I will not, Mr. Chairman, discuss the specious objections usually raised to an income tax, for they have in my judgment been abundantly refuted, nor do they stand the test of an enlightened experience or an enlightened conscience, or sense of equity. Suffice it to say, the most objections would apply in principle and in degree to all other forms of taxation.

But it is said with painful and tireless iteration it never was popular. Well, Mr. Chairman, pray with whom was it never popular, the fellow who paid the tax; nor am I aware that anybody gets into a state of hilarious delight when the taxgatherer comes around.

No man e'er felt the halter draw
With good opinion of the law.

Mr. Chairman, I am neither an alarmist nor yet a pessimist, but I do but speak the words of soberness and truth, responsible to my God, my country, and my conscience, when I say that the one paramount duty of the statesman and patriot to-day is to bring capital and labor together in heart, sentiment, and sympathetic accord, as in fact and of right they should be. Should unhappily (and God forbid the day) ambition, selfishness, lust for power, indifference, or willful disregard of just demands lead those in authority to refuse and even scoff at them, it will take no prophet's ken to foretell the result.

I have little fear, Mr. Chairman, that under the tendencies of

modern civilization, and especially in the light of the development of the great principles of civil and religious liberty, under that great dominant race, the Anglo-Saxon, our Republic will be supplanted by a monarchy, for all history tells us that revolutions go not backward. But, Mr. Chairman, political and social forces under appropriate conditions, differentiate, just as surely as do species of animals or plants. Shall that differentiation take place under conditions hostile or favorable to the development and perfection of those qualities that so far have produced the splendid fruit and results of modern civilization?

This is the all-absorbing question; it confronts us wherever we turn. There is no escape from it; it is the law of nature and of nature's god. What is the objective point? The perfection of the race. How is she accomplishing it? In many ways; mainly, however, by a development of the individual—mentally, morally, and physically. To the cultivation of man's individuality does humanity owe the wondrous enlightenment of the day. It has established, preserved, and transmitted all that was of value to the race. It has wrested, through its own restlessness, the most intricate secrets from the earth, the air, and the sky; and to it in government has been solely due the firm establishment of those fundamental principles of Anglo-Saxon civil and religious liberty, under which in so short a period has arisen a governmental fabric of such wondrous beauty, strength, and proportions as to dazzle the world.

But, Mr. Chairman, beautiful and fascinating as is the contemplation of these triumphs of our race, and more particularly of our branch of it, there are lowering and portentous clouds on the horizon: a new school of thought has arisen. Government, through such instrumentalities as I have mentioned, had so assisted and facilitated the work and plan of nature's laws, it was but quite easy and natural for such as could not guess nor grasp the complex forces around them to attempt to engraft upon society and Government principles wholly antagonistic to the individualistic tendencies of the age; hence paternalism and socialism are contending and recognized forces of the day.

Into this vast realm it would be both out of place and impossible to penetrate this discussion. Seeing the splendid results in the aggregate of free government on the one hand, and yet witnessing the inequitable distribution and enjoyment of those results in many instances, he was not able to determine how far the one was due to superior skill, energy, and natural or accidental opportunities or advantages, or to government, nor to what extent ignorance, idleness, and shiftlessness had prevented others from reaping similar rewards in the battle of life.

It is not strange, then, that he should reason that as the Government has done so much for a part of the people, let us turn over to the Government the management of all those affairs whereby manifestly great wealth has been accumulated in the hands of the very few and the great mass of toilers left with comparatively little. Indeed, Mr. Chairman, given the complex intricate problem and its conditions, coupled with the poor equipment of such as sought to solve it, and the wonder is that peaceful methods are so generally advocated.

Between this great conflict of ideas no man who understands and values the principles of civil liberty and republican institutions can hesitate, nor does he hesitate, Mr. Chairman, when the issue is tendered him in this form, disencumbered from potent but silent and complex forms at play in our political and social life; and I care not whether he be a Democrat, Populist, or Republican, for the instinct of the Saxon is in line with the principles of individualism and civil liberty.

Racial instincts both abhor and rebel at the dream of the socialist, that ends in a Dead Sea level of humanity, where neither merit, talent, genius, skill, energy, enterprise, thrift, or valor reap rewards other than may be reaped by those who possess none of these great factors in civilization, where a government regulates with iron hand the units of the race, even in the very smallest detail of domestic privacy, invading and robbing the very hearthstone of its holiest penates, under the excuse of conserving the race.

And yet such, Mr. Chairman, is the doctrine so widely contended for to-day, and in this land, as a refuge against the evils of an inequitable distribution of wealth that could and ought to be met, and I hope will be, as far as possible, by a legislative enactment. The doctrine, while new and startling, yet when analyzed is but another and aggravated form of the two great theories of Government, centralization and decentralization, paternalism and self-reliance the play of the centrifugal and centripetal forces of society and government, and in its latent and, I may add, its most dangerous phase is individualism and socialism; I do not hesitate to say, Mr. Chairman, that from my knowledge of history, and its lessons, from my study of its objects, effects, and tendencies, of these two forces and ideas, I shall test all proposed legislation by them, and value it as it may, in my judgment, tend to destroy the one or strengthen the other.

Mr. Chairman, he is blind in his own conceit, carelessness, or ignorance, who does or admits to do any proper act, that will afford an excuse—reasonably speaking—to engraft by legislation on our institutions or accomplish by violence or revolution, the doctrine I have referred to. Gentlemen upon this and the other side of the Chamber who purpose opposition to this measure, and I mean the entire bill (as one, while obnoxious to criticism, yet is plainly upon right lines and the best the exigencies of the situation, viewed as a whole, will admit of) should remember the story of the Sybilline books, for which she demanded so great a price from the king to whom she offered to sell them that he rejected them, though they contained all knowledge that was of value; going away, she burned three and returned, offering him the remaining six at the same price; he again refused; whereupon she again went away and burned three more, and returned again and offered the last three at the same price as demanded for the nine. The king's fear and anxiety becoming aroused when he learned their priceless value, even in this condition, he was glad to take them. History is replete with such lessons.

If behind the defeat of this measure I did not plainly discern the ominous shadow of un-American ideas, sentiment, and tendencies, involving the very principles that underlie the cornerstone of the Republic, I could view it with more composure; but, Mr. Chairman, I believe when such far-sighted men as Gould, Huntington, and Carnegie are convinced of its wisdom, policy, or necessity at this time, it is trifling with fate to resist it.

I could have wished for a different adjustment of some of the schedules of the bill. I might amend here and strike out there, as the interests of more or less of my constituents seemed to require. But, Mr. Chairman, when a great political party formulates a line of fiscal policy for the entire country, it is impossible in the nature of things to so frame it as to avoid injury, or apparent injury, to many localities, or to certain persons in such localities; and as concerted action is indispensable in a government of parties, so it logically follows that he who interposes a barrier to the necessary concerted action does far more injury to the party he pretends to act with than if he openly left its ranks. [Applause on the Democratic side.]

Only by concessions of individual views and interests to the will and interests of the majority can orderly party government come; in this way alone can party supremacy and the vindications of its principles be maintained; I appeal then to you gentlemen to stand by the measure; its severe criticism by both protectionists and free traders is its best defense; it is neither, as the Democratic party is not to-day and under existing conditions either a protection or free trade party, but is for a tariff for revenue only. [Applause.]

In framing such a bill no mortal man can so adjust it as to insure the hearty support of all parties affected thereby in our own party, just as no human ingenuity could frame a protective tariff bill that would please and command the hearty support of all Republican constituencies.

But, Mr. Chairman, with an abiding faith in the elasticity of our free institutions, the patriotism and wisdom of our people, their sound common sense and self-control, and above all, in the language of the distinguished gentleman from Maine, I too thank God there are natural conditions surrounding us that so intimately affect our welfare and prosperity that I do not believe the passage or failure to pass any one measure, or even several, however important, will seriously put to the test republican institutions and civil liberty, although serious hardships, economical and other disturbances might occur.

Mr. Chairman, when the great Abbe Maunt was speaking to the French Assemblage for altars and for lives, against the blind spirit of hatred to the clergy, a shrill voice from the gallery electrified the audience by crying out, "Messieurs of the clergy, you must be shaved; if you struggle too hard you will be cut." I commend to the gentlemen in opposition the story, with the observation that history repeats itself.

And yet, Mr. Chairman, should the efforts of these gentlemen prove successful in defeating the just demands of the people for a relief from inequitable tariff burdens, and the wind they have sown should produce the whirlwind, I now here predict that before its wrath many of them will either flee or join with the maddened multitude to lay their parricidal hands upon their country's honor and institutions, while those of us who now plead for justice, equity, and conservatism in fiscal legislation, will be found with bared breasts to the approaching storm. [Applause.]

The CHAIRMAN (Mr. HAINES). The gentleman from Ohio [Mr. HOUK] is recognized.

[Mr. HOUK of Ohio addressed the committee. See Appendix.]

[Mr. McCLEARY of Minnesota addressed the committee. See Appendix.]

[Mr. BINGHAM addressed the committee. See Appendix.]

[Mr. STALLINGS addressed the committee. See Appendix.]

Mr. LANE. Mr. Chairman, taxes are the sinews or the life-blood of the nation. Every private interest in a public tax is a crime; every law that taxes all the people for the benefit of a class is not protection but plunder, and every purely protective tariff law is a license for robbery. I will submit a single illustration that I think will prove these several propositions.

During this debate a gentleman from Massachusetts moved to amend the Wilson bill by putting binding twine on the dutiable list with a tariff tax of seven-tenths of 1 cent per pound, the same that it now bears under the McKinley bill. The gentleman gave as a reason for so doing that he had a number of men engaged in the cordage industry in his district and this would give them employment at remunerative wages. Now, when reduced to its final analysis what does this proposition mean? Simply the right of the cordage manufacturer in Massachusetts to take a certain amount of money from the farmers in Illinois by law.

It was in evidence before the Committee on Ways and Means of the last Congress that there were thirty-five cordage factories in this country engaged in the manufacturing of binding twine. Twenty-eight of these factories had formed a trust, and a Mr. Goode, who owned a factory, refused to join the trust. The trust paid him \$200,000 simply to close his factory, which he did. There was used by the farmers of this country in 1892 about 50,000 tons of binding twine, or 100,000,000 pounds, and at 12 cents per pound we would have \$12,000,000 that the farmers of the country were compelled to pay for this single article, which is but a very small part of the farmer's expense.

In fact, many farmers paid as high as 14 to 16 cents per pound. Now, a duty of seven-tenths of 1 cent a pound on binding twine would mean that the farmer should pay \$700,000 because of this tax, and between five and six millions of dollars more that would go into the pockets of the trusts and of course would come out of the sweat and toil of the farmers. What does Massachusetts give the farmer for this privilege of robbing him? She says the "home market." But does not every farmer in the country know by this time that if Massachusetts and Pennsylvania could buy their wheat, corn, oats, and meats in England 10 per cent cheaper than they could in this country they would buy them from the foreigner? Certainly they would.

The farmer does not get one cent more for his wheat whether he sells to his neighbor or the foreigner 3,000 miles from home. He must sell in competition with the world and buy on the protected market. Under the Wilson bill I serve notice on Massachusetts and Pennsylvania here and now that hereafter they must take their hands out of the pockets of the farmers of this country.

By the Wilson bill binding-twine is placed on the free list, thus saving on this single item alone about \$5,000,000 to the farmers of this country annually.

In addition to this in the interest of the farmers we have placed on the free list plows, harrows, harvesters, reapers, agricultural drills, planters, mowers, hoes, cultivators, threshing machines, cotton gins, salt, lumber, iron, iron ore, and coal. If I had the time I would give the amount saved to the farmers on each of these articles, as I have on binding-twine, but time will not permit; however, I will say in passing that the savings to the farmers on these several items that I have mentioned will amount to millions of dollars annually.

Mr. Chairman, I did not take the floor to speak on the tariff, but rather to submit some remarks to the House on the income tax, which I will now proceed to do. Without taxation in some form governments could not exist.

There are many forms of taxation, as direct and indirect taxes, inheritance tax, stamp tax, account tax, legacy tax, succession tax, excise duties or tax, and an income tax. I have not time to explain all these different forms of taxation, but if the taxes are laid for governmental purposes they all simply mean a different means of getting money from the citizens into the public treasury and can be defined as "The enforced proportional contribution from persons and property levied by the state by virtue of its sovereignty for the support of government and for all public needs."

Every patriotic citizen is willing to admit that the Government must and should have sufficient money to pay its expenses economically administered. And nearly every citizen is willing to go further than this and say that they are willing to pay their just proportion of all the expense of the state and nation, but the trouble seems to be to reach an agreement as to what is each citizen's just proportion. It is utterly impossible to reach this conclusion by the citizens themselves by mutual agreement. So in order to settle the vexed question, the state must take

charge of the matter itself and indicate by law what the proportion shall be on person or property. These four fundamental principles of taxation I think are axiomatic, namely:

First, that all persons should contribute to the support of the Government in proportion to their respective abilities. Second, that the amount of tax should be known definite and not arbitrary, incalculable, or changeable. Third, that every tax shall be levied in the manner and at the time most convenient for payment; and fourth, that the tax shall exceed by as small amount as possible the sum which actually reaches the Treasury.

The correctness of these principles can not successfully be disputed. They are the Ten Commandments and the Golden Rule of taxation. Among the modes of taxation there are two in common use in this country, namely, direct and indirect.

Direct taxation is the manner in which taxes are raised to bear the expenses of our several State governments. In the several States taxes are levied directly on the property, real and personal, of the citizen and each must pay in proportion to the value of the property he owns. The fault found with this system, and I believe the only defect in it, is that money and choses in action go into hiding and do not bear their fair proportion of taxation; otherwise we hear very little complaint of the direct system of taxation, especially when the expenses of the State are kept within proper bounds. Indirect taxes are those collected by a tariff on importations either on the ad valorem or specific plan.

This is a tax on consumption, and in every country where tried it has led to great dissatisfaction, because it necessarily leads to discrimination for or against certain classes. It violates the first principle or maxim of taxation which I have mentioned, in this, that the subjects of every State ought to contribute to the support of the Government as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the State. In the observation and neglect of this maxim consists what is called the equality or inequality of taxation; and, second, the tax that each individual is bound to pay ought to be certain and not arbitrary. The time of payment, the manner of payment, the quantity to be paid ought to be clear and plain to the contributor and to every other person. Now, duties and imposts, which are described as indirect taxation, violate both of these principles. To illustrate, the duty upon women and children's dress goods, according to the provisions of the McKinley bill, is 12 cents per square yard and 50 per cent ad valorem.

In the fiscal year ending June 30, 1891, \$5,280,841 of such goods were imported into this country. The duties on these goods amounted to \$5,423,422 and were equivalent to an ad valorem rate of 102.70 per cent. The importers of these goods paid the United States Government in duties and imposts a sum greater than the purchase price, and simply added \$5,423,422 to the selling price of the goods; and the millions of consumers who purchased the goods paid to the retail merchant, in the increased price of the goods, the duties which had been imposed.

Recurring to the rule of equality, that the aggregate amount which each individual pays in taxes ought to be in proportion to his ability to contribute to the revenue of the State, let us see what injustice in practical results this system of indirect taxation inflicts. A poor mechanic with a family of five persons to support, and receiving for his labor \$2 per day, out of his scanty wages must purchase these imported woolen goods; and actually pays to the Government, as his portion of the duty of \$5,423,422, as large a sum, perhaps, as the Fifth Avenue millionaire. What is true of the duties paid upon imported woolen goods is also equally true of all dutiable imports. The average duty on dutiable imports under the McKinley bill is about 57 per cent, and aggregates in a grand total over \$200,000,000 per year. And this great burden of taxation falls, to a great extent, not upon property, but upon persons—the fathers, mothers, and children of the poor.

Taxation under Mr. Wilson's rule, and under the plainest principles of justice, should mean an equality of sacrifice. But taxation for the support of our National Government under our system of duties means, in fact, that the millions of wage-earners without property and the millions of farmers staggering under burdens too heavy to be borne, must pay from their scanty incomes the cost of the most extravagant government on the face of the earth, while our 4,000 millionaires, owning a considerable per cent of the whole wealth of the country, pay but a fragment of this immense tax for the support of the Government. Under this system of direct taxation the amount which each individual contributes to the expenses of government is regulated solely by his consumption of the article taxed, and can be and is in no way apportioned upon his ability to pay the tax. Manhood is taxed, womanhood is taxed, childhood is taxed. The cravings of hunger and the rigors of winter make

the payment of a tax necessary, while property, which is guarded by the National Government, goes unburdened for that protection.

A system which takes men's money from their pockets without their knowledge is certainly one which encourages insolence and favors corruption.

A system which taxes what we eat and wear and consume in other ways can never be a just tax. The reason they are called indirect taxes is because they are usually paid in the first instance by one person and shifted by him to another. The importer pays the tax at the port of entry in the first instance, and then the taxes are added to the price when sold with all other costs, and the consumer pays all. These indirect taxes roll up and roll up every time they are shifted, and the final burden rests upon the shoulder of the taxpayer.

The English system of indirect taxation was adopted by the Parliament of Charles II by a majority vote of two only, in order to divest the landed gentry of all their feudal obligations to the Crown without touching their privileges, and as a compensation to the state they imposed an excise duty on beer, spirits, wine, tobacco, and numerous other articles. This marked the dawn of our modern system of indirect taxation and the emancipation of the aristocracy from all burdens. There was developed at that day and it still continues a connection between indirect taxation and pauperism. All direct taxation places a limit below which it will not go, which has usually varied in this country between one hundred and five hundred dollars.

But indirect taxation does not discriminate between the last dollar of the poor widow and the income of the millionaire. It raises prices and forces some who are already near the line of pauperism to cross it, and this puts to death the higher aspirations of a class of citizens and lowers the level of civilization. By the system of indirect taxation the collection of taxes is high and it takes and keeps out of the pockets of the people more money than it yields to the Treasury. In the last general election in 1892 in this country the American people declared against indirect or tariff taxation so far as the same relates to protection. In other words, that the indirect system of taxation in this country shall be used for the purpose of revenue only.

The Wilson bill, so far as could be, has been founded on this new theory, and we find that there will be a deficit of revenue to meet the expenses of the Government of several millions of dollars. The revenue of the Government for 1892 was \$425,868,260, and the expenditure was \$415,953,806. Of this revenue, \$177,452,964 came from custom duties, \$153,971,072 from internal revenue, and the balance was made up from various other sources. Now, in addition to this, the Eleventh Census of the United States exhibits the total sum of tax levies for 1890 by all the States, counties, and minor divisions of States, as having been \$467,921,992, or nearly fifty millions more than all the receipts of the Federal Treasury for 1892.

Of this vast sum \$69,055,706 were levied by States, and \$398,866,706 by minor divisions of the States, and \$125,116,746 was for school purposes. But this vast sum does not yet cover all the money paid out by States and parts of States as expenses, for the reason that in many cases large sums have been obtained by borrowing money by the sale of bonds and otherwise. The grand total would be about \$700,000,000, outside the expenses of the General Government. So the people in this country pay taxes in all to the amount of over \$1,125,868,260 annually. Now, in addition to this, a sum greater than what I have just mentioned goes into the pockets of the protected manufacturers under our robber system of protection.

I am therefore warranted in the statement that the people of America pay in the way of taxes each year \$2,325,868,260, or over \$33 per capita. We pay more taxes than and people on the face of the earth. Our Republican friends insist and argue on the floor of this House that it is a great blessing to pay taxes, and that the amount of taxes we pay is an indication of national greatness. This can not be true. The payment of taxes never was and never can be popular, for the reason that they have their necessity in our fallen condition. Government itself is formed only for the protection of society; to keep one man from injuring his brother man. If we were absolutely just to each other we would need no government. If man had not sinned he would now be enjoying the perennial flowers and ambrosial fruits of Paradise with the King of Kings as his sole ruler.

But it is not so. I am therefore protected by human government and I am taxed to support the man in prison in idleness who would take my life, and I am taxed to pay the policeman who keeps the burglar from breaking into my house at night. Constables, sheriffs, marshals, courts, jails, and penitentiaries are not blessings, and yet they are necessary for the government of society, and we must pay taxes to meet such expenses, and every just man should be willing to pay his proper proportion, and that would be same proportion that his property bears to

the whole property of the people, and I think that this sentiment commends itself to every man's sense of what is right and just. When we arrive at the conclusion that a tax is just we can then rely with confidence that no argument against it will be availing. "For justice all places are temples, and all times summer."

It is not taxation, however, that we are complaining of, but of unjust taxation. Every great conflict for human liberty among our English-speaking people has arisen from unjust taxation. Even the children of Israel were cursed by this sin and Jeroboam thereby lost his kingdom. Liberty and unjust taxation never go hand in hand. Liberty has no crueller enemy than unjust taxation. Liberty is God's gift to man, and the right to tax one man for the benefit of another man is the work of the devil. Liberty is of more value to the American people than all the iron works of Pennsylvania or the manufacturing industries of Massachusetts.

It is liberty and liberty alone that gives us all for which life is to be valued, and they who are willing to give up essential liberty for the privilege of taxing their fellow-man in order to enrich themselves, do not deserve either liberty or safety. No country can be free that puts a custom policeman in all its custom-houses and under a protective-tariff law authorizes him to put his hand in the pocket of one man and take therefrom from 100 to 500 per cent of his means and give it in bounties to some other man. This is done every day in this country under our protective system.

During the rebellion we put a blockade along the coast of the Southern States to cut off their foreign trade and starve them into submission; we now put a line of custom-houses on the same coast to cut off the same trade by taxation in order to enrich that part of the country. We give bounties to steamships to encourage foreign trade, and we pass tariff laws to prevent importation. We grant patents for new machinery in order to make things cheap, and then pass tariff laws to make them dear. We do all we can to annihilate time, distance, and all other obstacles to foreign trade, and then we pass a law fining a man from 100 to 500 per cent for importing foreign goods into this country, and still we call this a free country. "Oh, Liberty, Liberty! how many crimes are committed in thy name?"

But, Mr. Chairman, I must return to the subject in hand. I stated that when the bill under consideration becomes a law it is estimated that there will be a deficit of revenue below the annual expenses of the Government of from \$30,000,000 to \$40,000,000, and the question is how shall this sum be raised?

The plan proposed by the Ways and Means Committee is an income tax of 2 per cent on all incomes over \$4,000. It is estimated that this tax would amount to somewhere between \$30,000,000 and \$40,000,000 annually.

Mr. Chairman, I am heartily in favor of this form of taxation. I regard it as eminently just and equitable and, beyond cavil, constitutional. I regard an income tax as the best form of direct taxation. A direct tax on real estate would mainly fall on the farmers; and I think that would be unjust, as the farmers have been plucked now of almost every feather by the protected monopolists. It may not be proper to call an income tax a direct tax, as the Supreme Court of the United States has decided that such a tax is not a "direct tax" within the meaning of the Constitution (102 United States Reports); but when the measure becomes a law it may be regarded as quite direct by those who will have the tax to pay. There was an income tax in England from 1798 to 1816, when it was repealed; and in 1842 when England repealed her corn laws and gave free bread to her people the income tax was reenacted and has been in force there ever since, by which there was realized in 1892 \$66,000,000. It is levied by the men who pay it, and they agree that there is no more equitable mode of raising revenue to pay the expenses of the government.

We had an income tax in this country from 1861 to 1872, and there was collected under it \$376,293,000. The amount collected for the year 1869 was \$34,229,893.32, and it gave a yearly average income of over \$30,000,000, which is about the amount of taxes it is expected will be raised by the present law if it is passed.

The tax of that period was more burdensome than that now planned. Instead of all incomes under \$4,000 being exempt, it was levied upon incomes of \$600 and upward. In one respect, being graduated, it was superior to the one now under consideration. During the first three years of its operation incomes of from \$600 to \$10,000 were taxed at 3 per cent; on incomes above \$10,000 the tax was 5 per cent. It 1865 the rate was simplified and increased; incomes from \$600 to \$5,000 paid 7½ per cent.

In 1868 the exemption was raised to \$1,000 and in 1872 to \$2,000. There is a decided difference between a measure which takes 3 per cent of the income of a man earning from \$600 to \$1,000 a year and one which gives immunity to all having incomes of less than \$4,000 a year and imposes only 2 per cent tax upon those in excess of that figure. The one may properly be termed burden-

some; the other lays but a light load upon those best fitted to bear it. Whatever the conditions were twenty years ago or may be twenty years hence in regard to modes of taxation, I think there is nothing clearer than that the present time is an opportune occasion for an income tax. We are confronted with a deficit of revenue, and the question is presented whether it is best to put a light income tax on the rich man's income or to tax the poor man's sugar.

Is it not more just that a man with an assured income of over \$4,000 pay a small tax on the excess than that the poor man who labors for a dollar a day pay a large tax on all his and his family's necessary wearing apparel? Is it not better to put a tax on wealth than on poverty, on affluence than upon want, on what we possess rather than on what we must buy? We have a tariff tax on consumption. In order to live under a tariff tax a laboring man is compelled to use at least 90 per cent of his income or earnings to support himself and family, while the rich man is able to support his family on less than 5 per cent of his income. Where is the justice or where is the right in such a law? Now, when it is proposed to equalize burdens "just a little" we hear it said that the country will be ruined. A century ago the almost universal conviction in our country was that the true measure of one's ability to pay taxes was the aggregate value of his realty and personalty situated within the jurisdiction of the taxing State.

The Government or State must protect a man's property as well as his person, and the revenues of the Government must be used for that purpose. We must have taxes. The quiet of nations can not be maintained without arms, nor can arms be maintained without pay, nor pay without taxation. Which, then, is the greatest burden to the Government, the protection of property or the protection of human life? Jay Gould's estate owns a railroad from New York to San Francisco, and in every city across the country for 3,000 miles police officers are employed at public expense to protect that vast property. How much does it cost to protect the laborer in his cottage who sleeps with unlocked doors because there is nothing in his humble home for the thief to steal and carry away? An examination of the statistics of the costs of the courts shows that 95 per cent of all costs incurred is in the defense of property and but 5 per cent in defense of persons.

Why, then, should the poor man be taxed to protect the property of the rich? Let us take for example the loaning of money; what property depends more on the protecting arm of a government and the enforcement of law and order than a loan? And yet the loans and the money-lenders never pay a dollar of the Federal tax on this very property. Of the vast farm-mortgage debt of this country, now about \$6,000,000,000, not one cent of taxes is collected from that property for the use of the General Government. Many of these mortgages will be foreclosed in the courts of the country, and sheriffs and marshals will be called upon to dispossess the landowner and put the mortgagee in possession, and while the parties pay a part of the fees yet a great part is borne by the State or General Government.

Take our 170,000 miles of railroad worth \$9,829,475,015, of which the net income from operating is per annum \$364,873,502, yet all this vast wealth does not pay a single dollar in taxes to support the General Government. When you take into account the police protection given by all the States and the General Government at public expense to protect this property from damage; the number of persons arrested, tried, and committed to jail by our courts the expense is simply enormous. And so of all other wealth it bears no part in the expenses of the General Government. To any fair-minded man this is manifestly unjust. It is simply an outrage; a crime. Our present system of indirect taxation is an unjust and oppressive burden upon the poor and is felt disastrously by the daily toiler and bread winner.

As the tariff is now operated under the McKinley law the workman pays a tax on his tin bucket and a tax of 300 per cent on the clothing of his family and 90 per cent on the glass in his cabin window. He pays these taxes to build up the fortunes of a few privileged classes who are willing to be taxed on their visible property so long as their enormous incomes derived from protective industries go untaxed.

But, Mr. Chairman, it is not necessary for me to speak further on the question of direct taxation. The robber tariff system has been condemned by the voters of this country, and it will never prevail here again. Whatever deficiency there may be in the revenues of the Government must be made up in some other form of taxation, and there is no scheme better than taxing incomes. England taxes all incomes over \$750, and it is made obligatory upon persons subject to the tax to make a return as to the amount of their incomes. The penalty for neglecting or refusing to make such return is \$100 fine and a triple tax on the income.

The various states of the German Empire impose income taxes,

but the Empire has none. Prussia has had an income tax since 1851. The tendency of late years in Prussia has been to reduce it on great ones. All incomes under \$250 are exempt. The rate is graduated, beginning with 1 per cent on large ones. The total sum realized from these taxes last year was \$31,210,712.

Bavaria has had an income tax since 1860. It is graded according to the amount of incomes. The annual yield for last year was \$555,009. The Kingdom of Wurtemberg has had an income tax since 1820. The present rate is about 4 per cent. The Grand Duchy of Baden has imposed an income tax within recent years. The rate is 2 per cent on all incomes over \$125. The entire yield for 1891 was \$1,425,000. Bremen has an income tax varying from year to year. Last year the rate was 4 per cent with an addition for incomes over \$150. Austria collected about \$10,000,000 last year from an income tax. The tax is divided into three classes, according to the amount of the income. The rate varies from 7½ per cent to 20 per cent. The Italian Government realized \$45,000,000 from its income tax last year. The rate is 12 per cent, and covers incomes derived from all sources except lands and buildings.

Switzerland has a complex system of taxing incomes. An income of 100,000 francs pays almost 8 per cent; but an income of 2,000 francs pays only 1 per cent. About three-fourths of the entire revenue of Switzerland is raised by a direct tax on incomes and property. And so the law of still other nations might be cited as a warrant for taxing incomes; but it is not necessary, because the condition of no country in the world bears any comparison to the conditions existing in this country at the present time. Since the dawn of civilization there has been no country under the sun where princely fortunes have been accumulated as rapidly as there has been in this during the last thirty years.

The American Statistician places our annual income at \$7,100,000,000, and every person knows that this income is confined to a very few of our people. The same authority gives us the daily income of the principal rulers of the world as follows: The Emperor of Russia, \$25,000; Sultan of Turkey, \$18,000; Emperor of Austria, \$10,000; Emperor of Germany, \$8,000; King of Italy, \$6,400; Queen Victoria, \$6,300; King of Belgium, \$1,640; President of France, \$500, while the President of the United States gets \$137.

So it will be seen that our Vanderbilt and Gould each receive a daily income six times greater than the Queen of England.

I wish now to compare the private fortunes in this country with those of England, which is the richest country in the Old World.

The Rothschilds are estimated to be worth \$17,000,000, Earl Dudley \$20,000,000, the Duke of Buccleuch \$30,000,000, Baron Overstone \$17,000,000, the Marquis of Bute \$30,000,000, the Duke of Norfolk \$40,000,000, and the Duke of Westminster \$50,000,000.

Now, in this country the estate of the Vanderbilts before it was divided was estimated at over \$400,000,000, and that of Jay Gould at \$200,000,000, the Rockefellers combined wealth is estimated at \$200,000,000, Drexel, Morgan, and Field are each estimated to be worth over \$25,000,000, and so the individual name of many more millionaires in this country might be given, but I will not consume the time of the House, but will content myself by reading from the public press the following statement which I have no doubt every gentleman in the House has seen. It shows how the wealth of the country is distributed by families:

70 families worth.....	\$2,625,000,000
90 families worth.....	1,025,000,000
180 families worth.....	1,440,000,000
135 families worth.....	968,000,000
360 families worth.....	1,656,000,000
1,755 families worth.....	4,035,000,000
6,000 families worth.....	7,500,000,000
7,000 families worth.....	4,550,000,000
11,000 families worth.....	4,125,000,000
14,000 families worth.....	3,220,000,000
16,500 families worth.....	2,722,000,000
50,000 families worth.....	5,000,000,000
75,000 families worth.....	4,500,000,000
200,000 families worth.....	4,000,000,000
1,000,000 families worth.....	3,500,000,000
2,000,000 families worth.....	4,000,000,000
9,620,000 families worth.....	7,215,000,000
13,002,090 families worth.....	62,082,000,000

This table is further condensed into four classes:

182,090 families worth.....	\$43,367,000,000
1,200,000 families worth.....	7,500,000,000
2,500,000 families worth.....	5,200,000,000
9,120,000 families worth.....	6,015,000,000
13,002,090 families worth.....	62,082,000,000

The sum of this whole matter is that about thirty thousand persons own one-half the wealth of the United States, while fifty million persons will not average over \$155 each.

And if you will examine these figures a little further you will find one-half of our families are worth less than \$200 to the

family, or thirty-two million persons worth less than \$40 each; simply a few weeks ahead of the poorhouse.

Mr. Chairman, how has this unequal distribution of wealth in this country come about? How did our millionaires come into possession of their wealth? By labor? No. How long would it take a man to make \$200,000,000 by labor at the present rate of wages? Only about six hundred and sixty thousand years; but I suppose it will not be claimed that any of our millionaires have lived that long. I have seen it stated in the public press that if Adam had been employed the day he entered Eden at \$25,000 per annum, and had lived on apples and clothed himself in fig leaves during all that time, he would be worth only \$150,000,000 now.

No, Mr. Chairman, the millionaires of this country have not all earned their wealth, but the law has given them the power to rob the toiler and producer, and the massing of their fabulous fortunes have been demoralizing on our free institutions beyond the computation of mortal man. I am no communist nor a socialist. I believe in the right of labor and the accumulation of property, and I believe in the rights of man independent of property. Every man who works with hand or brain and succeeds in accumulating a competency, or even a fortune, is entitled to the favorable consideration of mankind.

The architect, the overseer, the merchant, the trading classes, the carriers, writers, speakers, teachers, preachers, and all those engaged in legitimate callings are necessary to the well-being of society and are each entitled to the reward of their labor. Whoever contributes to the welfare of society earns his wages. Whoever contributes to the general good and increases the general stock of food, clothing, shelter, or advances the intelligence, happiness, morality, or health of the people is a producer of wealth. The manufacturer who builds a mill and furnishes goods cheaper than others may become wealthy, while all who purchase of him will share his prosperity. Such a man merits respect for his energy and enterprise. Great intellectual force combined with great physical endurance is productive of wonderful results when directed in a proper direction, and the interest of a whole community is advanced by the success of such a person.

Mr. Chairman, I know a gentleman in St. Louis who receives \$15,000 per annum for his services for the reason that he possesses superior knowledge of linens. I know another gentleman who gets \$20,000 per annum for his services in the sale of tobacco because of his superior ability in that line.

All such men are a blessing to the community, but such men can never become millionaires; millionaires are not made in that way. Wealth acquired honestly comes gradually and is the result of economy and wisely directed industry. The work of such accumulation benefits mankind and purifies morals.

But how about the persons who through fraud secure the passage of a tariff law that gives them a monopoly of the nation's trade and enables them to demand an advanced price from all the people while they import pauper labor to perform the physical tasks? Is that an honest way of making money? The man or combination that plans a "corner" on the farmer's wheat and scoops in their millions are called gentlemen, while the poor man who steals a loaf of bread to feed his starving family is called a thief. The great syndicate that squeezes a railroad and throws it into the hands of a receiver, or buys it on fraudulent mortgages or bonds at 20 cents on the dollar and then issues to the members of the combination five times the value in stock and then sells the shares to the people at par, does not come by its money honestly.

A telegraph line with a right to make charges that will insure a net profit of 10 per cent, will water its stock up to 500 per cent and then raise its charges so that it can declare a dividend on this watered stock, does not come into possession of its wealth honestly. The railroad lines that reach across the continent and branch out in all directions, gathering the product of farm and shop by a system of pooling and combining, and gather the profits of all productive industry, do not earn their money honestly.

The Standard Oil trust that has violated the laws of God and man in its combination to control the oil output of the world and make the laborer pay a double price for his oil in order to enable that corporation to amass its millions; does any person suppose that its methods were honest? The same thing can be said of the thousand other trusts and combines formed in this country during the last quarter of a century by which labor was robbed of its reward. Labor produced all the wealth of this country, and if the laws were as they should be labor would today possess that wealth. But what are the facts? It is claimed on good authority that the great mass of producers, those whose energies and sweat brought this wealth into existence, have but one-fourth of it to-day, while those whose hands were never soiled by toil have the other three-fourths.

I saw it stated in the public press last week that 9 per cent of

the people of this country own 70 per cent of the wealth, and I believe that this statement is correct. Then the conclusion is that idleness has wealth and industry poverty. One idler has \$200,000,000, and 3,000,000 laboring men are fed at the soup kitchen. One thousand of the nonproducing class control nearly one-half the wealth of the nation, while 15,000,000 of the producing class are hardly a month's wages ahead of want. But the gentleman from New York [Mr. COCKRAN], who is leading the opposition to the income tax on this floor, says that "wealth can take care of itself."

If this is true, Mr. Chairman, it might be interesting to know how it does it. Wealth hides itself behind the serried ranks of the Army with fixed bayonets; behind the law, the police, and militia. But who pays the taxes for the support of the Army, the police, and militia? Clearly the laborer of the country, and the wealth of the country, like a "deadhead," refuses to pay a single cent.

My countrymen, the times demand a change; wealth must stand up and bear its part of the burdens of government with the American free citizen. Every democracy on earth since the democracy of Athens down to the present time has had an income tax, and nearly every writer on economic law lays down the doctrine that an income tax is the most just and equitable system of taxation known to government. The wealth of this country is now about \$66,000,000,000, and this bill proposes to impose a tax of 2 per cent on incomes over \$4,000 of all individuals and the net income of all corporations.

There can be no hardship in this small tax, which does not amount to one-tenth of the taxes that must be raised by the Government. This tax can be collected with less expense to the people than any other tax. The cost of collecting the internal-revenue tax is 2.6 per cent. The income tax can be collected for 1.8 per cent, while it costs the people about 80 per cent to collect the tariff tax, for while one dollar goes into the public treasury four dollars go into the pockets of the protected manufacturers under our protective system. The Treasury Department has estimated that this income tax will not affect over 85,000 persons, and therefore the opponents of this tax claim that it is not Democratic, but is class legislation. A greater mistake was never made in the world.

What is the test of Democracy? It is very simple. Whatever is right is Democratic and what is not right is not Democratic. An income tax is right, therefore it is Democratic. Is it class legislation? No. What is a tax? Class legislation? It is when the law taxes all the people or a part of them for the benefit of a smaller number. This income tax is not levied for the benefit of any person or class, but every dollar of it goes to the Government and is in exchange for the protection the Government gives to wealth.

I have said before that the Government must protect every man in his life, reputation, and property. Ninety-five per cent of the expenses of the Government is used for the protection of property, and yet we find that wealth is unwilling to pay even the trifling sum of 2 per cent for its protection, but insists that labor must pay it all. Sirs, I am tired of hearing this wall about the "vested rights" and the "sacred rights of property." Away with such nonsense. I want to hear something about the sacred rights of the people, the sacred rights of manhood and womanhood, the right to live, and the right of the people to educate their children and enjoy their homes and the blessings of liberty in this so-called free land of ours. It is estimated that about \$7,000,000 of the income tax under this bill will be paid by railroad corporations. Has any person assigned a good reason why those corporations should not pay something to the Government in the way of taxes?

The railroad companies accept from the State their franchises which enable them to do business. These franchises are now very valuable and the average earnings of railroads is greater in the United States than any nation in the world. Then add to this the further fact that the railroads in this country have the right to tax all the people in the country, for freight charges are practically a tax which, like a tariff tax, follows the commodity from the producer to the consumer. And in many cases, if not all, these charges are arbitrary and unjust, and is therefore an arbitrary and unjust tax imposed upon the public without its consent. Why, therefore, if the railroads have the right to tax the people (and they have), why should not the people have the right to tax the railroads?

It is a well-established rule of society that law should be just and equitable to all citizens. The gross earnings of our railroads per annum are \$1,096,761,395, and the operating expenses \$731,887,893, so it will be seen that if the water was wrung out of the watered stock of the railroads of the country there could be a dividend of from 15 to 20 per cent paid on the investment per annum. A tax of 2 per cent on the incomes of railroads is manifestly just, and this is also true of the incomes of all other cor-

porations in this country. In fact, it is thought by many that the corporations of this country should pay the greater part of the taxes of the country for the valuable franchises they hold from the public, and I favor an increase of the income tax on corporations.

In fact, Mr. Chairman, I think a graduated income tax would be better than the one now proposed, and hope that in this respect the pending bill may be amended so as to increase the tax on large fortunes and wealthy corporations. All vast fortunes are a misfortune to the State or nation. Wealth confers irresponsible power, and there are few persons capable of exercising such power. The power of money is as imperial as the power of the sword. A man will die from starvation just as certain as from the bullet. The millionaire is as dangerous to the welfare of the community as the king. Under the reign of force or under the reign of money, here and there a good man uses his power for blessing and not oppressing the race; but all their natural tendencies are exclusively bad. There is no society however free and democratic, where wealth will not create an aristocracy, and wherever there is excessive wealth there is also in its train excessive poverty. Millionaires and tramps are both a curse to society, and the former always begets the latter.

Mr. Speaker, I have often heard it said that if the wealth of America were all divided equally among all our citizens it would be but a few years until the greater part of such wealth would be again in the hands of the few. I deny the proposition if the law would create no favored classes. I am willing to admit that all men are not born with equal ability or capacity to make money, but this does not prove why 9 per cent of the people of this country should own 70 per cent of the wealth. How have the vast fortunes of the world been acquired? Not all, but nearly all of them through fraud, oppression, and wrong. The enormous estates in England were collected through the abuse of the taxing power, the shameful sale of special privileges by the crown, the laws of entail or primogeniture and feudalism.

There are great estates in old England and many millionaires, but in New England we more than double their holdings. Where has this condition of things placed the common people of England? They are bowed down with taxes; they work for life and thank God even for that poor blessing, while women and children unceasingly beg for bread. What is the condition in this country? I need not mention it; the daily papers tell the mournful story of want and the displacement of labor. Labor produced more wealth in this country than there is in any country in the world. But those who produced it do not enjoy it, while those who produced nothing own and enjoy all.

The most fabulous fortunes ever possessed by man has grown from nothing in this country in the last twenty years. Our country is laced with a network of railroads, our mines developing at a rapid rate; we have more great manufactures and shops than any other land; we have a virgin soil and greater evidence of a country's capacity to feed, clothe, and house a greater population and to cluster about each home the blessings of a highly civilized life than were even enjoyed by any people in any age of the world. But what is the result? We see that a few persons have grasped the profits of all industry, and the most gigantic robbers that ever existed hold with a firm grip the political and industrial forces of the nation.

The great mills, factories, and shops of the country are held by monopoly, and are closed more than half the year and the men turned from employment empty-handed. Our tariff laws have annihilated our commerce and driven the American flag from the seas; the circulating medium is contracted and controlled by banks and speculators, the bankers from New York and other parts of the country in Congress voting to repeal the purchasing clause of the Sherman act so as to contract the currency and put money in their own pockets and to compel the poor debtor to pay double the amount he now owes. We see as a result of all this that agriculture is prostrate, the farms plastered over with mortgages, the public lands owned by a few favorites, competition abolished, and prices fixed by the McKinley bill.

Never in all the cruel history of the world did barbarous and bloodthirsty kings win more by the sword than has the pampered aristocracy snatched from this generation, and never were kings more despotic than the holders of these vast fortunes in America to-day. They refuse to pay the paltry tax of 2 per cent for governmental protection, and even go so far as to say that if the tax is imposed they will evade the provisions of the statutes by committing perjury. That is, the gentlemen on this floor who speak for the wealth of the country, and represent it, say that if this income tax becomes a law it will lead to perjury. Perhaps that is true to some extent. Men who have accumulated their fortunes by robbery will have but very little conscientious scruples in order to preserve such fortunes to commit perjury even for the trifling sum of 2 per cent.

Gentlemen who make this charge in order to defeat the passage of this law understand, I presume, what they are saying and who they represent. But if the charge was made against the people whom I represent, that they would evade the payment of a just tax by committing perjury, I would denounce it as a falsehood and would be ready to resent the insult with a blow.

Sirs, there is no justice in the plea that the passage of an income tax would lead to perjury. I have no fears on that ground. Under our robber-tariff system there was a license granted by the Government to rob the farmers and laborers of the country, and from such robbery there was no chance to appeal to the courts.

But we have no license yet for perjury, and the people of this country will see to it that the laws are enforced, and if these tariff barons think it will be safe to commit perjury to avoid paying a just tax, they may find themselves robed in a felon's stripes and incarcerated in a felon's cell. Every just citizen should be willing to pay his just proportion for the expenses of the Government, and the rich requiring more protection than the poor, should be willing to pay more than the poor. Every person should pay something to the Government. Christ himself, when on earth, paid taxes to show his desire to comply with human government although he had "not where to lay his head." And he approved the conduct of the poor widow who threw into the treasury her two mites although it was "all her being." The Holy Scriptures clearly teach that "where much is given much is required," and the human government should be a miniature of the Divine government.

I regard the income tax the fairest form of taxation, for it makes every one contribute to the wants of the state in proportion to the revenue he enjoys under its protection. While falling equally upon all, it occasions no change in the distribution of capital or in the material direction of industry and does not raise prices. No other form of taxation brings home to the people so forcibly the fact that it is to their interests to insist on a wise and economic administration of the Government. Then again this tax can easily be increased or diminished from year to year without disturbing the interest of business in order to meet an increase or deficiency in the public revenue.

Nor does the fact that all individual incomes under \$4,000 are exempt from the operation of the tax militate against its justice. All exemptions of incomes under \$4,000 are assumed to be consumable incomes and will be used in the support of families. This being so, and the Wilson bill providing for a tariff tax of \$130,000,000, which is a tax on consumption, the \$4,000 exempted will be liable for its just proportion of the tariff duties under the Wilson bill, which still averages 30 per cent. So even under the income tax, wealth does not yet bear its fair proportion of taxation. We should have a graduated income tax that would yield yearly nearly \$100,000,000 and not \$30,000,000, as is provided in the bill which we are about to pass.

It is claimed that an income tax is inquisitorial, and therefore is undemocratic. Not at all. The truth is that it is less inquisitorial than any other form of taxation. Under our tariff system, at the port of entry trunks are unlocked and searched, boxes and packages broken open and examined, ladies and gentlemen taken into private rooms, denuded, and their hair, ears, and mouths examined, and sometimes their clothing ripped and searched, and their pocket-books examined. Is this inquisitorial? Then, again, in the collection of the internal revenue the country is full of spies and informers, and the property of the citizen is seized and taken from him even before he has a trial by judge or jury, and the farmers of the country are watched like pick-pockets for fear they would give an extra twist to their tobacco, which they raised themselves, before they put it on the market.

Then take our State tax. When the assessor goes around he carries, with him a schedule as long as the moral law, and every farmer must tell him the number of hogs, horses, cows, mules, chickens, and all such things that he has, how many sewing machines, watches or clocks, bed and bedding, etc., money in bank, bonds and stocks, etc. Then he is required to sign and swear to this statement. In the eyes of our gold bugs there is nothing inquisitorial about this. But when the law provides that when a person has an income over \$4,000 and that he shall furnish the officer of the Government with a sworn statement of his income, this and nothing more, then the cry goes up that this is inquisitorial and impudent.

Gentlemen do not listen to this false clamor. The great Democratic party has decreed that the wealth of this country must bear its just proportion of taxation and this decree must be executed. The Democratic party has further adjudged and decreed that all taxes collected from the people shall go into the public Treasury and no more money shall be collected from the people than is necessary to pay the expenses of the Government economically administered. Every promise we made to the

people on the hustings must be redeemed in the halls of legislation.

Millions of oppressed laborers and farmers await the passage of the Wilson bill and the income tax with anxious solicitude and hope. This measure will go forth like a bright angel of God to unbar our imprisoned commerce and to restore our flag to every sea; to open new channels of industry to labor and open the markets of the world to our farmers; to pour a flood of light, food, and love into the dreary homes of the sons of toil the world over.

But the passage of this bill will not complete all our labors. We must go on until we repeal every class law which blackens our statute books and which secured their enactment through falsehood and fraud. We must divorce the Government from Wall Street and swell the circulating medium to the necessities of the business of the country. We must restore silver to its rightful place among the money metals of the nation.

We must reform the civil service so that more persons who are in harmony with the Administration and who voted the Democratic ticket and put that party in power in 1892 shall hold the offices, so that the work of reform shall be more efficiently carried forward.

The accomplishment of this grand mission is the work of triumphant Democracy. Nay, more, it must wrench the standard of progress from avarice, greed, and centralism and lead this nation to a glorious future that will pale the luster of all nations of all ages. [Applause.]

Mr. RYAN. Mr. Chairman, I desire at this time to earnestly protest against the manner in which the question of an income tax has been brought before this House.

I desire, sir, to protest as a life-long Democrat, representing a constituency as steadfast in its loyalty to Democracy and its principles as any district in the Union. I do not intend to discuss the merits or the demerits of such a method of taxation at this time, but I beg gentlemen to remember that never before in the history of our party has it been seriously proposed to make it a dogma of Democratic faith; and I believe, sir, no matter how we may severally regard it, that to attempt at this time and in this manner to measure a man's Democracy by such a test is a blunder that is worse than a crime.

Sir, after thirty years of agitation against the principle that underlies the whole system on which Republican tariff taxation is based, the Democratic party at last, in obedience to the mandate of the people, proceeded to carry into effect its pledge to reform the customs laws in accordance with the demands of an enlightened public sentiment.

In doing its work it naturally, and we may say necessarily, encountered the opposition of the united interests that were interfered with, and also that dislike for change which is just as inherent in nations as in individuals. Nevertheless, by its representatives in the people's House it proceeded steadily and irresistibly to perform the task committed to its charge. Hardly more than a murmur of opposition was heard in its ranks against the bill which the Committee on Ways and Means submitted as the result of months of careful and deliberate consultation. Whatever sacrifices were recommended by the committee as necessary for the general welfare were ungrudgingly offered on the altar of the promised prosperity of the country.

Suddenly, by a mere and accidental majority of the Democratic members of the committee, a new and totally unlooked-for measure was brought into the House which, though irrelevant to the main, the supreme question before the country and repugnant to a large portion of the Democratic party, it has been determined by a majority of this committee shall be passed, or the hopes of the nation for tariff reform, on the point of realization, shall be wrecked.

Sir, for the consequences to follow such a rule-or-ruin policy let those who have projected this unwelcome question be held to an accountability; and I believe, sir, that the people will follow with swift and condign punishment those who, for the sake of the satisfaction to be achieved by forcing a protesting minority to accept a measure disapproved by their judgment, would willingly jeopardize the fruits of repeated Democratic victories.

As a Democrat, on behalf of Democrats, I protest against such an un-Democratic policy by so-called Democrats. [Applause.]

[Mr. CAMINETTI addressed the committee. See Appendix.]

[Mr. KRIBBS addressed the committee. See Appendix.]

[Mr. BROOKSHIRE addressed the committee. See Appendix.]

Mr. TALBERT of South Carolina. I move that the committee rise.

The motion was agreed to.

The committee accordingly rose; and Mr. BROOKSHIRE having resumed the chair as Speaker *pro tempore*, Mr. ENLOE,

Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 4864) to reduce taxation, to provide revenue for the Government, and for other purposes, had come to no resolution thereon.

Mr. HAINES. I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 11 o'clock and 20 minutes p. m.) the House adjourned until 11 o'clock a. m. tomorrow.

REPORTS OF COMMITTEES ON PRIVATE BILLS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

By Mr. GORMAN from the Committee on Military Affairs: A bill (H. R. 3275) for the relief of the owners of the schooner Henry R. Tilton and of the personal effects thereon. (Report No. 338.)

By Mr. STONE of Kentucky, from the same committee, in lieu of the bill H. R. 2190, a bill (H. R. 5545) for the relief of Charles S. Hamlin. (Report No. 340.)

By Mr. ENLOE, from the Committee on War Claims, in lieu of the bill H. R. 733, a resolution to refer to the Court of Claims the bill (H. R. 733) for the relief Stephen Moore, administrator of William Hoffer, deceased. (Report No. 341.)

Also, in lieu of the bill H. R. 753, a resolution to refer to the Court of Claims the bill (H. R. 753) for the relief of William F. Gibson. (Report No. 342.)

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills; which were referred as follows:

The bill (H. R. 5519) for the relief of Spencer D. Hunt—the Committee on Invalid Pensions discharged, and referred to the Committee on Military Affairs.

The bill (H. R. 5516) for the relief of Owen Lee, late a private of Company B, Tenth Regiment New Hampshire Volunteers—the Committee on Invalid Pensions discharged, and referred to the Committee on Military Affairs.

The bill (H. R. 5517) for the relief of Abram G. Hoyt—the Committee on Invalid Pensions discharged, and referred to the Committee on Claims.

The bill (H. R. 5518) for the relief of Francis J. Conlan, late private of Light Battery G, Fifth United States Artillery—the Committee on Invalid Pensions discharged, and referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS.

Under clause 3 of Rule XXII, bills and a resolution of the following titles were introduced, and severally referred as follows:

By Mr. O'NEIL: A bill (H. R. 5544) authorizing the construction of a dry dock at Charlestown navy-yard, Boston, Mass.—to the Committee on Naval Affairs.

By Mr. TYLER: A bill (H. R. 5546) to provide for the purchase of the Nelson House, at Yorktown, Va.—to the Committee on the Library.

By Mr. BELL of Colorado: A joint resolution (H. Res. 124) proposing an amendment to the Constitution of the United States—to the Committee on the Judiciary.

PRIVATE BILLS, ETC.

Under clause 1 of Rule XXII, private bills of the following titles were presented and referred as follows:

By Mr. CURTIS of Kansas: A bill (H. R. 5547) granting a pension to Anthony Christy, of Osage City, Kans.—to the Committee on Invalid Pensions.

By Mr. DALZELL (by request): A bill (H. R. 5548) for the relief of Gustav Gade and Henry F. Meyer—to the Committee on Claims.

By Mr. HARTER: A bill (H. R. 5549) for the relief of Perrin H. Cardwell—to the Committee on War Claims.

Also, a bill (H. R. 5550) for the relief of William H. McFarlin—to the Committee on Military Affairs.

Also, a bill (H. R. 5551) for the relief of Emily A. Mann—to the Committee on Pensions.

By Mr. NEILL: A bill (H. R. 5552) for the relief of Henry M. Stone—to the Committee on War Claims.

Also, a bill (H. R. 5553) for the relief of Margaret E. Watkins—to the Committee on War Claims.

By Mr. RANDALL: A bill (H. R. 5554) for the relief of James B. Russell—to the Committee on Claims.

By Mr. SMITH of Illinois (by request): A bill (H. R. 5555) for the relief of the heirs and legal representatives of R. C. Bumpus, deceased—to the Committee on War Claims.

Also (by request), a bill (H. R. 5556) for the relief of Perry P. Powell—to the Committee on War Claims.

By Mr. TYLER: A bill (H. R. 5557) to remit customs duties due on memorial windows belonging to Protestant Episcopal Church of the county of Isle of Wight, Va.—to the Committee on Ways and Means.

By Mr. ENLOE: A bill (H. R. 5558) for the relief of W. E. Mutchum, of Carroll County, Tenn.—to the Committee on War Claims.

By Mr. WILSON of Washington: A bill (H. R. 5569) for the relief of Lieut. Robert H. Patterson—to the Committee on Claims.

By Mr. HAINER of Nebraska: A bill (H. R. 5560) granting a pension to Marian C. Gurney—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1, Rule XXII, the following petitions and papers were laid on the Clerk's desk, and referred as follows:

By Mr. ABBOTT: Petition of A. T. Watts and 69 other members of the bar of Dallas County, against detaching any of the counties of the northern judicial district from the United States circuit and district courts at Dallas, Tex.—to the Committee on the Judiciary.

By Mr. ALDRICH: Petition of Sprague, Warner & Co., and 15 others, wholesale grocers, of Chicago, urging speedy action on the tariff bill, protesting against an income tax, and recommending a duty on raw sugar—to the Committee on Ways and Means.

By Mr. BELDEN: Petition of Avery R. Palmer and 49 others, citizens of Lafayette and vicinity, in the State of New York, in favor of the Manderson-Hainer bill, H. R. 4897, to classify beneficiary publications as second-class matter—to the Committee on the Post-Office and Post-Roads.

By Mr. BELL of Colorado: Resolutions passed by the senate and house of representatives of the Legislature of the State of Colorado, demanding the free and unlimited coinage of silver—to the Committee on Coinage, Weights, and Measures.

By Mr. BLACK of Illinois: Papers in relation to the claim of one McElhanney, of Anna, Ill.—to the Committee on Claims.

By Mr. BUNDY: Petition of W. H. White and 59 others, citizens of Walnut Township, Gallia County, Ohio, representing all political parties, farmers, mechanics, laborers, professional, and business men, protesting against the passage of the so-called Wilson tariff bill—to the Committee on Ways and Means.

Also, memorial of G. R. Goddard, Irvine Dungan, J. L. Galun, Eli Reynolds, and 297 others, citizens of the counties of Jackson and Vinton, State of Ohio, representing all political parties, vocations, trade, and professions, protesting against the issuance of bonds and praying for an increase of the legal-tender issues to 400,000,000, and make them receivable for customs and that they be paid out in the postal service and to pensioners—to the Committee on Ways and Means.

Also, petition of J. C. Porter, W. W. Portland, and 24 others, citizens of Willard, Carter County, Ky., protesting against the passage of the so-called Wilson tariff bill, and especially praying for the retention of the present rate of tariff on lumber and coal—to the Committee on Ways and Means.

Also, memorial of A. W. Kozie, E. G. Moser, and others, lumbermen, of Morehead, Rowan County, Ky., protesting against any change of duty on lumber—to the Committee on Ways and Means.

Also, protest of J. N. Hubbard, S. M. Wylie, and other citizens of Grayson, Carter County, Ky., against any change of the present duty on coal and lumber—to the Committee on Ways and Means.

Also, evidence in support of a bill (H. R. 532) for the relief of John K. Dixon, late of Company K, Eleventh Regiment Ohio Volunteer Infantry—to the Committee on Military Affairs.

Also, petition in support of a bill (H. R. 5172) to authorize the Court of Claims to hear and determine the claim of the heirs of Dudley D. Smith—to the Committee on War Claims.

Also, memorial of J. H. Steele, W. H. Tyvie, and 68 other lumbermen of Olive Hill, Carter County, Ky., protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. CURTIS of Kansas: Petition of the citizens of Council Grove, Kans., in the interest of the fraternal society and college journals—to the Committee on the Post-Office and Post-Roads.

Also, resolution of Council Grove Camp, No. 345, Modern Woodmen of America, of Council Grove, Kans., in the interest

of the fraternal society and college journals—to the Committee on the Post-Office and Post-Roads.

Also, petition of the citizens of Queneus, Kans., in the interest of the fraternal society and college journals—to the Committee on the Post-Office and Post-Roads.

Also, resolution of Florence Lodge, No. 196, A. O. U. W., of Florence, Kans., in the interest of fraternal society and college journals—to the Committee on the Post-Office and Post-Roads.

By Mr. DANIELS: Petition and protest of the manufacturers of woolen and worsted goods, carpets, etc., to the number of 1,150 manufacturers and establishments, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, ten petitions of the Merchant Tailors' National Exchange of the United States, protesting against the reduction of duty on all ready-made clothing and wearing apparel—to the Committee on Ways and Means.

By Mr. DINGLEY: Remonstrance of R. F. Staples and others, of Oxford, Me., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. DONOVAN: Petition of A. E. H. Maerker and 12 other citizens of Napoleon, Ohio, in favor of the passage of the Manderson-Hainer bill—to the Committee on the Post-Office and Post-Roads.

Also, petition of G. L. Shaffer and 94 other citizens of Bryan, Ohio, requesting the passage of the Manderson-Hainer bill—to the Committee on the Post-Office and Post-Roads.

By Mr. DOOLITTLE: Petition of Chamber of Commerce of Seattle, Wash., praying that the duty be retained on iron ore—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of city of Seattle, Wash., praying for retention of duty on coal—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of Fairhaven, Wash., against the passage of the Wilson bill—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of Seattle, Wash., praying that duty on lumber be retained—to the Committee on Ways and Means.

Also, petition of John Crowley and 50 others, protesting against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. DURBOROW: Two petitions of Home Council, No. 400, Royal Arcanum, 238 strong, and others, citizens of Chicago, Ill., in favor of the passage of the bill H. R. 4897, in the interest of fraternal society and college journals—to the Committee on the Post-Office and Post-Roads.

By Mr. GROSVENOR: Affidavits to support the claim of Mrs. James W. Bellah—to the Committee on War Claims.

Also, petition of 88 carpet manufacturers of the United States against the duties on carpets in the so-called Wilson bill—to the Committee on Ways and Means.

Also, petition for passage of Manderson-Hainer bill, H. R. 4897, by citizens of Monroe, Mich., providing for the admission to the mails as second-class matter periodicals published under the auspices of benevolent and fraternal societies—to the Committee on the Post-Office and Post-Roads.

By Mr. HARMER: Memorial of citizens of the city of Philadelphia, Pa., connected directly with the manufacture of toys, protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. HENDERSON of Iowa: Petition of S. H. Serenin and 81 other citizens of Cedar Falls, Iowa, favoring the passage of the Manderson-Hainer bills, S. 1353, H. R. 4897—to the Committee on the Post-Office and Post-Roads.

Also, petition of G. M. Bronson and 15 others, of New Hartford, Iowa, praying for the enactment of a just and equitable service-pension law—to the Committee on Invalid Pensions.

Also, petition of A. E. Cline and 29 others, of La Porte City, Iowa, urging legislation favoring admission to the mails as second-class matter all publications issued by institutions of learning, etc.—to the Committee on the Post-Office and Post-Roads.

Also, resolution of Golden Star Council, No. 488, Cedar Falls, Iowa, favoring the passage of the Manderson-Hainer bills, S. 1353, H. R. 4897—to the Committee on the Post-Office and Post-Roads.

By Mr. HENDRIX: Petition of residents of Brooklyn, N. Y., in favor of House bill 4897—to the Committee on the Post-Office and Post-Roads.

By Mr. HILBORN: Two petitions of the inhabitants of the city of Oakland, Cal., asking for the establishment of a Government telegraph and telephone service—to the Committee on Interstate and Foreign Commerce.

Also, petition of the citizens of Alameda and the inhabitants of the town of Berkley, both of Alameda County, Cal., asking

for the establishment of a Government telegraph and telephone service—to the Committee on Interstate and Foreign Commerce.

By Mr. HOOKER of New York: Petition of 81 residents of South Dayton, N. Y., in support of the bill H. R. 4897—to the Committee on the Post-Office and Post-Roads.

Also, petition of 8 persons, residents of Fredonia, N. Y., in support of the Manderson-Hainer bill, H. R. 4897—to the Committee on the Post-Office and Post-Roads.

Also, petition of 30 residents of Sinclairville, N. Y., in support of House bill 4897—to the Committee on the Post-Office and Post-Roads.

By Mr. IKIRT: Resolution from Council of Royal Arcanum, of Salem, Ohio, asking the passage of House bill 4897—to the Committee on the Post-Office and Post-Roads.

By Mr. LINTON: Petition of the Michigan Lincoln Sheep Breeders' Association, protesting against the removal of the duty on wool—to the Committee on Ways and Means.

By Mr. LOUDENSLAGER: Petition of W. C. Cattell and 15 others of Weonah, N. J., praying that the fraternal and college journals be admitted to the mails as second-class matter—to the Committee on the Post-Office and Post-Roads.

By Mr. MCCALL: Resolution of the board of aldermen and common council of the city of Boston, Mass., in favor of the opening of the navy-yard in the Charlestown district of Boston for the repairing and building of vessels—to the Committee on Naval Affairs.

By Mr. MCDEARMON: Petition of Charles Hentz to accompany House bill 5237—to the Committee on Military Affairs.

By Mr. MEIKLEJOHN: Petition of citizens of Olive Hill and Morehead, Ky., against reduction of duty on lumber—to the Committee on Ways and Means.

By Mr. MUTCHLER (by request): Petition of employers of labor, workingmen, and others, citizens of Mauch Chunk, Pa., against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. NEILL: Resolutions of citizens of Fairmount and Belcher Township, Prairie County, Ark., protesting against any issue of interest-bearing bonds—to the Committee on Ways and Means.

By Mr. NORTHWAY: Remonstrance of O. M. Barnes and 135 others, of Huntsburg, Geauga County, Ohio, against the passage of the Wilson bill—to the Committee on Ways and Means.

Also, remonstrance of H. C. Tuttle and 84 others, of Burton, Geauga County, Ohio, against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. PAGE: Petition of James D. Caswell and 40 others for construction of channel through Conanicut Island, Narragansett Bay, Rhode Island—to the Committee on Rivers and Harbors.

By Mr. PAYNE: Petition of 30 residents of Port Gibson, N. Y., against the passage of the Wilson bill—to the Committee on Ways and Means.

Also, petition of business men of Auburn, N. Y., for repeal of silver-purchasing act—to the Committee on Ways and Means.

Also, petition of citizens of Ledyard, N. Y., for the repeal of the silver-purchase clause of the Sherman act—to the Committee on Ways and Means.

By Mr. PAYNE: Petition of manufacturers and others, of Cortland, N. Y., for the repeal of the silver-purchase clause of the Sherman act—to the Committee on Ways and Means.

By Mr. PIGOTT: Petition of Wood Carvers' Union, of New Haven, Conn., in favor of Senate bill 1136 and House bill 4478 in favor of governmental ownership and control of the telegraph system of the country—to the Committee on the Post-Office and Post-Roads.

By Mr. POST: Petition of 126 legal voters of Peoria, Ill., irrespective of party affiliation, against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. POWERS: Petition of the Grand Lodge of Good Templars of Vermont, praying for a national commission of inquiry into the liquor traffic—to the Committee on Alcoholic Liquor Traffic.

Also, remonstrance of the Vermont Bee-Keepers' Association, against any reduction of duty on honey—to the Committee on Ways and Means.

By Mr. RAY: Petition of citizens of Chenango County, N. Y., for a law regulating the sale of bogus butter—to the Committee on Ways and Means.

By Mr. REYBURN: Petition of the stockholders of Francesville Building and Loan Association, against an income tax—to the Committee on Ways and Means.

By Mr. SCHERMERHORN: Petition of 50 farmers of Florida and Burtonville, Montgomery County, N. Y., for the regulation and sale of oleomargarine—to the Committee on Agriculture.

Also, a petition of 80 farmers of Montgomery County, N. Y.,

asking for a law regulating the manufacture and sale of oleomargarine and butterine—to the Committee on Agriculture.

Also, a petition of farmers of Montgomery County, N. Y., praying for an act regulating the sale of oleomargarine and butterine—to the Committee on Agriculture.

By Mr. SCRANTON: Protest of textile workers and others, of Germantown, Pa., against the proposed tariff bill—to the Committee on Ways and Means.

Also, protest of Wholesale Grocers' Association of Pennsylvania, New Jersey, and Delaware, against putting refined sugar on the free list—to the Committee on Ways and Means.

By Mr. SIMPSON: Petition of J. W. Chandler and 95 others, in favor of the Manderson-Hainer bill, H. R. 4897—to the Committee on the Post-Office and Post-Roads.

Also, a petition of 96 citizens of Dodge City, Kans., praying for the passage of an act admitting as second-class matter through the mails all periodicals of benevolent and fraternal societies—to the Committee on the Post-Office and Post-Roads.

By Mr. SIPE: Petition of members of Conclave No. 164, Improved Order Heptasophs, of Washington, Pa., praying for the passage of the Manderson-Hainer postal bill, H. R. 4897—to the Committee on the Post-Office and Post-Roads.

By Mr. SPRINGER: Memorial of the Union League Club, of Chicago, praying for an additional circuit and district judge for the northern district of Illinois—to the Committee on the Judiciary.

By Mr. STEPHENSON: Memorial and resolutions adopted at a meeting of lumbermen at Morehead, Ky., January 11, 1894, protesting against any change of tariff on lumber—to the Committee on Ways and Means.

Also, memorial and resolutions adopted at a public meeting held at Willard, Ky., protesting against the proposed change in tariff rates on lumber and coal—to the Committee on Ways and Means.

Also, petition of 94 citizens of Bessemer, Mich., in favor of the Manderson-Hainer bill, to secure for fraternal beneficiary press of this country the same rate of postage as is now granted to other newspapers—to the Committee on the Post-Office and Post-Roads.

Also, petition of the members of the Gen S. B. Holabird Garrison, No. 29, regular Army and Navy Union officers of the United States Army, and citizens of Mackinaw Village, Mich., in favor of an act to amend the act of February 14, 1885, relative to the retirement of enlisted men of the United States Army and Marine Corps—to the Committee on Military Affairs.

Also, memorial and resolutions adopted at a meeting of lumbermen held at Olive Hill, Ky., January 17, 1894, protesting against the proposed change of duty on lumber—to the Committee on Ways and Means.

Also, memorial and resolutions adopted at a meeting of citizens held at Grayson, Ky., January 16, 1894, protesting against the action of the Ways and Means Committee in placing coal and lumber on the free list—to the Committee on Ways and Means.

By Mr. VAN VOORHIS of Ohio: Petition of 47 citizens of Stock Township, Noble County, Ohio, protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 61 citizens of Harrison Township, Muskingum County, Ohio, earnestly protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of 15 citizens of Center Township, Noble County, Ohio, earnestly protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

By Mr. WADSWORTH: Petition of I. S. Rackham and others, in favor of the passage of the Manderson-Hainer bill (S. 1353 and H. R. 4897)—to the Committee on the Post-Office and Post-Roads.

Also, petition of citizens of Geneseo, N. Y., in favor of the passage of the Manderson-Hainer bill (S. 1353, H. R. 4897)—to the Committee on the Post-Office and Post-Roads.

By Mr. WAUGH: Petition of 515 window-glass workers, Indiana, against reduction of the tariff on window glass—to the Committee on Ways and Means.

Also, petition of 85 citizens of Tipton County, Ind., against the passage of the Wilson bill—to the Committee on Ways and Means.

By Mr. WHITE: Petition of E. C. Palmer and 32 others, of Cleveland, Ohio, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of Quincy Miller and 25 other marine engineers, of Cleveland, Ohio, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of John F. Fuhrmeyer and 87 other citizens, of Cleveland, Ohio, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of the Worden Tool Company and 10 other manufacturers, of Cleveland, Ohio, protesting against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of William B. Gould and 92 others, citizens of Cleveland, Ohio, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

Also, petition of W. T. Timlin and 23 other citizens, of Brooklyn, Ohio, against the passage of the Wilson tariff bill—to the Committee on Ways and Means.

SENATE.

THURSDAY, February 1, 1894.

Prayer by the Chaplain, Rev. W. H. MILBURN, D. D.
The Journal of yesterday's proceedings was read and approved.

TRUSTEE OF DISTRICT REFORM SCHOOL.

The VICE-PRESIDENT appointed Mr. GIBSON a consulting trustee on the part of the Senate, of the Reform School of the District of Columbia, under section 16 of the act approved May 3, 1876, revising and amending the various acts establishing and relating to the Reform School in the District of Columbia.

RAILWAY TRAFFIC WITH CANADA.

The VICE-PRESIDENT laid before the Senate a letter from the Secretary of the Treasury in answer to the resolution of the Senate of January 29, 1894, directing him to inform the Senate of the number of railway cars and the weight of contents thereof, whether dutiable or domestic, that passed between United States ports or points through the Dominion of Canada in the years, respectively, from 1885 to the present time; which was read.

Mr. GORMAN. I move that the communication lie on the table and be printed.

The motion was agreed to.

PETITIONS AND MEMORIALS.

Mr. PEPPER presented petitions of the Modern Woodmen of America, of Jamestown, Fredonia, Clearwater, Hutchinson, and Belle Plaine, all in the State of Kansas, praying for the passage of the Manderson-Hainer bill, providing for an amendment of the postal laws; which were referred to the Committee on Post-Offices and Post-Roads.

He also presented memorials of Cigar Makers' Union, No. 286, and of Central Labor Union of Wichita, all in the State of Kansas, remonstrating against an increase of the tax on cigars; which were referred to the Committee on Finance.

Mr. FAULKNER. I present a memorial of the joint executive committees of the Citizens' Association of the District of Columbia, remonstrating against the repeal of the law providing for the payment by the Government of 50 per cent of the annual Congressional appropriations for the support of the government of the District of Columbia. I ask that the memorial be printed in document form. It is a very important paper, and gives the entire history of the legislation of Congress in relation to the subject. It will necessarily be referred to very frequently by members of the Senate in the discussion of this question.

The VICE-PRESIDENT. In the absence of objection, the memorial will be referred to the Committee on Appropriations, and printed as a document.

Mr. BUTLER presented a petition of 16 citizens of Chester, S. C., praying for the favorable consideration of Senate bill No. 1353 and House bill No. 4897, which have for their object the interest of the fraternal society and college journals; which was referred to the Committee on Post-Offices and Post-Roads.

Mr. HOAR. I present a petition which I am sure will commend itself to both sides of the Chamber. It is the petition of the Grand Assembly of the Royal Society of Good Fellows of the Commonwealth of Massachusetts, praying that their publications may be passed through the mails as other newspaper publications.

Mr. HARRIS. What sort of fellows?

Mr. HOAR. The Royal Society of Good Fellows of the Commonwealth of Massachusetts.

Mr. HARRIS. Good fellows in Massachusetts!

Mr. HOAR. I will state to my honorable friend from Tennessee that the petition contains the names of both Democrats and Republicans.

Mr. HARRIS. I am glad that there is some salt in it.

The VICE-PRESIDENT. The petition will be referred to the Committee on Post-Offices and Post-Roads.

Mr. HARRIS presented petitions of sundry citizens of Tennessee, praying for a reduction of not less than 20 per cent of the salaries of all officials who are, under existing laws, subject to

the action of the President and members of Congress; which were referred to the Committee on Finance.

Mr. HUNTER presented memorials of 143 employes of the knitting mills of Norfolk, and of 110 employes of the Powhatan Manufacturing Company, of Lambert's Point, all in the State of Virginia, remonstrating against a reduction of the duty on knitted underwear; which were referred to the Committee on Finance.

Mr. BATE presented a petition of sundry citizens of Dover, Tenn., praying for the enactment of legislation providing for the construction of a road from Dover, Tenn., to the national cemetery at Fort Donelson; which was referred to the Committee on Military Affairs.

Mr. ALLEN presented petitions of sundry citizens of Grand Island and Alexandria, in the State of Nebraska, praying for the passage of the Manderson-Hainer bill, providing an amendment of the postal laws; which were referred to the Committee on Post-Offices and Post-Roads.

Mr. WHITE of California presented a petition of Typographical Union, No. 207; of Millmen's Union, No. 1; United Brotherhood of Carpenters and Joiners of America, and of Local Union No. 217, of Eureka, all in the State of California, praying for the governmental control of the telegraph service; which was referred to the Committee on Post-Offices and Post-Roads.

Mr. HILL presented petitions of Grange No. 768, Patrons of Husbandry, of Grovenor's Corners; of Unadilla Grange, No. 757, and of Grange, No. 596, of Newport, all in the State of New York, praying for the passage of the so-called Hill oleomargarine bill; which were referred to the Committee on Interstate Commerce.

Mr. HILL. Mr. President, I have received from the Legislature of the State of New York certain resolutions which have passed that body, sealed and certified. Having been sent to me, I assume that it becomes my duty to present them to this body, which I now do without comment or remark.

The VICE-PRESIDENT. The resolutions will be read.

The Secretary read as follows:

STATE OF NEW YORK, ASSEMBLY CHAMBER,
IN ASSEMBLY, Albany, January 22, 1894.

On motion of Mr. Fish:

Resolved (if the senate concur), That the Representatives in Congress from the State of New York be requested to express to the President the gratification of the people of this State on the abandonment by him of the policy of the National Administration regarding Hawaii.

Resolved, That we extend our congratulations to the officials and people of the Hawaiian Islands on the successful outcome of their efforts to secure independence from a monarchical form of government.

By order of the assembly.

HAINES D. CUNNINGHAM,
Assistant Clerk.
IN SENATE, January 23, 1894.

Passed without amendment.

By order of the senate.

JOHN S. KENYON, Clerk.

The VICE-PRESIDENT. The resolutions will be referred to the Committee on Foreign Relations. A second memorial, sent to the desk by the Senator from New York, will also be read.

The memorial was read, and referred to the Committee on Finance, as follows:

STATE OF NEW YORK, ASSEMBLY CHAMBER,
IN ASSEMBLY, Albany, January 22, 1894.

On motion of Mr. Ainsworth:

Whereas in consequence of the introduction in Congress of the measure known as the "Wilson tariff bill," factories and workshops in all parts of the country either have been shut down or are running on less than full time, thus throwing thousands of men and women out of employment; and

Whereas there is widespread suffering and distress due to the fear of the passage of the aforesaid measure, the provisions of which tend to open the ports of this country to the cheaply made goods of foreign manufacture; and

Whereas the passage of such a bill would serve to extend the poverty and suffering of our people rather than to diminish them: Therefore,

Be it resolved (if the senate concur), That we, the representatives of the people of the State of New York in the Legislature assembled, respectfully urge the members of Congress from this State to do all in their power to prevent the passage of the said bill.

By order of the assembly.

HAINES D. CUNNINGHAM,
Assistant Clerk.
IN SENATE, January 23, 1894.

Concurred in without amendment.

By order of the senate.

JOHN S. KENYON, Clerk.

Mr. PALMER presented petitions of Hinsdale Conclave, No. 785; of citizens of Sumner, Hinckley, Chicago, and Minonk; of Camp No. 952, Modern Woodmen of America, of Minonk; of citizens of Hamilton, Scott County, Fillmore, and Oakland, and of Emery A. Stoors Council No. 1071, Royal Arcanum, of Chicago, all of the State of Illinois, in the interest of fraternal society and college journals, praying for the passage of the Manderson-Hainer bill, providing an amendment of the postal laws; which were referred to the Committee on Post-Offices and Post-Roads.

He also presented petitions of the Woman's Christian Temperance Unions, of Freeport and South Belvidere, all in the