

Also, petition of the Casein Manufacturing Company, of New York, favoring removal of lactarine and casein from the free list and placing a duty thereon—to the Committee on Ways and Means.

Also, petition of Schifflicker Union, No. 12768, of American Federation of Labor, favoring increase of duty on embroideries—to the Committee on Ways and Means.

By Mr. HAMILTON: Petition of citizens of Lawton, Mich., against a duty on tea and coffee—to the Committee on Ways and Means.

Also, petition of citizens of Niles, Mich., urging a duty on lithographic products—to the Committee on Ways and Means.

By Mr. HAYES: Petition of citizens of San Francisco and San Jose, Cal., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. HOLLINGSWORTH: Petition of Jefferson County (Ohio) Wool Growers' Association, for retention of present tariff on wool—to the Committee on Ways and Means.

By Mr. HOWELL of New Jersey: Petitions of residents of Monmouth County and New Brunswick, N. J., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. HUFF: Petition of Jeannette (Pa.) Business Men's Association, favoring reduction of duty on raw and refined sugars—to the Committee on Ways and Means.

Also, petitions of Paul Taylor Brown Company, of New York, and the Porto Rico Canning Company, against increase of duty on preserved pineapples—to the Committee on Ways and Means.

Also, petition of Casein Manufacturing Company, favoring a duty on casein—to the Committee on Ways and Means.

By Mr. HUGHES of New Jersey: Petition of citizens of the Sixth Congressional District of New Jersey, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. JOYCE: Petition of C. J. Tullins and other citizens of Lowell, Ohio, favoring removal of duty on hides—to the Committee on Ways and Means.

By Mr. KINKEAD of New Jersey: Petition of citizens of the Ninth Congressional District of New Jersey, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. LANGHAM: Petition of citizens of Reynoldsville, Pa., favoring repeal of duty on raw and refined sugars—to the Committee on Ways and Means.

Also, petitions of William L. Sanson, of Clarion, and other voters of the Twenty-seventh Congressional District of Pennsylvania, favoring removal of duty on hides—to the Committee on Ways and Means.

Also, petitions of G. W. Snyder, of New Mayville, and E. S. Gilmore, of Blairsville, Pa., favoring reduction of duty on raw and refined sugars—to the Committee on Ways and Means.

Also, petition of M. F. Irvine, favoring parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. LOWDEN: Petition of citizens of the Thirteenth Congressional District of Illinois, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. McMORRAN: Petition of residents of the Seventh Congressional District of Michigan, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. MILLINGTON: Petition of various residents of Utica, N. Y., against a tariff on tea, coffee, cocoa, or spices—to the Committee on Ways and Means.

By Mr. NORRIS: Petition of residents of Sutton, Nebr., against legislation for parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. REID: Paper to accompany bill for relief of James M. King, Udora E. Moore, and Noah Hayes—to the Committee on Invalid Pensions.

Also, paper to accompany bill for relief of J. H. Sykes—to the Committee on Pensions.

By Mr. RICHARDSON: Paper to accompany bill for relief of R. C. Robison (H. R. 5119)—to the Committee on War Claims.

By Mr. RHINOCK: Petition of Jonesville (Ky.) American Society of Equity, favoring a national highways commission and appropriation for federal aid in construction and improvement of highways—to the Committee on Agriculture.

By Mr. SMITH of Michigan: Petitions of Seth B. Rubert and 37 others, of Howell, and 26 citizens and business men of the Sixth Congressional District of Michigan, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. SULZER: Petition of Adirondack Lumber Manufacturers and Shippers' Association, against reduction of the duty on lumber—to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of New York, for legislation to deepen and widen, in the plan of river and harbor im-

provements, the Hudson River up to Troy—to the Committee on Rivers and Harbors.

Also, petition of Chamber of Commerce of New York, favoring provisions of bill for buildings for diplomatic and consular service—to the Committee on Foreign Affairs.

Also, petition of legislature of Wyoming, against removal of duty on wool and hides—to the Committee on Ways and Means.

Also, petition of Bellevue and allied hospitals, favoring removal of tariff from medical and surgical instruments—to the Committee on Ways and Means.

Also, petition of Wyoming legislature, for legislation enabling settlers to prove up land when they have reclaimed a portion, etc.—to the Committee on the Public Lands.

Also, petition of Subordinate Association No. 1, Lithographers' International Protective and Beneficial Association of the United States and Canada, favoring adjustment of equalization of rates to bring the specific duty to a uniform ad valorem equalization to conform with amendments as submitted to the Ways and Means Committee—to the Committee on Ways and Means.

Also, petition of H. Behlen & Bro., against raise of duty on steel, wool, and steel shavings—to the Committee on Ways and Means.

By Mr. TAYLOR of Colorado: Petitions of citizens of Denver and Durango, Colo., against a duty on tea and coffee—to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

SATURDAY, March 27, 1909.

The House met at 11 o'clock a. m.

Prayer by the Chaplain, the Rev. Henry N. Couden, D. D.

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

ORDER OF BUSINESS.

Mr. PAYNE. Mr. Speaker, I ask unanimous consent that the daily hour of the meeting of the House be 10 o'clock a. m. until further order of the House.

The SPEAKER. The gentleman from New York asks unanimous consent that the daily hour of the meeting of the House be 10 o'clock a. m. until further ordered. Is there objection?

Mr. CLARK of Missouri. I would like to ask the gentleman from New York, because so many men ask me, can he give us any idea about how long the general debate will run?

Mr. PAYNE. Unfortunately, I can not.

Mr. CLARK of Missouri. The reason I ask is that everybody asks me.

Mr. PAYNE. I know, and I am trying to answer the gentleman, but unfortunately I can not do so. I am told that there is a list of forty or fifty on the list of the Chairman of the Committee of the Whole of gentlemen who desire to speak. I wish to accommodate as many as I can, and I would like next week, or as long as general debate lasts, to commence at 10 o'clock a. m. and run until 6 o'clock p. m., and then take a recess for a couple of hours.

Mr. CLARK of Missouri. Are you asking for both? I have no earthly objection to it.

Mr. PAYNE. I desire to make progress on this bill and pass it as soon as possible.

Mr. CLARK of Missouri. A man asks me how long the debate is going to run, and when I can not tell him half the time he will not believe me.

Mr. PAYNE. I want to tell the gentleman that I am embarrassed the same way. I add to the request that the daily hour of meeting be 10 o'clock a. m. and run until 6 o'clock p. m., and then that the House take a recess until 8 o'clock in the evening and run until 10.30 p. m.

Mr. CLARK of Missouri. I have no objection to that.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE TARIFF.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1438.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole House on the state of the Union, Mr. OLMSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1438—the tariff bill.

Mr. HARRISON. Mr. Chairman, I approach the subject of tariff revision with some hesitation. I have been for only ten days a member of the Committee on Ways and Means; but it so happens that I am the only Democratic Representative upon that committee from the great section east of the Mississippi River and north of Mason and Dixon's line. Under those circumstances, I think it is only proper that I should endeavor to express the sentiments, as I understand them, of the great consuming section of the country of which I have the honor to represent one district; but I have a still further hesitation in this discussion of the tariff, because it seems to me that what has been said about the law might be equally applied to the tariff. It has been said that no law has ever been devised by human ingenuity but human ingenuity could circumvent. It seems to me almost equally true that no argument has been advanced on either side of a tariff discussion but what, apparently, almost an equally good argument can be opposed to it. With this disclaimer of any pretensions to universal wisdom on the subject of the tariff, I shall present to you my views about the present revision.

We are in a time of great financial stress. At the end of the present year it is anticipated that there will be a deficit of \$150,000,000 in the National Treasury, and this after twelve years of uninterrupted Republican rule, executive and legislative. We have been told in many campaigns that the Republican party was the party of the business man. If that be so, I am sorry for the American business man, for there is not a man of business in my city who would not be ashamed to show so large a gap between his receipts and expenditures as will be shown by the present Republican administration.

Under the circumstances they were driven to what they call a "revision of the tariff;" but in their proposed tariff bill one of the remedies which they offer for the present situation is the very thing for which they have for so many years assailed us in national campaigns. During a recent period in our history a Democratic administration came into power and received from the hands of its Republican predecessor the legacy of a bankrupt Treasury. Under these circumstances that Democratic administration had struck from the plates ordered to be prepared by the outgoing Republican Secretary of the Treasury bonds to supply the deficiency in the Treasury. In the present proposed bill they do not call them bonds, they have a more euphonious term, "certificates of indebtedness;" but the fact remains that the Republicans are now resorting to the very remedy for which they have so roundly abused Mr. Cleveland in many recent campaigns.

One of the amusing features of the situation is that the Republican majority in the Senate, alarmed at the increase of national expenditures and the impending bankruptcy, has appointed a committee to "sit on the lid" of House expenditures, whereas it is a well-known fact that the gentlemen at the other end of the Capitol are responsible for most of the great extravagances in appropriations.

Mr. Chairman, there is no evidence that I can discover that Democrats wish to delay the passage of the tariff bill. On the contrary, I believe that all that we demand is a sane and sensible discussion of the paragraphs of this bill. During the agitation over the rates in this bill business is practically at a standstill in many branches of industry. Nothing will cure this unhappy situation except sane and speedy consideration of the bill. In fact, I think I may say that the Democrats of this country realize that the burden of the cure for the present financial unrest lies equally upon the Democrats and upon the Republicans of the Congress. Not so very long ago the business men of this country intrusted to the Democratic party the management of national affairs. There are still many prominent business men within our party—

Mr. GARNER of Texas. The statement the gentleman made a moment ago I do not think is full enough with reference to the opportunities Democrats might have for a sane discussion of this bill, but also for the opportunity to offer amendments to each of the paragraphs of the bill.

Mr. HARRISON. I am glad the gentleman called my attention to that.

Mr. GARNER of Texas. You made no reference to opportunity to amend the bill.

Mr. HARRISON. I intended to say most emphatically that we demand an opportunity to offer amendments to the paragraphs of the bill also.

Business men in the Democratic party are entitled to a voice in these proceedings, and I hope that they will make their influence felt, as I believe they will.

I can find no radical demand in the Democratic ranks to-day for free trade. The point upon which, as I judge it, the Democrats of this Nation can unite is the sound Democratic doc-

trine of a tariff for revenue with free raw materials. Formerly high protectionists were able to delude some of the people into believing that the tariff on imports is a tax levied upon the foreigners; to-day the people of the United States understand that tariff taxes are levied not upon the foreigner but upon the consumer here at home. His rights can be best secured and his interests preserved by a tariff for revenue and free raw materials. This is especially desirable when the raw materials constitute the necessities of life. No plea of revenue requirements, however seductive, should prevail which demands the retention of any duty taxing the necessities of the people in behalf of monopolies. Conspicuous examples of this class are the existing duties on food, iron ore, coal, lumber, hides, and petroleum.

To the proposition of free raw materials I can see no ground for dissent. As to the question of a tariff for revenue, I believe it is a ground upon which moderate men of both parties can unite for the common welfare. I have not yet heard a speech from the gentleman from Massachusetts [Mr. McCall], my colleague on the committee, but I doubt very much whether his position on the tariff revision, even though he is a Republican, would be much different from mine, and I believe that there is a growing feeling in the United States that the moderate wings of both parties are coming together on the subject of tariff revision. The protection afforded by our revenue law should be simply and solely incidental to the necessity of procuring revenue sufficient honestly and economically to administer this Government. Show us where the revenue can be secured upon manufactured articles of import and we will not begrudge you the incidental protection necessary to such a tax.

I believe, Mr. Chairman, that a very instructive sample of unfair argument in tariff revision is being presented by some of the manufacturers of the United States to-day. In their appearance before the Committee on Ways and Means many selfish and greedy men raised a loud clamor for increase in the protection on the articles they manufactured so as to amount to a complete prohibition. A tariff creates in men an appetite to feed upon themselves. In the course of time every tariff impoverishes somebody. Capital is attracted, competition increased, and there are only two means of relief—one, an increase of the duty, and the other, a trust or combination of manufacturers to save operating expenses and to hold the prices up. The very arguments of the early protectionists were that the tariff would stimulate industry, and thus cause a fall in prices. Nowadays the most inconspicuous business man can employ a lawyer to teach him how to evade the statute and common law against combinations in restraint of trade. Protection is now demanded for the very purpose of keeping up the prices.

Some American manufacturers, angered by apparent reductions in some schedules of the proposed tariff, are to-day raising a threat of reduction in the wages of labor in case this bill is enacted into law. Now, I do not propose to detain the gentlemen of this committee with a lengthy academic discussion of tariff matters. I doubt very much whether this country as a whole is as interested as it used to be in these academic discussions, but I think it is only fair to say that, in my opinion at least, the rates of wages are not and never have been permanently established by tariff regulations.

Mr. HITCHCOCK. Will the gentleman yield?

Mr. HARRISON. Certainly.

Mr. HITCHCOCK. If the gentleman will permit, I want to suggest that the announcement has already been made by one of the large tariff-protected concerns—the Republic Iron and Steel Company—of a reduction of wages under the present tariff.

Mr. HARRISON. I am glad the gentleman has called attention to that, and, in my opinion, that reduction was made for the purpose of being used as a club during the tariff revision, and if the reduction is permanent it will contribute to the profit of the manufacturers.

The laborers of this country are assumed by the radical campaign orators to be radical. In my opinion, the laboring men are conservative. They can see that up to a certain point the interests of capital and labor run side by side, but beyond that point they are often unable to see. Gross abuse of that situation is made by unscrupulous manufacturers. At the present moment many laborers are unable to see beyond the threat of the reduction of their wages. Similar tactics have been unfairly adopted in several recent political campaigns. In many of the manufacturing sections of our country a notice is sent out by employers of labor in industrial plants that if the Democratic ticket is successful the plant will be shut down. Thus laborers have been reduced to political and industrial slavery.

It is undoubted, in my mind, that the high protective Dingley tariff would never have been enacted had not the support of a considerable portion of laboring men been secured for a high protective tariff, with the idea that their wages depended on it. These men seem to be unable to appreciate that wages are now and always have been higher in the United States than anywhere else; that they have been so because of the character and intelligence of the American laborer and because of the extraordinary services he renders in the marvelous expansion of our industries; that they were higher here than anywhere else before the protective tariff was adopted; that the wages of the laboring men are higher to-day in free-trade England than they are in protected Germany; and that the wages of the laboring men in the United States depend, like all other commodities, upon the law of supply and demand, and not upon the form of our taxation; and, finally, that they are able to hold up the high prices of their labor by reason of the strength of labor unions operating upon the law of supply.

The American laboring man is entitled to the highest wages in the world because he earns them; he has played a tremendous part in the development of our country, and will continue to do so whatever may be the threats of the angry manufacturers used for selfish purposes to operate as a club on Members of Congress during a tariff revision.

But what do his wages mean to the workman except as a medium of exchange? In a country where a prohibitive tariff has enabled firmly entrenched industries to charge the highest prices ever known in the world for the necessities of life, the laborer is the chief sufferer, whether it be that his money goes only for the bare necessities of existence or for the luxuries which his wife and family regard as almost equally necessary. It is generally true that the workingman in our country has laid by very little in the savings bank. He can not save much money; it costs him too much to live, and until the prices of the necessities of life are reduced to a point within the reach of every industrious man, "something is rotten in the State of Denmark." This reduction can only be accomplished by a genuine reform of the tariff by unselfish men animated by the soundest of Democratic doctrines.

Mr. GAINES. Will the gentleman yield to me?

Mr. HARRISON. Certainly.

Mr. GAINES. Accepting the gentleman's theory as the correct one, that the rate of wages is a question of supply and demand, does the gentleman think that the demand for American wages would be as great as it now is if we lowered our tariff to such a point as to admit a considerable increase of importation of foreign goods?

Mr. HARRISON. I will answer by saying that in a specific instance it might be true for the time being that there would be less demand for laboring men in that line of goods; but I do not believe the economic prosperity of this country depends upon the stimulation by a tariff for American industries. I think better of American industries than that. I think they can stand on their own footing and that they will.

Mr. HITCHCOCK. Will the gentleman permit another interruption?

Mr. HARRISON. Certainly.

Mr. HITCHCOCK. Is it not a fact that at the present time there is far more surplus of idle labor in tariff-protected industries of the United States than in those industries and occupations not protected by any tariff?

Mr. HARRISON. I believe that to be entirely so. I believe the same principle would operate in the case of all the over-protected industries.

Mr. NICHOLLS. Will the gentleman yield for a question?

Mr. HARRISON. Certainly.

Mr. NICHOLLS. Is it not true that foreign laborers have been coming in at the rate of a million and a quarter to take the work from the Americans who are already here?

Mr. HARRISON. Well, I believe that there is work enough for all. I do not believe that the works of this country are half done yet.

Mr. NICHOLLS. Is it not true that there are a lot of Americans idle now, and that there are likely a lot of foreign laborers who came in recently who are at work.

Mr. HARRISON. I do not know as to that, but I believe that there is a coming recrudescence of industrial operations in this country, and that there will be work enough for all.

Mr. NICHOLLS. Is it not true that while the manufacturers are protected by the tariff, the workmen are not protected from competition with foreign laborers, because they are allowed to come in here almost unrestricted and compete with us on our own ground?

Mr. HARRISON. So far as the gentleman's statement goes, I believe it is an accurate statement, but I believe the laboring

man of this country is able to look out for himself and has abundantly proved so at all times in our past. The gentleman also makes no allowance for the tens of thousands of foreign laborers who return to their home country in times of industrial depression—again following the laws of supply and demand—nor does he make allowance for the great number of laboring men who have taken up public lands in the West and become farmers.

Mr. REEDER. [Will the gentleman permit me to ask him a question?

Mr. HARRISON. Yes.

Mr. REEDER. Does not the gentleman regard it as a fact that every article of manufacture which is furnished to citizens of the United States from outside labor decreases the labor of the American workingman? In other words, whenever any material in the way of manufactures is furnished to the United States market, does not that decrease the possibilities for American labor?

Mr. HARRISON. I am inclined to think it does not.

Mr. REEDER. When the work is done some place else, does not that take the labor from our people?

Mr. HARRISON. I believe there is a demand for all. Except in certain economically unhealthy industries, the American laborer need fear no competitors in the world.

Mr. REEDER. Suppose there is a number of days' labor done in any other country to manufacture certain goods, does not that take that much labor from our people, if those goods come to this country?

Mr. HARRISON. No; I do not believe the labor market of America can be regulated by the arithmetic of the gentleman because so many other elements enter into it. I want to say to the gentleman that he must be quite oblivious of the fact that the laborer's wage represents not only so much cash, but a medium of exchange, and it does not profit him to attain a certain figure if every one of the necessities of life is raised behind the wall of a prohibitive tariff. Let me say that the consumer of this country is entitled to a voice on the floor of the House of Representatives, and however unworthy I may be to voice his sentiments, I believe the country recognizes to-day that the consumer pays the tax and not the foreigner, as the gentleman's party formerly would have us believe. [Applause on the Democratic side.] And I want to say further to the gentleman that upon the necessities of life—the prime necessities, food, clothing, and shelter—this tariff bill will offer no further reduction in the cost of those necessities of life to the consumer, and, pro tanto, it is a sham reduction. [Applause on the Democratic side.]

Mr. REEDER. That has nothing to do with the question which I asked. I asked this question: If there is a certain amount of work to be done and that work is done in Germany, can that work be done by the American workmen here at the same time?

Mr. HARRISON. I suggested to the gentleman before, and I repeat, that he can not regulate the laws of supply and demand of this country by any such arithmetic. I believe that if there is demand for the article we can take all we can get, and his tariff ought to let some more of it in.

Mr. REEDER. Neither does that answer the question I propounded.

Mr. HARRISON. It answers the question as well as I can, and in addition I will say his contention is only justified by the condition in certain lines of industry entirely the result of tariff "hothousing," in which the employment of labor is economically artificial and unjustifiable. It would be much better to allow our workingmen to purchase articles cheaper by importation under a revenue tariff and to furnish to other countries that enormous list of articles in which American labor can compete triumphantly with the rest of the world.

Mr. WEEKS. Mr. Chairman, will the gentleman explain to the House why there is such an influx of labor, a million and a quarter a year, as has been called to his attention by the gentleman from Pennsylvania [Mr. NICHOLLS], if the laborer is not relatively better off in this country than he is abroad?

Mr. HARRISON. I will say to the gentleman that I think he is relatively better off, but that it is due to his own energy and intelligence and not due to the protective tariff. [Applause on the Democratic side.]

Mr. WEISSE. Mr. Chairman, if the gentleman will permit, I have the figures taken from the Census Department. In 1890 the laborer received 20 per cent of what he produced in manufacture, in 1900 he received 18 per cent, and in 1905 he received only 17½ per cent. In 1890 it took the work of a laborer five days to buy what he produced in one day. In 1900 it took five days and seven and one-half hours; in 1905 it took five days

and eight and one-half hours to buy the same amount of his products. [Applause on the Democratic side.]

Mr. HARRISON. Mr. Chairman, when this bill was first introduced in the House there was a general impression that a genuine revision of the tariff was being undertaken. A sentiment for tariff revision forced the managers of the last Republican convention to put into their platform a plank for the revision of the tariff. Until the public sentiment developed during the campaign they were somewhat equivocal upon the point as to whether this was to be a revision upward, as they have always revised it in the past, or a revision downward. Public sentiment showed plainly that the latter was the course that the people of the United States demanded of the Republican party. The people of this country have had in that respect the powerful support of the successful Republican candidate, the President of the United States. However sincere or insincere may have been the motives of the managers of the Republican convention, their candidate was and is a sincere man, and he is doing his best to secure a downward revision of the tariff, and in that effort he should have the support of all patriotic citizens without regard to party.

This bill does contain some substantial reforms. Would that all of them had been real, and not merely apparent; but for the moment, at least, our antagonists seem to have yielded from their former advanced position of high protection and have come some little way to meet the Democratic ideas and to satisfy the demands of the people. Seem to have yielded, I say; but in many, if not most, of the proposed reductions in the rates, the new figures are equally as prohibitive as those of the existing law. If, for example, a rate is 50 per cent and prohibits the importation of any article and is then reduced to 25 per cent, at which point it still prohibits the importation of any article, the public is no better off than before and the manufacturer is no worse off. That seems to me to be about the condition of affairs in this bill. Were I convinced that this was a genuine repentance and reform, and that a general revision of the tariff downward was attempted and was likely to remain the fixed policy of the Republicans, and did I believe that certain high priests of protection in the Chamber at the other end of this Capitol would leave the bill even in the shape that it is now, I would venture to prophesy in the future an elimination of the tariff from politics. My opinion is, however, that when this bill comes out of the Senate its own father will not know it.

Now, Mr. Chairman, to proceed to a discussion of some specific schedules in this bill, I shall first dwell a short time upon the chemical schedule. This is not a matter of very great public interest, but it happens to be a schedule upon which I personally have spent some time and about which I have endeavored to inform myself at some length. The present chemical schedule of the Dingley bill produces a revenue of \$9,743,468. The proposed chemical schedule of the Payne bill, it is hoped, will produce a revenue of \$10,029,339, an increase of \$285,871 in the annual revenues. In my opinion they could have secured a vastly greater revenue upon this schedule by a reduction of the rates to a point where importations would come in in some considerable quantity and a considerable amount of revenue might be collected thereon. They have made in the chemical schedule about five raises in the rates. They have made 60 reductions in the rates.

In almost all those instances the rates are still as prohibitive as they were before. They have also transferred 5 articles from the dutiable list to the free list and have taken about 15 articles from the free list and put them on the dutiable list. The increase in the revenue which is expected is not counted upon to arise by a reduction in the rates in the chemical schedule to a revenue point, but is expected to arise from increased taxation, and so we are back again in the same old vicious circle. I do not mean to say I think all of the items which they have selected in this schedule for increased taxation are unjustly taxed, because the fact is that they have selected in the main luxuries for that purpose. For instance, the new increased taxes are partly upon fancy soaps and perfumeries and the essential oils going into the making of those articles, and they are proper articles to tax, but there are many in the chemical schedule from which revenue might have been derived and which are still prohibitive.

In my opinion, the rates could have been lowered still further in many of these items, the better to secure more revenue. This could have been accomplished, moreover, while upholding the principle enunciated by the Republican platform, that the object of their tariff is to be protection in an amount equal to the difference in the cost of production here and abroad, even adding, as they boldly demanded, a reasonable profit. The rate they adopted in the chemical schedule averages 28.48 per cent ad valorem, which, to be sure, is considerably lower than the

average ad valorem rates of this proposed tariff, but which, in my opinion, should have been 15 per cent ad valorem, which would have been ample to provide for the difference in wages here and abroad.

Also, I could have wished that some scientific arrangement of the items in this schedule might have been undertaken. It is especially disappointing to find that the classifications in this schedule have not been rearranged and simplified. There still seems to be no fixed principle of taxation upon chemicals. They are still carrying items inserted in the old bill of 1883, for which, in some instances, the reasons for existence have long disappeared. The whole thing is artificial, and, in my opinion, inaccurate, and many articles specifically mentioned in the chemical schedule might well have been stricken out and allowed to come in under the omnibus clause of paragraph 3, which taxes at 25 per cent all chemical compounds not otherwise specifically mentioned.

I now take up some specific items of the chemical schedule. Four of the acids of paragraph 1 have not been reduced to a revenue point. They are acetic acid, citric acid, salicylic acid, and sulphuric acid, which is the basis of the manufacture of more chemicals than any of the others.

In paragraph 7 blacking is carried at 25 per cent, which was the same in the Dingley bill. Whereas the value of all blacking products produced in the United States in 1905 was nearly \$6,000,000; in the same year the value of the imports was only \$35,000; and the rate is evidently prohibitive.

Another article of interest is in paragraph 9, blue vitriol or sulphate of copper. This is of great importance to the farmers of the United States, because it is used in making Bordeaux solution, in truck gardening and in preventing wheat smut. Now, blue vitriol is still taxed at one-half of 1 cent a pound, the same as in the Dingley bill. The production in the United States in 1904 was 39,101,151 pounds. In that year we imported 527,329 pounds, and in the same year we exported 17,936,801 pounds. And witnesses testified before the committee that a trust in the United States keeps up the price on this article and sells it much cheaper abroad. This was an article curiously enough overlooked by them in their so-called "revision of the tariff." It should have gone on the free list.

Another article is chloroform, taxed at 10 cents a pound, a reduction from the Dingley rate of 20 cents a pound. Even at the lower rate the ad valorem equivalent is 40 per cent. The importations in 1904 were 2,202 pounds. In the same year in the United States the manufactures were 616,670 pounds. The rate was then evidently prohibitive, and, in my opinion, will still be so. Now, chloroform in this country sells for 25 cents a pound. They used to make it from alcohol, but now they make it from acetone, which is produced from acetate of lime, which is largely produced in the United States. It is evident that they do not need any duty at all upon this article.

An article that they have selected for a raise in the rates is the quebracho extract. I have not time under this general debate to go deeply into the subject of quebracho extract, but I want to call the attention of the committee to the fact that in the higher form of this extract, which is used by the tanners of the United States, namely, that having a density above 28° Baumé, the rates have been raised from half a cent a pound to seven-eighths of a cent a pound.

The chairman of the committee, in submitting his majority report, in which he called attention to what he enumerated as raises in the rate, skipped gently over this point and did not mention the raise on quebracho extract. The fact is that the extract manufacturers of the United States put up a tremendous clamor before the Committee on Ways and Means for a raise in the duty on quebracho extract, hoping to keep out the importation of it from South America. The advantage that quebracho extract has over domestic tanning extracts is that it can be produced more cheaply, not only on account of the difference in labor, but on account of the difference in the method of production in South America. Down there they seem to employ something like a portable plant and move around in the forests, consuming their raw materials as they go. The fact is that the tanners of the United States will have to pay the piper for this great raise in the tax. The same is true of the raise in the rates on extract of nutgall.

Mr. GAINES. Will my colleague upon the committee permit me?

Mr. HARRISON. With pleasure.

Mr. GAINES. I think he has overlooked the facts with reference to the particular item he refers to. The only source of supply for the tanners of this country of tanning extract, except the extract of the Argentine Confederation, is the chestnut extract produced by a number of mills throughout this country.

It is true that the recent development of the quebracho extract business would enable the people of the Argentine Confederation to produce and sell their extract at a lower price than the cost of production of chestnut extract in America, but the tanners would get no relief if we left their industry in America at the mercy of the foreign producers of extract, because the control of the situation there is such that they will charge in this country all that they can, the only limit being that if they get up to the chestnut price then they meet the American product. Now, I submit that when we are undertaking to give American trusts foreign competition it is bad legislation to give a foreign trust American competition.

Mr. HARRISON. The gentleman is submitting a familiar Republican argument. He does not take into account the fact that there is an enormous industry in the United States in tanning acids, and that will regulate the price in spite of the South American extract.

Mr. WEISSE. Mr. Chairman, will the gentleman tell us whether the European tanner can buy quebracho extract cheaper than the Americans now or whether they add the duty when they sell it to the foreign tanner?

Mr. GAINES. I do not know, Mr. Chairman, that anybody can answer that question. What price shall be charged is in the hands of these people who control the quebracho extract.

Mr. HARRISON. It is in the control of the laws of supply and demand.

Mr. GAINES. My point is this: That since these people have no sufficient competition but American competition, and since they can drive absolutely out of business, if they choose, the American producer, as soon as they drive him out of business then the American consumer will be at the mercy of the foreign companies.

Mr. WEISSE. Is it not a fact that the European tanner buys that extract for less than the American tanner can, and they make leather cheaper out of it than the tanner in this country?

Mr. GAINES. If the gentleman is correct, that prices are so manipulated, then I appreciate an additional argument for the proposition which I have laid down.

Mr. HARRISON. Mr. Chairman, another instance in which the tanners will have to pay more for tanning acid is in the rates on extract of nutgalls, which used to be carried in the Dingley bill under paragraph 20 as a drug. It is now placed upon the Payne bill at what amounts to a 20 per cent duty, instead of 12 per cent, as formerly.

Now, I have a number of other instances which I would be glad to discuss, but I fear my time is rapidly elapsing. To select only a few of them:

Paragraph 31, castor oil, taxed now and ever since the Wilson bill at 35 cents a gallon. In 1904 the value of the American production of castor oil was \$642,665, and the same year the imports amounted to only \$4,790. It is evident that the tax is out of all proportion to the rates of the schedule, which equals, at the lowest computation, 35½ per cent ad valorem. It is impossible to understand why no reduction was made in this item of the schedule.

The testimony shows that castor oil costs 68 cents a gallon to manufacture, and is selling at 76 cents. Foreign castor oil can be imported for 48 cents a gallon, less the duty. It should be realized that this paragraph and the one immediately preceding, alizarin assistant, which is chiefly composed of castor oil, are not only used as medicines but in the manufacture of dyestuffs, and are therefore vastly important in the textile trades. It is believed that there is a trust in the United States that manufactures these articles, and the price is made only sufficiently low to keep out a foreign article. No reason is apparent for retaining the duty at this rate.

Paragraph 33, flaxseed, linseed oil, and so forth. A reduction is made from 20 cents a gallon in the Dingley bill to 15 cents a gallon in the Payne bill. We export at least ten times as much as we import, and there is no reason why any duty should be maintained upon this item, except for the purpose of keeping up the prices. The tax still equals 35 per cent ad valorem.

Mr. LASSITER. Will the gentleman allow me to interrupt him?

Mr. HARRISON. Certainly.

Mr. LASSITER. I have a letter from a constituent desiring to be informed on a nut oil which is largely used in manufacturing varnish, which is transferred from the free list in the Dingley bill to the dutiable list in this bill. I would like to inquire of the gentleman of the committee whether this transfer was intentional on the part of the committee?

Mr. HARRISON. I can not interpret the intention of the Republican members of the committee, because they did not do us the honor to take us into their confidence; but a general reduction of the rates on varnishes has been made, which will

be of great advantage to the American consumer. Therefore I surmise that this particular item was carried, along with the essential oils, from the free list, where they are in the Dingley bill, and made dutiable in this bill at 25 per cent ad valorem as an expressed oil. It was probably transferred under a general principle or theory that most of these oils go into the manufacture of perfume or fancy soaps, and are therefore articles of luxury and properly dutiable.

Now, Mr. Chairman, another article, and one in which New York is particularly interested, is olive oil, which was again made dutiable in this bill at 40 cents a gallon, which amounts to 52 per cent ad valorem, and is twice as high as the other articles on the chemical schedule.

It is a gross injustice to the Italian and Greek and other foreign-born populations on our eastern seaboard. It is levying a tax upon the poor man's food. The Italian Chamber of Commerce of New York requested a reduction on the rates, which was not given them. This is an example of taxing the poor man's belly, for olive oil is as indispensable to the people from the Mediterranean countries as is butter to the native American. The only reason I can conceive why this tremendous tax is still retained in this bill is because out there in California they manufacture about 5 or 10 per cent of the consumption of the United States, and for that reason they desire to keep up the rates where they are. They are making the poor people of the east side of New York City pay their freight rates on olive oil from the Pacific coast.

In this bill another absurdity is the 25 per cent on peppermint oil; this should be on the free list. The importations in 1907 amounted to 13,642 pounds, while during the last ten years the yield of peppermint oil in the United States has averaged from 150,000 to 400,000 pounds annually. More than three-fourths of all true peppermint oil of the world is produced within a radius of 75 miles of Kalamazoo, Mich., and about one-fourth of our production is exported to the continent of Europe. There is no excuse whatever for a duty on this product.

In the section of the chemical schedule relating to paints there are several apparent reductions, but it is doubtful whether the rates even as reduced are not still practically prohibitive.

In paragraph 46, orange mineral is reduced from 3½ cents per pound to 2¼ cents per pound. The importations now are only one-half of what they used to be under the Wilson bill, when they were taxed 1½ cents. Less than 3 per cent of the consumption is imported. It is evident that this rate is still practically prohibitive.

The same may be said of red lead, in paragraph 47; reduced from 2½ to 2¼ cents per pound. Under the Wilson bill it was 1½ cents per pound, which is more than ample protection. The rate of the Payne bill is still prohibitive, importations amounting to between 3 and 4 per cent of the consumption and being less than half of what they were under the Wilson bill.

Again, in paragraph 48, ultramarine blue is unchanged at 3¼ cents per pound. This equals from 30 per cent to 40 per cent ad valorem and should be cut in half.

Paragraph 51, white lead reduced from 2¼ cents per pound to 2¼ cents per pound. Under the Wilson bill it was 1½ cents per pound, and importations are less than one-half of what they were then. Importations average less than one-fourth of 1 per cent of the consumption, and the duty is still prohibitive.

Paragraph 53, Dry oxide of zinc is still carried at the same rate as under the Dingley bill, namely, 1 cent per pound. The present duty on this is prohibitive. The imports averaged less than 3 per cent of the production, and the duty imposed is greater than the cost of producing the material from the ore, exclusive of the cost of the ore. Under the circumstances, it is fairly evident that the New Jersey Zinc Company, the great trust, is receiving extended protection.

Under the heading of "Medicinal preparations," paragraph 63, is a combination of paragraphs 67 and 68 of the Dingley bill. The retention of the general rate of 25 per cent is unfair. It should be 15 per cent. In most instances the duty is prohibitive, and the industry has not grown substantially in the United States in twenty-five years. This protection enables the American manufacturer to put up his prices at least 25 per cent above those of European competitors. Difference in the cost of production is greatly exaggerated. When the duty was taken off of quinine the American manufacturers continued to make it, and do so to-day successfully in competition with foreigners. The same state of affairs was true after the reduction in the tariff on strychnine. Medicines which are taxed under this paragraph are of importance to the whole community—rich and poor alike—and inasmuch as it is believed that there is an absolute combination of manufacturing chemists in the United States, this protection of 25 per cent is useful to them chiefly for the purpose of keeping up the prices to the consumer.

Now, Mr. Chairman, to turn from the chemical schedule to some other matters of more general interest, I will discuss for a moment the schedule on steel and iron. This is a more spectacular schedule, and in this they have enacted something remotely resembling gallery play. It is true they have put iron ore on the free list, and for this relief much thanks. But it is evident that this was not done from any economic principle, but only to give certain manufacturers on the Atlantic seaboard cheap raw materials. Next, on steel rails there is an absurdity which still exists. The old duty of \$7.84 a ton was prohibitive, but the present rates of 55 per cent less than that, or \$3.92 a ton, are, in my opinion, still prohibitive. It is a notorious fact that the steel company transports to most of the foreign countries American steel rails, pays the freight on them, and sells them not only cheaper than the foreigners can, but sells them to foreigners 20 per cent cheaper than they sell them here at home to Americans.

Under the circumstances, is not this apparent reduction a farce? I have not the slightest doubt that the American manufacturers of steel and iron are strong enough to enter every market of the world. They have passed far beyond the stage where they need any protection. Infant industries of the time of Alexander Hamilton have become the giant trusts of the time of JOHN DALZELL. It is shameful to see their representatives cowering behind a tariff wall and whimpering for protection.

Of all the witnesses who appeared before the Committee on Ways and Means on this schedule, no one carried more weight with the people than Andrew Carnegie. He stated, as a result of a lifetime experience crowned with the most successful career known in the annals of the trade, that the American steel and iron industry to-day needed no protection whatever. He warned us further not to believe the witnesses who testified for their own pockets. Before any other jury the motives of some of the witnesses would have discredited their testimony. Before the jury of the House of Representatives we can assign to them their true value now.

Every item on the steel and iron schedule should be carried on the free list, in order to cheapen the price of the products to the American consumer and put him on a level with the foreigner, to whom our corporations now sell their products so much cheaper.

Two other trusts have come practically unscathed from the hands of the Republican majority. One of these is the Standard Oil trust, which retains its countervailing duty on petroleum. The Republican boast is that the Standard Oil Company receives no protection; that petroleum is on the free list. But thereby hangs a joker. The countervailing duty upon petroleum came into operation with the importation of a small amount of oil from Russia. It has been frequently asserted that this importation was made by the Standard Oil Company for the very purpose of putting up the tariff barriers on oil. Thereupon a countervailing duty of 99 per cent became a fixed part of our tariff schedule, and behind that wall the Standard Oil Company can rest immune from competition. I hope that an opportunity will be given us to strike this countervailing duty from the bill, and I am sure that when the American people understand the nature of this special favor they will cordially support such action.

Another example is the sugar trust, which retains its differential upon refined sugar. The reduction of five one-hundredths of a cent in the duty on refined sugar is a farce. The differential itself really amounts to about one-eighth of 1 per cent. That should have been struck off, and opportunity should have been given to the consumers of America to get their sugar cheaper. The Englishman gets his now for about half of what the American pays for his sugar. This is due partly to the duty upon raw sugar, but also because of the differential. The differential is the amount per pound the refiners can collect from consumers over and above the amount of duty which the refiners have to pay on the raw sugar used. Seventy-five-degree sugar pays a duty of ninety-five one-hundredths of a cent a pound and thirty-five one-thousandths of a cent is added for each additional degree of purity. The duty, therefore, on 100 degree, theoretically, pure sugar is 1.825 cents per pound. But the actual duty on refined or pure sugar is 1.95 cents, or one-eighth of a cent per pound more than the equivalent duty on sufficient raw sugar to make a pound of refined sugar. But in fact the net protection to the sugar trust is more than 12.5 cents per 100 pounds, because of the hidden protection in the scale of duties on raw sugar, for the graduations in the duty on raw sugar are greater than actually cover the impurities. Thus sugar testing 90 degrees should be about 1.60 cents per pound, instead of 1.47 cents, as the law provides. The sugar trust gains that advantage over and above the differential of one-eighth of a cent a pound, and also gets the sugar from Hawaii and Porto Rico

free of duty, and importations from Cuba at 20 per cent less than the regular duty.

Mr. Chairman, the charge is advanced that this is a sectional bill. In my opinion it is so.

Mr. SMITH of California. May I interrupt for a question before the gentleman leaves the sugar question?

Mr. HARRISON. If the gentleman will confine himself to a question.

Mr. SMITH of California. With reference to the sugar duty, do I understand you object only to the differential?

Mr. HARRISON. Personally I object to the whole duty upon refined sugar. [Applause on the Democratic side.]

Mr. SMITH of California. Upon all brands of sugar?

Mr. HARRISON. To all duty on refined sugar. Mr. Spreckels, of your State, testified that the refiners did not need any duty on refined sugar.

Mr. SMITH of California. Do you object to the duty on raw sugar?

Mr. HARRISON. I personally do object to it, but until the time comes when we can provide other sources of revenue, such as an income tax, you are not going to be able to take the duty off raw sugar, because it produces an income of about \$60,000,000 a year.

Mr. SMITH of California. Then your criticism now is only to the differential?

Mr. HARRISON. It is to reduce the cost of sugar to the American people. The present high price is due partly to the duty on raw sugar, but chiefly to the differential and to the duty on refined sugar. [Applause on the Democratic side.]

Mr. Chairman, I was about to instance some of the items in which I considered this bill to be sectional. One of them is in the abolition of the duty upon hides and the retention of the duty upon boots and shoes. Hides are on the free list, where, in my mind, they should be, and boots and shoes should go upon the free list, too, in common fairness and decency. [Applause on the Democratic side.] And I will say, in justice to the manufacturers of Massachusetts, who are deeply concerned, that I believe most of them will meet that proposition fairly. There are very few exceptions to that statement.

Mr. WEISSE. Will the gentleman allow me to ask him a question in regard to that?

Mr. HARRISON. Yes.

Mr. WEISSE. Would it not be equally just, then, to have everything go on the free list that enters into the manufacture of leather and shoes?

Mr. HARRISON. That is my opinion.

Mr. WEISSE. And we could compete with the world on that proposition.

Mr. HARRISON. Undoubtedly. I was merely dealing with it for the moment as presenting a sectional proposition.

Another sectional proposition is the increased duty on lemons from 1 cent to a cent and a quarter. The representatives of the lemon interests testified before the Ways and Means Committee that as to all that section of our country west of the Allegheny Mountains the present rate was prohibitive, and the California lemon growers had the markets to themselves.

They came before the committee and demanded an increase in the duty, which will give them also the market of the Atlantic seaboard. Now, I do not begrudge my brethren in California anything, but I do resent the imposition of this tax upon the people of our seaboard, the imposition of the freight rate all the way from California to New York in the interest of the California lemon growers. This is protection run mad. [Applause on the Democratic side.] Incidentally, I believe that this new rate will become prohibitive as to the importations on the Atlantic seaboard as well, and I believe that a million and a half dollars of revenue will probably be swept out of the budget.

Mr. SMITH of California. Will the gentleman permit a question?

Mr. HARRISON. Certainly.

Mr. SMITH of California. As a matter of fact the duty on oranges has been very nearly prohibitive, but oranges have sold cheaper, have they not, of recent years, than they formerly did?

Mr. HARRISON. Yes; along with a great many commodities, not due to the tariff in any way, and probably in spite of that.

Mr. SMITH of California. But due to the home competition among the producers of oranges.

Mr. HARRISON. Due to the laws of supply and demand, and not to the tariff.

Mr. HUGHES of New Jersey. Is it not a fact that they could not form a trust in that particular commodity?

Mr. SMITH of California. We hope to produce all the lemons that will be produced in the United States, and by the same

process of home competition, or supply and demand, the price of lemons will be reduced below what it is now.

Mr. HARRISON. Yes; you propose to do it at the expense of the consumers. If you will take your hands off, we will get lemons cheaper than you can ever sell them to us, because then we will not have to pay that 4,000 miles freight rate.

Mr. SMITH of California. The consumer pays less for his oranges now than he did formerly.

Mr. HARRISON. Yes; and he would have paid a mighty sight less if the California growers had kept their hands off.

Mr. SMITH of California. I do not think so. There is nothing to show that.

Mr. HARRISON. Again, why have they given us free iron ore and taken zinc ore from the free list and taxed it at 1 cent per pound?

What interests are served by such an inequality? Firmly entrenched in the old Democratic principles, we welcome iron ore on the free list. Why, then, did they offset that act of economic virtue by a wrongful transposition from the free list to the dutiable list of another raw material—zinc ore. The rest of the country is to be taxed, it seems, to provide protection to the zinc mines in Missouri.

Another example in this bill of revision which does not revise is in the reduction of the rates on barley from 30 cents a bushel to 15 cents. This is an industry of great importance to the farmers of New York State. The duty of 30 cents was prohibitive; so is the duty of 15 cents. It should be not more than 10 per cent ad valorem, thus producing a revenue for the Government, and permitting once more the importation of Canadian barley. By what seems almost a paradox in Republican tariff principles, the value of barley has fallen enormously since the imposition of the prohibitive rate of duty. For the seventeen years before 1890 the average price paid to farmers was 61.6 per bushel; for the seventeen years since 1890, the average price

for barley is 43.4 cents a bushel. The explanation of this is that the presence in the American markets of Canadian barley raises the standard. Let us lower the rates still further, and restore barley to its former value.

Mr. Chairman, this bill appears to me to be aimed at the women of America. The increases in taxation on women's stockings and women's gloves and on tea and coffee are a blow at the women. It is a direct provocation to woman suffrage, and if this bill does not bring about equal franchise for women, I consider their cause is hopeless. [Laughter and applause.]

The more serious aspects of this raise in these necessities of life is that it will fall more heavily upon the poor than upon the rich. These new taxes are chiefly specific, and that means that they are levied equally in amount upon the cheaper grades as well as upon the expensive grades, and therefore that the poor person will pay more in proportion than the rich. Take, for instance, the tax on tea. The New York Journal of Commerce and Commercial Bulletin quotes the present prices of tea at 14 cents to \$1.20. The tax of 8 cents a pound will be 8 cents on the 14-cent tea used by the poor man, and only 8 cents on the \$1.20, or \$2, or \$3 tea used for the rich man's table. That is a striking example of the disproportion of specific taxation and the way the burdens fall more heavily upon the poor, instead of equally on all classes, as should be done.

The new tax on stockings is one of the most extraordinary provisions against the poor people of this country. On the cheaper grade of stockings the new ad valorem rate is raised from 67 to 117 per cent; upon the next grade from 58 to 83 per cent; upon the next grade from 51 to 91 per cent; and upon the next grade from 59 to 84 per cent. The two highest grades are left unchanged, so that the woman who can pay \$1 a pair for her stockings is not taxed any more under the Payne bill than under the Dingley bill, while the poor woman will now be obliged to pay from 25 to 40 per cent more for her stockings.

Stockings, hose, and half hose, selvaged or seamless, clocked, etc.	Rate of duty, law 1897.	Rate of duty, Payne bill.	Imports, 1907.			Value per unit.	Ad valorem rate.	Estimate of increase in ad valorem rate under proposed bill.
			Quantity.	Value.	Duty.			
PARAGRAPH 318.				Dollars.	Dollars.	Dolls.	P. ct.	Per cent.
Valued not more than \$1 per dozen	50 cents per dozen and 15 per cent.	70 cents per dozen and 15 per cent.	2,449,277.67	2,350,249.77	1,577,176.36	0.96	67.11	117.11
PARAGRAPH 326 IN PAYNE BILL.								
Valued more than \$1 and not more than \$1.50....	60 cents and 15 per cent.	85 cents and 15 per cent.	1,155,693.75	1,600,634.75	933,511.51	1.37	58.32	83
Valued more than \$1.50 and not more than \$2...	70 cents and 15 per cent.	\$1 and 15 per cent....	1,330,226.67	2,557,341.40	1,314,759.94	1.92	51.41	91.41
Valued more than \$2 and not more than \$3.....	\$1.20 and 15 per cent..	\$1.50 and 15 per cent..	131,433.33	354,188.55	210,848.31	2.69	59.53	84.52
Valued more than \$3 and not more than \$5.....	\$2 and 15 per cent....	\$2 and 15 per cent....	28,578.00	114,625.56	74,349.81	4.01	64.86	Same.
Valued more than \$5	55 per cent	55 per cent	6,379.67	42,356.17	23,295.90	6.64	55	Same.
Total					4,133,941.83			

The above figures are from the official returns reported by the Department of Commerce and Labor of duties collected for the fiscal year ending June 30, 1907, page 27. Another feature of this tax is that a revenue of over \$4,000,000 will be nearly wiped out.

The proposed rate in the schedule on women's gloves is equally unjust. The taxation upon the cheaper grades is raised, and I want to say to the gentleman from New York [Mr. PAYNE], the chairman of this committee, that I understood his position to be, as an excuse for this raise in the taxation of women's gloves, that the production of women's gloves in this country was to be established and promoted through this new duty. The gentleman from New York lives about 100 miles from Fulton County, N. Y., in which for the past twenty years from 25,000 to 30,000 people have been engaged in the production of gloves, and they have produced women's gloves as well as men's gloves at a great profit; so his argument seems to me to fall to the ground by the weight of its own absurdity.

On the cheaper quality of gloves, not exceeding 14 inches in length, the duty has been increased from \$1.75 a dozen to \$4 a dozen, which will add to the cost directly 19 cents per pair, plus the additional profit the importer, wholesaler, and retailer will see fit to add for their investment in the extra duty. The increased duty on extra lengths to over 17 inches will add \$3.55 to the cost per dozen pairs, or about 30 cents per pair, and on intermediate lengths in proportion. If lined with fur or skin, the cumulative duty is increased from \$1 extra per dozen pairs

to \$2.50 per dozen. The ad valorem increase of duty on the lower grade of gloves will therefore be from the present duty of 41 per cent to nearly 80 per cent, and on fur-lined gloves to over 100 per cent.

Now, Mr. Chairman, I want to ask whether my time will elapse at the end of an hour, or whether, under the rules, I can proceed a little longer.

The CHAIRMAN. The rule is that no gentleman can speak longer than one hour without unanimous consent.

Mr. CLARK of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman from New York have thirty minutes after his hour has expired.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from New York may proceed for thirty minutes after the expiration of his time. Is there objection?

There was no objection.

Mr. HARRISON. I thank the gentleman from Missouri and the committee and assure you I will not abuse your patience to that extent.

Mr. WEISSE. Will the gentleman permit an interruption?

Mr. HARRISON. Yes.

Mr. WEISSE. Can the gentleman tell me the percentage of labor—the total cost—that enters into the manufacture of gloves?

Mr. HARRISON. I can not; I will be glad to have the gentleman tell me.

Mr. WEISSE. The census Report of Manufacturing, 1905, under the heading "Glove and mitten manufactures," at page 82, gives the following figures:

Wage-earners.....	number.....	10,645
Total wages paid.....		\$3,840,253
Amount of production.....		\$17,740,385
Per cent of labor (about).....	per cent.....	22
Average yearly wages for labor.....		\$360

Mr. HARRISON. Yes; and I may add that the Book of Estimates on the Payne tariff bill shows the duty on gloves in Schedule N, pages 114 to 120, ranging from 26 per cent to 594 per cent, excepting one grade, where the value of importation has been only 34 cents, the duty is 11.33 per cent, and the duty remains the same in the new bill.

Mr. NEEDHAM. Before the gentleman from New York leaves the subject of gloves, will he yield for a question?

Mr. HARRISON. Certainly.

Mr. NEEDHAM. If we produce both women's and men's gloves in this country, why is it that nine-tenths of the gloves used by women are imported, while practically nine-tenths used by men are produced here?

Mr. HARRISON. I do not know whether the gentleman's figures are correct, but I believe that the glove industry in my own State can hold its own with any glove industry in the world.

Mr. NEEDHAM. The most of the importations come in under the bracket "schmasen" in order to get the cheap rates. That is supposed to be the skins of prematurely born kids.

Now, there is no such thing. There are not millions of kids born in that way, so that such an importation should come in here. Does the gentleman believe in keeping up that fraud?

Mr. HARRISON. I believe in keeping down the price of women's gloves, and the gentleman evidently does not believe in it. [Applause on the Democratic side.]

Mr. Chairman, the first press announcements of the proposed Payne bill were to the effect that they had put coffee upon the free list. It is upon the free list ostensibly, but with a countervailing duty which is leveled directly at Brazil, from which comes most of the coffee used in the United States. Immediately upon the passage of this bill, if it contains this provision, a tax equal in amount to the Brazilian export tax will be laid upon all coffee coming into this country from Brazil, and this duty will bear entirely upon the American consumers of coffee.

The price of coffee has already begun to rise. It has gone up 2 cents, or 33 per cent already, I understand. I do not believe that a cent of revenue will be derived from this new tax for some years to come, because it is understood that enormous quantities of coffee have been imported into the United States already, and are being held for the rise in prices, and the ultimate effect of this section of the bill will be to make the people pay the increased price on the coffee.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Certainly.

Mr. BATES. I will ask the gentleman from New York what the export duty on coffee is from Brazil to the United States?

Mr. HARRISON. I believe it is about 3 cents a pound, though I may be mistaken. I have tried to find out.

Mr. BATES. I would like to inform the gentleman that the export tax on coffee from Brazil to the United States is less than one-half of 1 cent per pound, or 47 per cent.

Mr. HARRISON. The gentleman is right as to a particular part of their export duty, namely, the surtax; but the bulk of the coffee, as the gentleman will find if he reads their law, is taxed at 3 cents a pound.

Mr. BATES. Not the bulk of the coffee which comes from Brazil to the United States. The general provision of the Government is less than one-half of 1 per cent.

Mr. HARRISON. If the gentleman will examine it again, I think he will find that the tax is different as it comes from different provinces of Brazil, and, although at first blush it would seem that his statement is correct, the fact is that the bulk of the coffee exported from Brazil is taxed about 3 cents a pound.

Mr. BATES. I think the gentleman is mistaken.

Mr. HARRISON. As to that I will be very glad to hear from the gentleman when he speaks.

Mr. CLARK of Missouri. Mr. Chairman, whatever it is, the upshot of the thing is that the American consumer pays both taxes, the export and the import.

Mr. BATES. If it is only one-half a cent per pound, will the gentleman explain why coffee has just risen 2 cents a pound?

Mr. HARRISON. Still disputing the accuracy of the gentleman's figures, he now appears to me to misapprehend the nature of the "infinitesimal amount" we hear so much about. A tax may be only one-half a cent per pound upon each specific article, but when you take into consideration the extra investment required by the wholesale and the retail dealers and their profits, the ultimate increase in the price by an apparently infinitesimal increase in tax is three, four, five, and ten times as much as the tax itself, and that runs through this whole scheme of taxation. Mr. Chairman, they say the middleman will pay the new tax. We had a tax on tea during the war with Spain and in consequence the price of tea to the consumer rose about 15 cents a pound. Already the price of tea has begun to rise, I believe 2 or 3 cents, in anticipation of this new proposed tax.

Mr. DAVIS. Mr. Chairman, I agree with the gentleman that coffee should actually be upon the free list, and I hope this legislation may be so framed as to put it there. I have received communications in circular form and through newspaper articles, that there have been large quantities of coffee imported in anticipation of this tax.

Now, I hope the gentleman can furnish to the House evidence other than newspaper accounts that touches the case. I believe such importations have been made, but can not the gentleman furnish some positive proof that there are large quantities of coffee now lying in the city of New York and elsewhere recently imported free of tax that would have a tendency to stop any revenue coming from this proposed tax for sometime to come?

Mr. HARRISON. I can not furnish any evidence. I am merely giving the gentleman what is my opinion on the subject. I believe that is true.

Mr. DAVIS. I believe so myself; but I would like to have some facts.

Mr. HUGHES of New Jersey. Mr. Chairman, if the gentleman from New York will permit, I would state to the gentleman from Minnesota that a gentleman known to me, and in whom I have the utmost confidence, being in the coffee business, tells me himself that he was laying in a supply of coffee in anticipation of this new tax, although he hoped that Congress would not lay it upon the people; but in anticipation of what might happen he, in common with many other coffee handlers, was getting ready for the work.

Mr. DAVIS. Mr. Chairman, I thank the gentleman from New Jersey very much for the information. That is the best evidence I have heard on the subject.

Mr. BARTLETT of Georgia. Mr. Chairman, if the gentleman from New York will permit, I would state, in reference to the statement of the gentleman from Pennsylvania [Mr. BATES] about the duty on coffee, that I have not the pamphlet at hand—but I will have before this debate is through—which will show that the export duty is 5 francs per bag of 60 kilos, and if you figure it out it will be seen that the Brazilian tax is 3½ cents per pound and over.

Mr. HARRISON. I am very glad to have the gentleman's statement, which I will still further supplement by the following detailed statement of the Brazilian export duty on coffee:

Export duty on coffee:
Rio de Janeiro, kilo, 29.75 reis—\$0.0162335.
Minas Geraes, ad valorem, 6½ per cent.
Sao Paulo, 41.4 reis—\$0.0226044.

In addition to the duty above, coffee exported from the above-mentioned Brazilian States is subject to a duty of 5 francs per bag of 60 kilos—about \$1 per bag. According to the decrees of September 12, 1908, an additional tax of 20 per cent ad valorem is to be levied on all coffee exported from the State of Sao Paulo in excess of 9,000,000 bags during the crop year commencing July 1, 1908; in excess of 9,500,000 bags during the crop year beginning July 1, 1909; and in excess of 10,000,000 bags during succeeding crop years.

Mr. MAYNARD. Mr. Chairman, I would like to say this in reply to the query of the gentleman from Minnesota: I was talking to a large coffee dealer in Philadelphia, and he told me that if this tariff bill passed, the coffee he had on hand would be worth \$4,000 or \$5,000 more to him than now under the old bill.

Mr. HARRISON. This is the first time since the war between the States, when the great national peril required recourse to unusual methods of taxation, that the Republican party has dared to place a tax upon coffee. I think it will have a considerable effect on the next congressional election, and I hope it will have. In the humblest homes of America all else has been taxed while coffee remained free; for that exemption, at least, our countrymen could render up thanks before the altar of high protection, but not so now.

The Republicans will go far to put the price of one of the prime necessities of life beyond the reach of the very poor. Let them exchange their senseless cry of the full dinner pail for the slogan of the empty coffee pot.

Another subject that is dealt with in this bill is the inheritance tax. This is substantially a copy of the inheritance tax of the State of New York. In itself I believe it is a most estimable tax and a proper way to collect a revenue. It not only offers a method of increasing the national revenues, but it is a step in the direction of keeping down swollen fortunes. Now, I hope, Mr. Chairman, I will not be said by anybody to be a demagogue, but I fear the effect of some of these great mushroom fortunes upon the future. Accumulated by men of intelligence and capacity, who are able to direct and maintain them while they live, they pass by means of the law to children who, in too many cases, are utterly unfit for the responsibility intrusted to them, and who have in their keeping the fate of all the people who depend upon the stability of the finances of which they have so large a share. This, in my opinion, is a considerable menace to the Republic.

I believe, therefore, this is a just tax in itself, and that it does not go nearly far enough. But I have a specific objection to the appearance of an inheritance tax in a federal bill. Thirty-three of the States of the United States already have a tax upon inheritances. My own State has one, and they have found it a most satisfactory source of revenue. I believe that more than one-fifth of the revenues of the State of New York are already gathered in this way. But, Mr. Chairman, if this bill becomes a law, in those 33 States we will have either ousted the State from its own tax or else we will have established the odious principle of double taxation. We can not stand for that. What we should do now is to strike out the inheritance-tax feature of this bill and to enact into law a graduated income tax. [Applause on the Democratic side.] At a very recent period in our political history an income-tax provision contributed in no small degree to a sweeping party victory. The Supreme Court of the United States held that particular tax to be unconstitutional. It is my opinion that an income-tax provision can now be drafted which will be constitutional. I have been informed that this is a part of the programme of the present administration. I hope that that is so; and when it does become a law, if ever, we will see the first blow struck at the root of prohibitive tariff duties.

High protectionists will then be unable to secure a hearing before the American people, as they have done in the past, since abundant revenues from another source will displace that tariff which they now subvert to their greedy and selfish purposes.

Another feature of this bill upon which I wish to dwell for a moment, Mr. Chairman, is the maximum and minimum rate. This seems to me to be one of the most iniquitous provisions of the bill. It is highly probable that it will plunge us into commercial wars with some of the countries of the world just at a time when we are most in need of industrial peace. We are just attempting to emerge from the effects of an industrial panic, and yet we are writing into our statute books, if we enact this into law, a provision by which, automatically, an increase of some 20 per cent in the whole tariff rates will go into effect against any other nation which receives from elsewhere any goods at a lower rate of duty than they charge us for similar articles.

This is an instance of just what we ought not to do in our foreign trade relations. Not since the days of the embargo act has a more foolish policy in our foreign trade been enunciated. We need an administration conscious of its strength and moderate in the use of it. We do not want a government standing like a schoolboy with a chip upon his shoulder, provoking quarrels. I will show you just how the blow may fall. Germany and France are now engaged in revising their tariffs. In the revision of their tariffs consideration of this provision will play an important part. If the Germans resent this proposed threat against them, as I suppose they would be inclined to do, they will put into operation against us their maximum rate, and the chief sufferers would be the American agriculturists, because the German maximum rates bear more heavily upon the products of the American agriculturists than upon anything else.

Now, Mr. Chairman, this does away with any possibility of real reciprocity. If you are going to have a maximum and a minimum feature of the bill, in my opinion the maximum rates should be the stated rates in the tariff, whatever they are, and the minimum rates 20 per cent below, so that the administration can use this 20 per cent concession for the purpose of securing reciprocity treaties with other countries.

That would carry into effect the noble idea enunciated by President McKinley in his last speech, and would afford, I be-

lieve, an opening up of our foreign commerce, of which we are sadly in need. The day is fast passing when the American manufacturer is going to be entirely content with what he can sell at home here, and he is going to branch out in competition for all the markets of the world. And when he does that, it must be done according to the principles of fair play in international trade. We can not go around like a bully, with a club, threatening to beat the other nations over the head.

Do not let us provoke the wrath of our industrial rivals and call down upon ourselves trade wars, sometimes more disastrous in their ultimate effects than the more loud sounding combats of armed forces.

Another administrative feature of this bill which has struck me as being capable of gross abuse is the new provision for the valuation of goods. It says that in the collection of custom duties upon goods consigned for sale here, where there is no established market value abroad, the value upon which the rate is to be based is to be taken as the market value in the United States, less the duty and insurance and a reasonable commission of 10 per cent. Now, it is true that in the collection of the duties in the past there have been abuses of undervaluation. It is probably equally true that this section will create abuses of overvaluation. It is true it applies only to goods that are sent to a consignee for sale, but he will be interested in getting the highest price he can, and the probability is that a higher tax than was intended by the law will be collected upon many articles of import. This method, moreover, increases the inquisitorial powers of the Government's agents and the scope of their interference in private business affairs.

Mr. Chairman, I rejoice that the recent amendments to the rules have given to the Democrats, or to the minority, rights which it was originally intended they should have under the rules, but of which they have been heretofore deprived. For the first time in many years, if ever, the minority will now be able to secure an expression of their party position on the amendments to a tariff bill. By the Fitzgerald amendments, which we adopted, our side of the House will have an opportunity to force a record vote upon proposed amendments to the bill.

The gentleman from Missouri [Mr. CLARK] will be expected—and the country will watch eagerly to see whether we are standing by our Democratic principles—to move to recommit the bill with certain instructions. That motion, under the new rules, must be recognized by the Speaker, and Democrats must be given the right to vote upon certain amendments to the bill. In my opinion, some of those items—

Mr. RANDELL of Texas. Will the gentleman permit a question there?

Mr. HARRISON. Yes.

Mr. RANDELL of Texas. My curiosity having been much excited by the remarks of the gentleman. I would like him to explain, if he has a mind, how it is under the rules, called the "Fitzgerald amendment to the rules," this side of the House will be accorded the privilege of making amendments and having amendments made to different items of this bill?

Mr. HARRISON. Because one of the principles of the new rules adopted was to the effect that upon the passage of the bill a Member of the opposition is entitled to recognition upon the floor for the purpose of moving to recommit with instructions to make certain amendments.

Mr. RANDELL of Texas. As to this point, I know that they permit a motion to recommit with instructions; but the gentleman certainly understands that that would not supply the place and the need, the urgent need, of this House to vote upon the bill by sections and to amend each paragraph.

Mr. HARRISON. I now understand my colleague's position on the subject, and I am in hearty accord with him. We must have a recognition of our right to amend the bill, paragraph by paragraph, as we go through it, under the five-minute rule, and I am going to stand for that just as vigorously as the gentleman from Texas or anybody upon our side. [Applause.]

Mr. RANDELL of Texas. Have we any assurance that the Republican party will give us any such chance?

Mr. HARRISON. We have no assurance, but we must demand assurance to that effect. The amendment to the rules recently secured will enable us to force a record vote upon the passage of the bill, even if we also have the right to go through the bill paragraph by paragraph, which I insist we should have. In Committee of the Whole no record vote is taken, and now we can force a record vote upon these amendments when the bill passes the House.

Mr. RUCKER of Missouri. Will the gentleman yield for a question?

Mr. HARRISON. Yes.

Mr. RUCKER of Missouri. Suppose in the vote taken on the passage of this bill the gentleman from Michigan [Mr. FORENEY], who spoke here yesterday in opposition to the lumber schedule, should vote against the bill; is there anything in the Fitzgerald rule, then, that would prevent the Speaker from recognizing him to move to recommit the bill with instructions?

Mr. HARRISON. That rule of Mr. FITZGERALD was designed to prevent that very thing being done.

Mr. RUCKER of Missouri. The gentleman will find before this bill is disposed of that it will be used for that purpose.

Mr. HARRISON. It will not be. It would not be permitted by the House for a moment. Such a move would be a travesty upon the rules, and a decision of the Speaker to that effect would be overruled by the House.

Mr. RUCKER of Missouri. It will become manifest before the session ends that the Fitzgerald resolution is not worth a baabee.

Mr. HARRISON. The gentleman and I can not agree upon that point.

Mr. Chairman, some of the amendments which I hope will be offered by the gentleman from Missouri, the scope of which will be eagerly watched by all Democrats throughout the country, are the following: To put upon the free list the whole steel and iron schedule, for reasons that I have adduced. To put upon the free list boots and shoes; to put upon the free list lumber, to which the Denver platform specifically pledged us. To put upon the free list zinc ore, where it used to be, and where it ought to be. To put tea and coffee on the free list; to strike off the countervailing duty on petroleum and the differential on refined sugar.

And now, Mr. Chairman, the newspapers have been filled with statements as to supposed differences existing in the Democratic ranks on the tariff question. I, for one, am convinced that when the votes come to be taken here Democrats will stand by Democratic principles. Our party platforms have been too clear in the past to permit of equivocation now, and I believe that there will not be found in the Democratic party to-day men clamoring for their share of spoils during a tariff revision.

It can not have come to pass that Democrats are for high protection in their own districts and free trade everywhere else. The only way for us to win a national victory is to win it upon principles and not upon expediency. It is for us to recognize that there are only two reasons for which men are sent to this House: First, to serve the interests of the American people or, second, to serve some special interest clamoring for protection in his own district. Many of the latter will be found in the ranks of the Republicans. I fondly hope that none of them will be found in the ranks of the Democrats. [Loud applause on the Democratic side.]

The CHAIRMAN. The gentleman from Ohio.

Mr. LONGWORTH. I yield one minute to the gentleman from Kansas [Mr. REEDER].

Mr. REEDER. I just want to make a statement suggested by my question not answered by the gentleman from New York. I want to say if you can make men believe that you can have work done in foreign countries and the same work done in the United States, you can always have Democrats; or if you can make men believe it is better for Americans to have foreigners get the pay for work we need done, you can always have a few Democrats; not many, but some.

I wish to add that in my opinion the more nearly we permit Americans to do all the labor necessary to supply our needs and get good wages for this labor, the more prosperous all our people will be. I say this as a representative of a section which consumes a large amount of the goods manufactured by American workmen; and we prefer to have those goods made by our own people, giving them their wages for their labor, rather than insist that our laboring people shall stand a cut in their wages to compete with pauper labor abroad. [Applause on the Republican side.]

Mr. LONGWORTH. Mr. Chairman, my colleague on the committee, the gentleman from New York [Mr. HARRISON], has made a very interesting and instructive speech. The gentleman from New York has large opportunities and large responsibilities, for he is called upon to fill the shoes of one whom I regard as one of the greatest Democrats in this country, and I want to reecho everything that the gentleman from Missouri [Mr. CLARK] so eloquently said about Mr. Bourke Cockran. [Applause on the Democratic side.] The gentleman from New York spoke of the approach to an agreement in views that is now taking place between the Republican and Democratic parties upon the tariff question. He said that he believed that the views of the gentleman from Massachusetts [Mr. McCALL] and his views are pretty close together. If it is true, Mr. Chairman, that the Democratic

and Republican parties are coming closer together in an agreement about tariff policy, it is because they are coming over to our side, not because we are going over to theirs. [Applause on the Republican side.]

Mr. SHERLEY. Is it not true also that the corollary of this is that the new bill reduces the protective features which are a burden upon the consumer?

Mr. LONGWORTH. On the contrary, the very essence of the protective policy as enunciated in the Chicago platform is that there shall not be excessive duties, and this bill aims to reduce excessive duties, and does so. It is perhaps—

Mr. RANDELL of Texas. Will the gentleman answer a question?

Mr. LONGWORTH. Will the gentleman from Texas let me get fairly started? If so, I will be very glad to yield to him later.

Mr. Chairman, it is, perhaps, unfortunate that a question of such importance to the American people should have to be conducted on partisan lines. And yet it is absolutely necessary, because the two parties differ fundamentally upon the very essence of a tariff. As the gentleman from Missouri [Mr. CLARK], the leader of the minority, explained the other day, there are only two committees in this House which divide on partisan lines—the Committee on Rules and the Committee on Ways and Means—and in the Committee on Ways and Means that is illustrated by the fact that the chairman of that committee is the leading Republican on the floor of this House and the first minority member is the leading Democrat.

I want to say, Mr. Chairman, that both parties are fortunate in their leadership on that committee. The chairman of that committee [Mr. PAYNE] knows more about the tariff and can talk more intelligently about it than any other man in this country.

The gentleman from Missouri [Mr. CLARK], while he may not know quite so much as the gentleman from New York, nevertheless is able to say a great deal about it, and to say it in a most instructive way, and with a humor that is absolutely irresistible. I have the greatest admiration for the gentleman from Missouri. I regard him as a typical American, and I am proud to know him.

This bill, Mr. Chairman, is the practical fulfillment of the pledge made eight months ago by the Republican party in convention assembled at Chicago. We are here to deliver the goods. The Republican party have been in control of the Government of this Nation almost continuously since the civil war, and it is because they have played square with the people. This practically continuous control of government affairs can be well illustrated by a story we have sometimes heard of the school teacher who had a class of 50 boys, whom she was instructing in the rudiments of American history. She told them that every little boy born in this country had some day a chance to be President of the United States; and at the conclusion of her remarks she asked every boy who thought that he might some day be President to hold up his right hand. Forty-nine hands went up. To the lone boy that had made no sign she said: "Johnnie, don't you think you will ever be President of the United States?" and he said, "No, ma'am; I can't. I am a Democrat." [Laughter.]

Mr. RUCKER of Missouri rose.

Mr. LONGWORTH. I need not ask whether the gentleman from Missouri is a Democrat. I know he is.

Mr. RUCKER of Missouri. The gentleman is illustrating his speech with a story. Will he pardon a question which I desire to ask?

Mr. LONGWORTH. Certainly.

Mr. RUCKER of Missouri. The gentleman, in paying a well-merited tribute to the leader of the Republican party, chairman of the Committee on Ways and Means, said, as I understood, that he knew more about the tariff than any other man living. I want to suggest that whatever the gentleman from New York [Mr. PAYNE] knows about ladies' stockings must be a mere reminiscence or he would not have practiced that infamy upon them. [Laughter.]

Mr. LONGWORTH. Mr. Chairman, the gentleman who has just interrupted me is from Missouri, and he must ask the chairman of the committee and not me to show him. [Laughter.]

Mr. RUCKER of Missouri. I have no doubt the gentleman is fully informed.

Mr. LONGWORTH. The gentleman from Ohio is barred from saying how he voted in the committee upon that question, but he will say that he has never been accused of lack of gallantry toward the fair sex.

In the Republican platform we declared for a protective tariff based upon the difference in the cost of production at home and

abroad, together with a reasonable profit to American industries. We declared for maximum and minimum rates—the maximum to meet discrimination by foreign countries against American goods, and the minimum to represent the normal measure of protection at home. The Republican platform declared for the measure of protection which will preserve, without excessive duties, that security against foreign competition which American manufacturers, farmers, and producers are entitled, and which will also preserve the high standard of living of the wage-earners of this country. It declared for free trade between the United States and the Philippines, with reasonable limitations on sugar and tobacco. I will insert the full text of the platform:

The Republican party declares unequivocally for the revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home, the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

I maintain that this bill is a literal compliance with those declarations. As an earnest for the performance of this pledge the Republican convention named for President the man best fitted in this country to carry out this and every other pledge of the platform, and in whom the people soon afterwards showed their confidence by electing him President of the United States by the largest majority but one ever given to any President. [Applause on the Republican side.]

In his speech accepting the nomination, President Taft reiterated the declarations of the Republican platform almost in terms, and I want to be pardoned for going into this question in some slight detail, because, if I can judge from a question asked the other day by the gentleman from Kentucky [Mr. JAMES], the insinuation is thrown out that the President has departed in some degree from his views as expressed at that time.

The President, in accepting the nomination, spoke as follows on the tariff question:

The Republican doctrine of protection as definitely announced by the Republicans this year and by previous conventions is that a tariff shall be imposed on all imported products, whether of the factory, farm, or mine, sufficiently great to equal the difference between the cost of production abroad and at home, and that this difference should, of course, include the difference between the higher wages paid in this country and the wages paid abroad and embrace a reasonable profit to the American producer.

A system of protection thus adopted and put in force has led to the establishment of a rate of wages here that has greatly enhanced the standard of living of the laboring man.

It is the policy of the Republican party to permanently continue that standard of living. In 1897 the Dingley tariff bill was passed, under which we have had, as already said, a period of enormous prosperity.

The consequent material development has greatly changed the conditions under which many articles described by the schedules of the tariff are now produced. The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer. The excess over that difference serves no useful purpose, but offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rate.

On the other hand, there are other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be increased.

A revision of the tariff undertaken upon this principle, which is at the basis of our present business system, begun promptly upon the incoming of the new administration and considered at the special session, with the preliminary investigations already begun by the appropriate committees of the House and Senate, will make the disturbance of business incident to such a change as little as possible.

The gentleman from Kentucky [Mr. JAMES] said the other day, if I understood him correctly, that the President in his inaugural address had omitted any allusion to the profits of the manufacturer, and that therefore he was going back on what he had said and what the Republican party had provided.

In a speech delivered last December, after the election, at the Ohio Society, in New York, the President spoke as follows about the tariff:

Now, the most important plank, or at least the most pressing plank, is that declaring for a revision of the tariff at an extra session to be called as early as possible after the 4th of March. That plank fixed the standard by which that revision shall be governed. It declares that the tariff shall be revised on principles of protection, and then the principle of protection is defined by stating that the tariff rates

are measured by the difference between the cost of production abroad and the cost of production here, embracing a reasonable profit to the manufacturer. Now, what that means, as I understand it, is that the cost of production in both places includes a reasonable profit or interest on capital; that is, you include in the cost abroad at least the cost of raw material, the cost of labor, interest on capital, or the profit usual in the foreign country; and so on this side you include the cost of material, the price of labor, and also the profit usually earned in this country by manufacturers. The difference between the cost abroad and that at home is the proper duty. It means that the Congress shall make every effort to determine the difference thus constituted and then fix the tariff accordingly.

Mr. CLARK of Missouri. I would like to ask the gentleman one question right there.

Mr. LONGWORTH. I will yield with pleasure to the gentleman from Missouri.

Mr. CLARK of Missouri. Does not the gentleman think that the declaration of the Republican platform wanting the cost of labor equalized and also a reasonable profit would turn Congress into an insurance company for manufacturers and leave the rest of the people to take care of themselves?

Mr. LONGWORTH. I have never thought that that meant in any sense a proposition to insure, as the gentleman has stated. I do not see how you can determine the cost of producing any article except on the basis on which it is manufactured. No man is going into any business or can stay in any business in which he can sell his article only at the mill cost of production. I understand that basis is the one adopted by this committee—in determining or trying to arrive at the cost of production to include a reasonable profit in estimating that cost—and I am perfectly willing to say that by so much, perhaps, as the wages of the American labor exceed the wages of any other country just so much are our manufacturers at home entitled to profits at least as great or greater than their competitors abroad.

Mr. GRIGGS. Will the gentleman yield?

Mr. LONGWORTH. I will yield to the gentleman from Georgia.

Mr. GRIGGS. In view of the statement just made, do I understand the gentleman from Ohio is afraid of Belgium?

Mr. LONGWORTH. I do not think that I have that great terror of Belgium that the gentleman from Georgia has.

Mr. COX of Indiana. Will the gentleman yield for a question?

Mr. LONGWORTH. I will yield to the gentleman.

Mr. COX of Indiana. Whether or not in the preparation of the bill the Ways and Means Committee took into consideration as to what would be a reasonable profit to the manufacturer?

Mr. LONGWORTH. I think so.

Mr. COX of Indiana. Take the manufacturers of steel—the steel industry of the United States—did the committee determine what would be a reasonable profit for the manufacturer on his investment?

Mr. LONGWORTH. When we asked any man who was before us what the cost of any particular article was, I have no doubt that he included in his estimate a reasonable profit.

Mr. COX of Indiana. Did the committee get any concrete information from any steel manufacturer as to how much profit they thought they ought to have upon their investment—say 10 per cent, or 20 per cent, or 25 per cent?

Mr. LONGWORTH. I should say that the average steel manufacturer before us stated that his average profits did not exceed 10 per cent.

Mr. COX of Indiana. In framing up this bill, whether or not the committee that reported it to the House thought that any manufacturer should have 10 per cent on his investment?

Mr. LONGWORTH. In estimating the cost of the production of an article in this country we took into consideration that a part of the cost of that article was a legitimate and reasonable profit.

Mr. COX of Indiana. One more question, whether or not the Ways and Means Committee arrived at the profits which the manufacturer should have by deduction, whether they took into consideration the cost of the raw material, the cost of manufacture, or whether or not the Ways and Means Committee took the statement from the manufacturer of what his profit should be?

Mr. LONGWORTH. The gentleman from Indiana knows that there was a great diversity of testimony on every conceivable schedule.

Mr. COX of Indiana. But I want to know what the Ways and Means Committee's rule was.

Mr. LONGWORTH. I will say that the committee tried to make up its mind from the best information that it could get and balance one statement against the other.

Mr. COX of Indiana. And drew its own deduction as to what the profit should be?

Mr. LONGWORTH. We took the manufacturer's word in most cases that his profit in the steel business did not exceed 10 per cent.

Mr. COX of Indiana. Whether or not the same rule obtained through all the schedules that the committee reported on?

Mr. LONGWORTH. Of course, there are different profits in different manufactures; generally speaking, I should say that we considered the reasonable profit in the manufacture.

Mr. WILSON of Pennsylvania. Will the gentleman yield to me?

Mr. LONGWORTH. Certainly.

Mr. WILSON of Pennsylvania. In the evidence presented to the committee by the steel manufacturers the gentleman states that they gave as a maximum profit 10 per cent. Was it stated to that committee, or had the committee any information to show whether or not that 10 per cent was based on a physical valuation of the property or upon stocks and bonds outstanding?

Mr. LONGWORTH. I should prefer, Mr. Chairman, not to get into a discussion of the steel or any other particular schedule. It is very difficult to answer a question of that sort categorically. I am willing to concede that large profits should be considered fair in the steel business because of developments every year, new methods of production, and the consequent need of new plants to keep abreast of the times, and to keep up also with the new inventions and improvements constantly taking place.

Mr. WILSON of Pennsylvania. Will the gentleman yield for another question?

Mr. LONGWORTH. If the gentleman will permit, I do not care to discuss these specific schedules along this line.

Mr. WILSON of Pennsylvania. Mr. Chairman, there is another phase of the gentleman's discussion upon which I would like to have a statement from him. The gentleman has stated that the purpose of this bill is to furnish sufficient protection to enable the manufacturer to pay the difference between the wages here and abroad and still have a reasonable profit on the investment. I want the gentleman to state wherein in this bill it provides any protection whatsoever to American labor.

Mr. LONGWORTH. Mr. Chairman, in answer to the gentleman I will say that every article which is not on the free list provides protection to American labor.

Mr. WILSON of Pennsylvania. Is it not a fact that labor is admitted practically free of duty from all countries in the world except China?

Mr. LONGWORTH. Oh, Mr. Chairman, that is not a question that has anything in the world to do with this question of tariff discussion, and I must decline to answer it.

Mr. WILSON of Pennsylvania. Will the gentleman permit another interruption?

Mr. LONGWORTH. Mr. Chairman, I will ask not to be interrupted for a few moments, at least. I would like to get ahead. I have quoted from the President's recent speech to show that he stands to-day exactly where he stood before the convention which nominated him, on the stump after that convention, and to-day.

Mr. DIES. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman has already stated his desire not to be interrupted.

Mr. LONGWORTH. Mr. Chairman, I claim that this bill is exactly in the words of the President in the speech from which I quoted a few moments ago, an honest attempt to find out that difference of cost on the proposition as laid down in the Republican platform, and that we have substantially succeeded.

Mr. DIES. Before the gentleman leaves that—

Mr. LONGWORTH. Mr. Chairman, I can not yield at this time.

The CHAIRMAN. The Chair will state that the gentleman has stated his desire not to be interrupted, and he is entitled to the floor.

Mr. LONGWORTH. Mr. Chairman, from the time of the Republican convention until the election, the Republican party, on the stump and in the newspapers and through the mails, reiterated to the people that the tariff would be revised in accordance with those principles. The Democratic party also promised a speedy revision of the tariff, but that party laid down only one rule. It mentioned specifically only wood pulp, print paper, lumber, timber, and logs, and made the general declaration that all articles entering into competition with trust-controlled products should be placed upon the free list. It was manifest at that time, Mr. Chairman, that this promise to revise the tariff was impossible of performance, even if they were successful in electing a President and a House of Representatives, because, admitting the possibility of their being able to get together on this basis, the Senate was and was bound to remain Republican, and any bill designed on those principles

could never become a law. It would seem, however, that the very least the Democratic party could do in this House, under all of the circumstances, would have been to have drafted a bill which would have shown to the country what they would have done had they been successful.

Gentlemen of the minority on the Ways and Means Committee had just as much opportunity as had the majority for drafting a bill. They were present at the hearings, to which they contributed greatly—and I am glad to say it—by their very intelligent and able cross-examination. They had at their command all of the information that we possess, and yet they now complain that they had only a few days in which to make a report. They complain of the secrecy of the Republican methods. Will any fair-minded man say that it would have been proper for the Republican subcommittee to have given out from day to day what they proposed to do respecting the various tariff schedules? Mr. Chairman, it would have been nothing short of a scandal if the Republican subcommittee had given this sort of information to the public.

Mr. GARRETT. Will the gentleman yield?

Mr. LONGWORTH. I yield to the gentleman.

Mr. GARRETT. There is much force in the suggestion of the gentleman that the subcommittee should keep secret their work. That is in accordance with the history of tariff legislation, is it not?

Mr. LONGWORTH. Yes.

Mr. GARRETT. Is it not also in accordance with the practice in regard to tariff legislation that the minority has never reported a bill as a substitute?

Mr. LONGWORTH. I do not think so. I am not certain of that, however. What I am criticising is the complaint of the subcommittee that they had no opportunity in which to make a report.

Mr. GARRETT. I understood the gentleman to also criticise the minority for not presenting a bill.

Mr. LONGWORTH. I am criticising the minority for that; yes.

Mr. GARRETT. Has not the practice followed by the minority in that respect been the usual practice with respect to tariff legislation?

Mr. LONGWORTH. I think inasmuch as the Democratic party laid down certain fixed principles, inasmuch as they are now complaining about the lack of sufficient revenue, and speaking of the deficit that must be met, it was their duty to present to this House a complete bill drafted on the principles laid down in the Democratic platform, and one which would provide enough revenue for the Government.

Mr. GARRETT. It is my understanding that when the Morrison bill was made up, when the Mills bill was made up, the McKinley bill, the Wilson bill, and the Dingley bill, no minority bill was offered.

Mr. LONGWORTH. It seems to me that the direct issue that could and should have been made between the two parties would have been by a bill offered by the minority and a bill offered by the majority.

They have complained that we spent three months in an incubating process that they were not invited to join. We should have much enjoyed their company, but what would have been the use? How could two bodies of men differing absolutely on the very foundation of a tariff have met on any common ground in the preparation of this bill? They say in their report that the only legitimate function of a tariff is to raise revenue. We say that it is equally its function to protect American industries and American labor. No tariff bill that I have heard of in history was framed by Republicans and Democrats acting together.

Mr. SHERLEY. If the gentleman will permit, is it not true that in two instances the majority of the committee permitted the minority of the committee to have a real discussion in the arrangement of the schedules? I am not saying that they were able to outvote the majority, but I am saying they did meet in actual conference over the items of the bill in two instances—once on a Republican bill and once on a Democratic bill.

Mr. LONGWORTH. Well, I can not answer that question; it may be so; I do not know. I do know, however, that the leader of the minority said at the close of the hearings that he had no doubt, according to the precedent, that the Republican subcommittee would meet together, apart from the minority members.

Mr. SHERLEY. That precedent is a recent precedent, and the gentleman will find on examination of some of the earlier bills that what I said is the fact, that there was an actual frank conference between all the members of the committee.

Mr. LONGWORTH. Can the gentleman state how long ago that was and what bill it was?

Mr. SHERLEY. I think one was the Wilson bill and the Republican bill following that.

Mr. LONGWORTH. The gentleman from New York [Mr. PAYNE] would know—

Mr. PAYNE. It was not the case when the Wilson bill was framed, and was not true of the McKinley bill.

Mr. SHERLEY. I am not saying the majority members did not draft their bill. But when that bill was drafted, there was a legitimate opportunity given the minority members for criticism and discussion in the committee prior to the reporting of the bill.

Mr. PAYNE. I will tell the gentleman about that. When the McKinley bill was presented to the full committee the minority offered a few amendments. Finally a motion was made to report the bill as it stood. The vote was taken, and that was done. When the Wilson bill came in, we of the minority offered some amendments. By and by some one moved to report the bill as it was, and while some one of the committee was offering an amendment on the part of the minority, Mr. Wilson, chairman of the committee, properly enough, I think, proceeded to put the motion to report the bill as it stood, and that was carried by a majority vote.

Mr. DALZELL. And that at the first meeting.

Mr. PAYNE. And that at the first meeting of the Wilson committee.

Mr. SHERLEY. I think the gentleman is clearly mistaken as to the facts.

Mr. PAYNE. The gentleman was there.

Mr. SHERLEY. That may be, but—

Mr. PAYNE. And the gentleman from Pennsylvania was there.

Mr. SHERLEY (continuing). The facts that show in the debate at that time do not bear out the contention of the gentleman.

Mr. PAYNE. I do not remember the debates show anything of the kind, but I know my remembrance is—

Mr. DALZELL. Was that on the floor?

Mr. PAYNE (continuing). That the motion was put by Mr. Wilson and carried.

Mr. SHERLEY. Mr. McMillan, in answering the gentleman from Pennsylvania upon consideration of the rule upon which the bill was considered—the Dingley bill, I think it was—stated the fact, and I can cite the gentleman to the exact page.

Mr. PAYNE. Now, the minority of this committee, relying on those precedents, did not even offer amendments to the bill. They offered no objection to the motion which was made to report the bill, and a vote was taken in the committee.

Mr. DALZELL. On the contrary, they asked us what was our pleasure; what we wanted to do.

Mr. PAYNE. I think that is correct.

Mr. LONGWORTH. I can not believe from my experience that the gentleman from New York [Mr. PAYNE] did not know what was going on at that time. I do not think that he was asleep at the switch.

Mr. SHERLEY. I think he probably did know at that time.

Mr. LONGWORTH. My criticism of the minority is simply not that they did not ask to meet with us then, but they now criticize us for not having invited them, and complain about lack of time in which to present a report. They content themselves merely with opposing a few features of this bill—very few in comparison with all its provisions—giving us the reason that they have had no time to examine them and hazarding a suggestion that the chances are that they would have found them as objectionable as those discussed in the report. It is for that reason that I ask, Would not the effective way of announcing opposition have been to have drafted a complete bill? Is it by any chance possible that they may have feared the sad fate of the Williams currency bill, of recent memory, which was knifed to death by its own friends? I do not make that assertion. I merely offer it as a question.

Mr. SHERLEY. Does the gentleman want the question answered?

Mr. LONGWORTH. Well, I would not mind. I would like to hear it; yes.

Mr. SHERLEY. It may be that we had in mind the treachery of the Republican party that undertook to force a bill as a minority bill which was not the minority bill. And is it not, to be perfectly frank, and laying aside partisanship, the province of the minority to criticize the affirmative propositions of the majority party, and does it lie legitimately within their province, and has it been so considered, to always present an affirmative proposition as against an affirmative proposition?

Mr. LONGWORTH. It seems to me that in a question so great as this, in which so many elements enter, and principally at this time the element of the revenue, it is the duty of the minority to state their position fully and frankly to the country. How can you tell what revenue a bill will raise unless you have

a complete bill? If you have a better method than we have of raising the necessary revenue to run this Government, why do you not show it to us?

Mr. SHERLEY. When we have power to put our recommendations into law we will. The gentleman knows that it is purest buncombe to talk about a minority bill. Whenever we have control of legislation we will propose it, and you gentlemen will criticize it; and that is the true function of the two sides.

Mr. LONGWORTH. I think the next time the Democratic party comes into control of this House and drafts a tariff bill, the Republican party will have the courage to draft a bill, too.

Mr. SHERLEY. Well, the gentleman is prophesying against the previous history of his party.

Mr. LONGWORTH. And he is prophesying against the probabilities, I will say to the gentleman from Kentucky [Mr. SHERLEY].

Mr. SHERLEY. I am free to admit the gentleman's prophecy is usually against the probabilities.

Mr. LONGWORTH. Well, it has been fairly accurate for the last six years. [Applause on the Republican side.]

Mr. JAMES. Will the gentleman yield for a question?

Mr. LONGWORTH. If the gentleman will postpone it for a little while, I will be very glad to yield to him.

Then, besides, it is a matter of personal regret to me that I have not had the pleasure of seeing that complete bill. I have always had a deep feeling of curiosity to know upon what basis the gentleman from Missouri [Mr. CLARK], the gentleman from Alabama [Mr. UNDERWOOD], and the gentleman from Texas [Mr. RANDELL] would meet. I confess to the greatest curiosity to see a metal schedule as framed by the gentleman from Alabama [Mr. UNDERWOOD] and the gentleman from Texas [Mr. RANDELL].

I would not mind seeing a hide schedule as framed by the gentleman from Missouri [Mr. CLARK] and the gentleman from Texas [Mr. RANDELL]. One of my criticisms is perhaps a selfish one, in that I am to be deprived of the pleasure of satisfying my natural curiosity.

Mr. SHERLEY. Does not the gentleman get enough pleasure at seeing the attitude of the gentleman from Michigan [Mr. FORDNEY] and the attitude of the gentleman from Massachusetts [Mr. MCCALL]? [Applause on the Democratic side.]

Mr. LONGWORTH. I will admit without argument that it does not give me such personal pleasure to see gentlemen on this side disagree as it does to see disagreement between gentlemen on the other side.

Mr. SHERLEY. An honest confession is good for the soul.

Mr. LONGWORTH. Nevertheless, the gentleman from Michigan and the gentleman from Massachusetts have, in fact, collaborated upon a bill, and the gentlemen to whom I have alluded have not. All the time since the date of election, and even before election, every resource of the National Government was at work to furnish information upon which a tariff bill could be based. We hear a good deal nowadays about the necessity for a tariff commission—a commission of experts to advise Congress in tariff matters. I venture to say that this Government has to-day the best tariff commission in the world in its various executive branches and in the extremely efficient clerk and the assistants of the Committee on Ways and Means.

Five days after election the Committee on Ways and Means met and proceeded to hold hearings and investigate a mass of information that had been gathered from experts all over the world. People interested as manufacturers or consumers were invited to attend, and in many cases those possessing special knowledge were commanded to attend.

These hearings, as the chairman of the committee has recited, were most exhaustive. All sorts and kinds of people appeared before us, from the man whose motives were purely disinterested in behalf of the welfare of the community to the man whose motives were purely selfish, and I am willing to admit here that the latter were in the majority. There was the man who did not care what was done to anybody else so long as he was looked after. There was the man who asked frankly, not for protection, but for prohibition. There was the man whose product already controlled 99 per cent of the American market, who wanted to make it an even hundred. There was the man who wanted the customs duties of all kinds abolished; and while he did not use the phrase originally written by Sir Walter Scott and quoted by a distinguished member of the minority, "from turret to foundation stone," he meant the same thing.

We had arguments on everything, from steel rails to anti-septic toothpicks, and from pearls down to peanuts, and finally, after the public hearings were over, we were deluged with communications and briefs upon every conceivable subject. In fact,

this committee has had, it is estimated, five times as much information as any other committee in history, and if this bill is faulty it is not because of lack of thoroughness or of information. Then we began to receive visits from that type of gentleman who talked in whispers, who, when you asked him why he did not present his views in public to the committee, would respond in a voice scarcely audible that he feared that he might be asked inconvenient questions. I have respect for the man, no matter how selfish his purpose may be, who asks for what he regards as a legislative favor frankly and openly. I have no respect whatever for the man with the rubber soles, who sneaks uninvited into your rooms and whispers his wants into your ear. I suppose that this sort of thing is necessary in the formation of any tariff bill, just as what is called the "lobby" is a necessary incident to all legislative halls. But I divide the lobby into two classes. There can be no objection to the man who frankly and openly opposes legislation or advocates legislation in which he is interested.

I am speaking of the whispering lobby—those who do not like the bright light and fear the sound of their voices. Now, while this thing has been going on, I venture to say—and I say it with absolute sincerity—that those arguments were unavailing in any schedule as adopted in this bill. I say that there is not a schedule which, whether advisable or not, can not be defended from something that appears in the public hearings and in the printed documents in the committee.

This Congress was called together by the President of the United States in accordance with his promise and the promise of his party. In his inaugural address the President, in discussing the tariff question, used this language:

A matter of most pressing importance is the revision of the tariff. In accordance with the promises of the platform upon which I was elected, I shall call Congress into extra session, to meet on the 15th day of March, in order that consideration may be at once given to a bill revising the Dingley Act. This should secure an adequate revenue and adjust the duties in such a manner as to afford to labor and to all industries in this country, whether of the farm, mine, or factory, protection by tariff equal to the difference between the cost of production abroad and the cost of production here, and have a provision which shall put into force, upon executive determination of certain facts, a higher or maximum tariff against those countries whose trade policy toward us equitably requires such discrimination. It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the reduction of rates in certain schedules and will require the advancement of few, if any.

The proposal to revise the tariff made in such an authoritative way as to lead the business community to count upon it necessarily halts all those branches of business directly affected, and as these are most important it disturbs the whole business of the country. It is imperatively necessary, therefore, that a tariff bill be drawn in good faith in accordance with promises made before the election by the party in power, and as promptly passed as due consideration will permit.

In the making of a tariff bill the prime motive is taxation, and the securing thereby of a revenue. Due largely to the business depression which followed the financial panic of 1907, the revenue from customs and other sources has decreased to such an extent that the expenditures for the current fiscal year will exceed the receipts by \$100,000,000. It is imperative that such a deficit shall not continue, and the framers of the tariff bill must, of course, have in mind the total revenues likely to be produced by it and so arrange the duties as to secure an adequate income. Should it be impossible to do so by import duties, new kinds of taxation must be adopted, and among these I recommend a graduated inheritance tax as correct in principle and as certain and easy of collection.

The obligation on the part of those responsible for the expenditures made to carry on the Government, to be as economical as possible and to make the burden of taxation as light as possible, is plain and should be affirmed in every declaration of government policy. This is especially true when we are face to face with a heavy deficit. But when the desire to win the popular approval leads to the cutting off of expenditures really needed to make the Government effective and to enable it to accomplish its proper objects, the result is as much to be condemned as the waste of government funds in unnecessary expenditure. The scope of a modern government in what it can and ought to accomplish for its people has been widened far beyond the principles laid down by the old laissez faire school of political writers, and this widening has met popular approval.

We claim for this bill that it is practically a literal compliance with the pledges of the Republican party and of the repeated declarations of the President of the United States, not only in his original speeches but in his inaugural address.

It must be realized that this bill has presented difficulties which did not confront the framers of the Dingley law. They had to make a bill which was to succeed one which had proved a dire and dismal failure. We had to make a bill which was to succeed one which had proved a most phenomenal success, one under which this country has grown and prospered to an extent that has dazzled the eyes of the world, and beyond even the dreams of the men who drafted the Dingley tariff bill.

Mr. SULZER. Will the gentleman be good enough to point out a difference between the Payne bill and the Dingley law, showing wherein the Payne bill is better than the Dingley law?

Mr. LONGWORTH. I am coming to some instances later on. I say that it is better, generally speaking, than the Dingley

law, in that it has made very substantial reductions of excessive rates.

Mr. SULZER. The Payne law increases the taxes on the necessities of life more than the Dingley law. So I would like to know, as a Member of the House, wherein the Payne bill is better than the Dingley law, so far as the taxpayers of the country are concerned.

Mr. LONGWORTH. On the contrary, I believe that the Payne bill substantially reduces most of the necessities of life.

Mr. SULZER. You put a tax on tea and a tax on coffee.

Mr. LONGWORTH. We have put some items in this bill which were not necessary in the Dingley bill simply and solely for revenue purposes, and for that reason I should have liked to have seen how the Democratic party proposed to raise revenue, for you can not show how you are going to raise revenue from one schedule or item of the bill, or a criticism of the entire bill, but you have got to produce a complete bill.

Mr. SULZER. Answering for myself, I would say very briefly that I would be in favor of putting some of the burdens of the Government upon idle wealth, and not all the burdens of government upon consumption.

Mr. LONGWORTH. For that reason we have put an inheritance tax in this bill, which I think is a measure in the right direction.

Mr. SULZER. I am in favor of the inheritance tax, but why not put a provision in the bill in favor of creating a constitutional income tax?

Mr. LONGWORTH. I am not prepared to say now, because it is not a question at issue in this bill. I will ask that I be not interrupted for a little while. I will be glad to yield later.

Mr. SULZER. I shall not interrupt the gentleman again.

Mr. LONGWORTH. I shall be glad to answer the gentleman later.

Now, in the second place, the Dingley law was designed to produce additional revenue, which was at that time demanded, by a revision of the schedules upward. This bill is intended to produce a revenue even greater than the Dingley law by a revision of the schedules, where possible, downward. I want to be frank upon this question of a downward revision. I am aware that many of my Republican brethren say that there was no promise given, either express or implied, in the Republican platform or during the campaign, for a downward revision. I do not so interpret it. I think the true interpretation of the platform and the utterances of our leaders conveyed a promise, at least implied, that the schedules should be adjusted, at least in part, downward; not that the Republican party has abandoned one iota of its policy of protection, but that the lopping off of excessive rates and useless excrescences, wherever they might be found, would help rather than interfere with true protective policies.

The Republican party always has and always will favor protection, but we do not favor rates so high as to shelter monopolies and amount in effect to prohibition. That is my construction of the Republican platform.

The President of the United States, in his inaugural address, said that on account of the changes in conditions since the passage of the Dingley Act, a measure could be drawn on a principle equally protective which will permit the reduction of rates in certain schedules and require the advancement of few, if any.

This bill illustrates the truth of that statement. A number of gentlemen on that side have said that this bill in effect was not a reduction measure; that the reductions were insignificant in number; or that the ad valorem in this bill is higher than it was in the Dingley law. I propose to show that neither of those statements is founded in fact.

Gentlemen have stated vaguely that there are 4,000 items in this bill. I do not know what they mean by items. As a matter of fact, every duty that is imposed under this bill is imposed in a bracket.

Very often a number of articles are included in that bracket at the same duty; but those are not items of the bill in the sense in which "items" should be used. "Items" should be used in the sense of brackets, or that phraseology which imposes a duty. Now, the fact is that there are 763 brackets, in round numbers, of articles on the dutiable list, and including the entire free list there are less than a thousand brackets. Of those brackets contained in the dutiable list in this bill there are seven hundred and sixty-odd. Of those, 225 have been reduced, 51 have been increased, 469 have been left unchanged, and 17 have been put on the free list.

Mr. SHERLEY. Will the gentleman permit an inquiry? Can the gentleman tell us how many of the rates which are reduced from the Dingley schedules would be above or equal to the

Dingley rates if the maximum provided in this bill went into effect?

Mr. LONGWORTH. I can not answer that absolutely now. I should say in a great many of these schedules the Dingley rates would be the maximum. I think that is true throughout the steel schedule.

Mr. SHERLEY. I was not asking for criticism, but for information.

Mr. LONGWORTH. I understand.

Mr. SHERLEY. Because no gentleman has yet shown what the effect would be of the maximum in the Payne bill as compared with the Dingley rates except here and there.

Mr. LONGWORTH. I can only answer on the dot for the metal schedule. I think it is a fact that in the metal schedule the maximum rates under this bill are the rates fixed in the Dingley law.

Of the duties in the paragraphs of the bill in which duties were changed, 130 were reduced, 30 only were raised, 282 left unchanged, and 17 put on the free list.

Mr. HARDWICK. Will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. HARDWICK. How many new articles have been added to the dutiable list?

Mr. LONGWORTH. Very few.

Mr. HARDWICK. Pepper and coffee.

Mr. LONGWORTH. Very few. Thus, 31 per cent of all the brackets and paragraphs of this bill have been lowered, and only 6 have been increased. In other words, the Payne bill reduces 5 duties for every 1 that it increases, and if you include the free list, it reduces 15 for every 1 that it increases.

Mr. SHERLEY. Will the gentleman pardon an interruption right there?

Mr. LONGWORTH. Certainly.

Mr. SHERLEY. Of course it is apparent that these figures, either one way or the other, do not necessarily indicate anything. Has the gentleman worked out the value of commodities that will be affected by the reduction and increase in specific cases, because that will determine whether the bill is a revision up or is a revision down?

Mr. LONGWORTH. The gentleman from Missouri [Mr. CLARK] the other day claimed that this bill was an increase in the ad valorem.

Mr. SHERLEY. Frankly, I do not think that argument has any more weight than the gentleman's argument. Neither has any value unless you take into consideration the amount of goods affected—the total value.

Mr. LONGWORTH. I do not see any better way to determine whether a tariff bill in fact reduces duties than to take the number of duties it reduces, and, as I say, the Payne bill has reduced 5 duties for every 1 that it has increased; and if you include the whole free list and include these articles transferred from the free list for dutiable purposes it reduces 15 articles for every 1 that it increases. If that is not a genuine reduction I do not know how there can be one.

The gentleman from Missouri [Mr. CLARK], as I said, stated that this bill raises the ad valorem of the Dingley law, and he quotes the estimate made by the committee upon the actual receipts of 1906, which, under the Dingley law, were 44.16 per cent ad valorem, and in this bill they are 45.72.

Now, if we are to admit that ad valorem are a proper basis to estimate whether duties have been increased or reduced, the facts are these: The ad valorem under the first ten years of the operation of the Dingley law—these being the only figures available—were 47.92, and so this bill is a reduction of the ad valorem under the Dingley law of 2.20 per cent. The ad valorem under the Wilson bill was 43.48 per cent, and this is an increase over the Wilson bill of only 2 per cent, and yet gentlemen talk about this being a high tariff.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SHERLEY. I ask that the gentleman may have half an hour further time.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the time of the gentleman from Ohio be extended thirty minutes. Is there objection?

There was no objection.

Mr. SHERLEY. Now, if the gentleman from Ohio will permit one more question, and I do not wish to take up his time, the point I make is that, figuring on an average of ad valorem does not necessarily indicate anything unless you also figure the quantities and values of the imports, and it does not matter whether the changes are one way or the other. You may have made a reduction on some article where the import and consumption is very small, or, on the other hand, you may have

raised the duty on some article where the import and consumption is very great.

Mr. LONGWORTH. I have not made an accurate calculation of that, but we have put hides and many other things on the free list, and the whole steel schedule has been reduced.

Mr. SHERLEY. I do not mean to be understood as denying the gentleman's contention one way or the other, but the only information that would be accurate would have to be based on these other elements that have not been presented.

Mr. LONGWORTH. I agree with the gentleman from Kentucky that this basis offered by the gentleman from Missouri is very faulty because, in the first place, it is based only on one year, and the ad valorem change very largely from year to year.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GARNER of Texas. Did the committee in placing hides on the free list act in response to the demand of the Republican platform at Chicago?

Mr. LONGWORTH. Not in any direct terms, no.

Mr. GARNER of Texas. Does the Chicago platform justify it in putting hides on the free list?

Mr. LONGWORTH. I do not think that is a question that needs an answer. I ask to be allowed to go on, Mr. Chairman.

The CHAIRMAN. The gentleman declines to yield further.

Mr. LONGWORTH. Mr. Chairman, to show the utterly flimsy basis of the statement that this is a high ad valorem bill, I might merely call attention to the fact that the ad valorem rate of Great Britain is 77.11 per cent, and the per capita from customs in Great Britain in 1905 was 4 per cent and with us in this country about 3. Now, to take a concrete example, the sugar schedule, according to this report, is advanced on the ad valorem from 61.13 per cent to 61.39, and yet the only two things we did in the sugar schedule were, in the first place, to reduce the differential on sugar and, in the second place, to admit Philippine sugar free; and the ad valorem shows an increase, because we put on the free list those articles which formerly came in and were considered dutiable.

Mr. SHERLEY. Has not the gentleman proved himself out of court?

Mr. LONGWORTH. I think I have proved the gentleman from Missouri [Mr. CLARK] out of court.

Mr. SHERLEY. Does not the gentleman come in the same class?

Mr. LONGWORTH. Well, I should be glad to be considered in the same class with the gentleman from Missouri [Mr. CLARK]. Now, if this bill is shown to be an honest readjustment of the tariff schedule, such as has been rendered necessary by changes in conditions throughout the last seven years, it must also be shown that it will produce an adequate revenue, a revenue not only sufficient to wipe out the present deficit, but sufficient also to meet with the growing demands and increasing expenses of the country. It is easy to talk of economy in governmental expenditures. It is easy to berate the party in power for extravagance. It is another thing to point out exactly where these expenditures can be cut down. You gentlemen criticize us for extravagance, but you always vote for our appropriation bills; and not only that, but you urge upon Congress the expenditure of vast sums of money in addition.

Where can the expenditures of this Government be in any substantial degree curtailed? Shall we in our present position as one of the great powers of the world cut down our army appropriations? Shall we stop building our navy? Shall we cut down our appropriations for pensions? I am one of those who believe, Mr. Chairman, that it is idle to talk of reducing the expenditures of this Government in any substantial degree. I have no doubt that much can be done in the direction of practical economy. I do not doubt that our system of making appropriations through various committees which are entirely unrelated to each other is faulty, and I believe that the adoption of a budget system or something in the nature of a committee on general control of expenditures might have the effect of reducing useless expenses somewhat. But with all these reforms, and with the most rigid economy, I can not avoid the conclusion that the expenditures of this Government will increase from year to year.

I also believe that the time will soon come when we shall be making appropriations for governmental objects which are not now in immediate contemplation. One thing I certainly think calls for larger appropriations than we are making now. I firmly believe that the time is at hand when we must make far larger expenditures on our inland waterways. [Applause.]

Day by day the need is becoming more pressing, and it must be met either by a bond issue in some cases or by far larger

appropriations. The people of my State and of the whole Ohio Valley, and no one knows it better than the gentleman from Kentucky [Mr. SHERLEY], are vitally interested in this question. The Ohio River ought to be a great national highway. To-day it is only so at certain seasons of the year. For some reason or other, perhaps from the wanton destruction of the forests, the Ohio River seems to be more of a menace to the people who live along its shores in winter and less of a benefit in summer. For three months last year the Ohio River was not navigable for any kind of a boat. It was navigable only for automobiles, which frequently crossed it at various points. We feel that it is just to ask from the Government that the Ohio River shall be in fact a navigable stream at all seasons of the year, winter or summer, to boats of reasonable draft. After many years of effort the people of the Ohio Valley have obtained from the Government a recognition of the policy that the 9-foot stage shall be permanently established, and a few small appropriations have been made for building dams to provide a 9-foot stage, but at the present rate of expenditure our grandchildren will hardly live to see the time when there is a 9-foot stage in the Ohio River from Pittsburg to Cairo.

This project is worth something more than work at haphazard and piecemeal. The improvement of the Ohio River is a great and a concrete whole. Until all is done, nothing is done. A chain is no stronger than its weakest link, and a river is no deeper than its shallowest place. What is the use of starting off in a deep channel at Pittsburg if you are going to run aground at Cincinnati or Louisville?

Mr. SHERLEY. Mr. Chairman, I would suggest that that is a mighty good place to stop. [Laughter.]

Mr. LONGWORTH. Cincinnati; yes.

Mr. SHERLEY. No; Louisville.

Mr. LONGWORTH. Why is not this a legitimate subject for the issue of bonds? It is a project in which posterity will benefit for all time, but we hope that some one now living may benefit with posterity.

But it is idle to talk about this or any other great national improvement unless we have the funds to meet it, and the question is whether this bill will provide revenues sufficient to meet our present financial necessities, to meet the expenses of the ordinary affairs of the Government economically and efficiently administered, and provide ultimately, not for a great surplus, but a revenue sufficient to meet the expenses which the growing demands of this country will justly make necessary, and my answer is that it will.

Mr. JAMES. Will the gentleman yield right there?

Mr. LONGWORTH. Yes.

Mr. JAMES. I was out of the Chamber when the gentleman commenced his speech, and some reference, so I am informed, was made to the statement I made upon the floor with reference to the inaugural address of President Taft.

Mr. LONGWORTH. Yes.

Mr. JAMES. Do you dispute the statement I made that he did not refer to that provision in the Republican platform which provides for a tariff not only equal to the difference in the cost of production at home and abroad, but, in addition thereto, a "reasonable profit to the manufacturer?"

Mr. LONGWORTH. I regret the gentleman was absent at the time, because I went fully into that subject.

Mr. JAMES. In other words, did he not leave out the words "reasonable profit to the manufacturer," which appear in your Republican platform?

Mr. LONGWORTH. There is no question those words do not appear in the inaugural address, and that is what I took a good deal of time to discuss, and I regret the gentleman from Kentucky was absent.

Mr. JAMES. Did he not also use the other part of the Republican platform?

Mr. LONGWORTH. If the gentleman will pardon me, the statement I made was that the President of the United States stands exactly where he did before that convention, after that convention, and before and after election on that proposition. Now, the gentleman was absent and I read very fully—

Mr. JAMES. That is all right.

Mr. LONGWORTH. I read very fully from the President's recent speech and the gentleman, when he examines the Record—

Mr. JAMES. I will read what the gentleman says with a great deal of pleasure. Now, I want to inquire, was this present bill formulated upon the proposition in the platform providing a tariff not only to equal the cost of production abroad and at home but in addition thereto "a reasonable profit to the manufacturer?"

Mr. LONGWORTH. I have gone into that very fully, and if

the gentleman from Kentucky had been here he would have heard me.

Mr. JAMES. I would like to know how much tariff was provided in the bill for "the reasonable profit to the manufacturer?"

Mr. LONGWORTH. If the gentleman reads my remarks in the Record he will see all that. The total appropriations made in the last Congress for the fiscal year 1910 were, in round numbers, \$1,044,000,000. This is a huge sum, but when viewed in the light of genuine actual expenditures for the support of the Government for which revenue must be provided, many deductions must be made.

It contains, for instance, an appropriation of \$60,000,000 to the sinking fund, \$30,000,000 for bank-note redemption, and \$35,000,000 for the Panama Canal, all of which items must be deducted in considering the necessary amount to provide by way of revenue. Besides this, there must be deducted the amount which was appropriated, but which will not be, in fact, expended, which experience for many years has shown to average nearly 6 per cent a year. Deducting only 5 per cent, to be on the safe side, it would amount to about \$46,000,000, and there remains \$872,000,000, which represents the sum for which revenues must be provided. The estimates of this committee are based upon the year 1906, on the theory that that was a good average to show the revenue-producing power of the Dingley law. Upon this it is estimated that the bill will produce revenue from customs \$312,000,000; inheritance tax, \$20,000,000; increased tax on cigarettes, \$1,500,000—

Mr. HARDWICK. If the gentleman will allow me right there, what do you estimate the revenue will be from the coffee tax?

Mr. LONGWORTH. Nothing.

Mr. HARDWICK. I mean if we do have the import duty equal to the export duty?

Mr. LONGWORTH. There is no chance of having a revenue from coffee; there is no estimate made; it is a cipher.

Mr. HARDWICK. All right.

Mr. LONGWORTH. The Treasury Department estimates that the receipts from internal revenue will be \$250,000,000; for miscellaneous receipts, \$62,000,000; and postal revenues, \$223,000,000. Upon this basis the deficit for the year 1910 would only be about \$3,000,000, which, if this bill should have its full effect during that year, would be more than wiped out. Now, it seems to me that in this estimate the committee has erred upon the side of conservatism, because they have failed to take into account both as to customs revenue and internal revenue the increase of population, and also a consequent increase in the revenues which will have taken place between the years 1906 and 1910. I base this statement upon the yearly average increase in the revenues under the Dingley Act during all the years that it has been in operation.

In 1898, after the Dingley law had been in operation a year, the year after its enactment, when it may be presumed to have shown its full effect, the receipts from customs and internal revenue were \$320,000,000. Ten years later, in the year 1907, the receipts from customs and internal revenue were \$602,000,000. This represents an increase over 1898 of approximately \$282,000,000, or at an average increase of \$28,000,000 a year. To be entirely conservative, let us take the year 1908 as a basis. We are accustomed to talk about 1908 as a disastrous year, a year of great business depression, and yet it produced a revenue from all sources greater than any year in the history of this country, except alone the year 1907. In only one source of revenue did 1908 fall below 1906, and that was in customs, and it only fell below it by \$4,000,000; but in total receipts 1908 exceeded 1906 by more than \$6,000,000. Thus the year 1908, with all its financial disturbances and panic, or whatever you may be pleased to call them, was far and away the best year, from the point of view of the money that it turned into the Treasury, of any year of our history except the boom year of 1907.

Mr. SHERLEY. Is that the calendar year of 1908 or the fiscal year?

Mr. LONGWORTH. I have taken it from the actual receipts, which I presume is the fiscal year, as reported in the Treasury.

Mr. SHERLEY. That would be ending June 30, 1908, and that was before the panic.

Mr. LONGWORTH. Oh, no; on the contrary.

Mr. SHERLEY. I merely want to know which year the gentleman is referring to.

Mr. LONGWORTH. This publication is entitled "Receipts and Disbursements of the Government. Recapitulation of Receipts by Fiscal Years." Therefore, the full effect of the panic is shown in these receipts. The total receipts from customs and internal revenue in 1908 were \$537,000,000, or an increase over 1906 of \$217,000,000, or an average increase of more than

\$20,000,000 a year. I have recently read that a distinguished financier told his son that any man who was a bear on the future of this country would "go broke." And I think it is in the highest degree conservative, unless we are bears about the future, to estimate that the average increase in receipts from customs and internal revenue will at least continue during the next ten years. If it does, we are greatly underestimating what this bill will produce.

Another way of estimating the receipts under this bill for ten years is this: The total receipts of 1906, upon which this bill is based, excluding postal, were \$594,000,000. Add to this \$1,500,000 for cigarettes, \$8,000,000 for tea, \$20,000,000 for an inheritance tax, and we have a total of about \$624,000,000. If we should add to this \$40,000,000, representing the normal increase of four years at the rate of only \$10,000,000 a year, we have a total of \$664,000,000. The amount of revenue to be provided is \$872,000,000, as I have indicated. Deducting from this \$235,000,000, being the postal appropriation, there is a balance left of \$637,000,000. If we subtract this from \$664,000,000, the balance is \$27,000,000. As the estimate for postal expenditures is \$223,000,000 and the estimated deficit in postal revenues will hence be \$16,000,000, we deduct \$16,000,000 from \$27,000,000, which leaves \$11,000,000 as the net surplus of revenues over expenditures for the year 1910.

Mr. SHERLEY. What does the gentleman do in regard to the sinking fund—anything?

Mr. LONGWORTH. The \$60,000,000 appropriated for the sinking fund is a permanent appropriation and is deducted from the total appropriations for the year 1910 for the purposes of this estimate.

Mr. SHERLEY. In other words, you make no provision for the setting aside of \$60,000,000 under the sinking-fund act?

Mr. LONGWORTH. In estimating the amount for which it is absolutely necessary to provide revenue for the year 1910, we have deducted \$60,000,000 from the total appropriations.

Mr. COX of Ohio. Will the gentleman yield?

Mr. LONGWORTH. With pleasure.

Mr. COX of Ohio. The gentleman made the statement that he was not counting on any revenue being derived from coffee. Am I correct in that?

Mr. LONGWORTH. Yes.

Mr. COX of Ohio. That you had denominated the sum total of your revenue from that direction with a cipher. Now, if you can not control the situation with reference to Brazilian exportations, and coffee does come to us taxed, and you derive a large sum of money thereby, will you tell me, please, whether you mean to spend that money, or, as a matter of good faith, do you intend to reduce the taxes on sugar and tea?

Mr. LONGWORTH. Well, I do not believe that there is any chance of a revenue on coffee being forced on us against our will. I have no idea of a surplus on account of that kind of a tax.

Mr. COX of Ohio. But if we do derive several millions from that source, will that money be expended or, as a matter of good faith, will you reduce the tax on sugar and tea?

Mr. LONGWORTH. Well, I will say to the gentleman that I can not predict what may happen should contingencies of which I have no idea arise. This countervailing duty on coffee is simply put on to compel Brazil to take off her export duty and to prevent the consumers of the United States from paying Brazil's export duty.

Mr. COX of Indiana. Will the gentleman yield for one question?

Mr. LONGWORTH. Certainly.

Mr. COX of Indiana. Suppose Brazil does not take off the export duty; then, has your committee made any estimate as to the probable amount of revenue that we would derive from the duty on coffee?

Mr. LONGWORTH. Oh, yes.

Mr. COX of Indiana. How much will it amount to?

Mr. LONGWORTH. It is safe to say for every cent a pound that you put on coffee you will have a revenue of ten millions a year.

Mr. COX of Indiana. From that item?

Mr. LONGWORTH. On that item.

Mr. COX of Indiana. Then, as I understand the gentleman, the committee that framed the bill framed it under the impression that the time would come when Brazil and the other coffee-growing countries would take off the export duty?

Mr. LONGWORTH. Unquestionably, the only reason that that provision referred to by the gentleman was put in was to prevent Brazil keeping up her export tax, and hence raise the price to the consumers of this country, if we have no means of retaliation. I have no question, certainly I have no question, but that if we impose against Brazil the same tax which she

imposes by way of export tax that she will immediately take off the export tax.

Mr. COX of Indiana. Will the gentleman permit another question? I want to get information on that if I can. Has the gentleman individually or did the committee collectively receive any assurance from any of the coffee-growing countries on earth which export coffee into this country that they would remove that export duty?

Mr. LONGWORTH. We have had no communications except such as we got from American citizens.

Mr. COX of Indiana. Then it is a matter of speculation.

Mr. LONGWORTH. It is not a matter of speculation to say to Brazil, "If you tax our consumers of coffee, we are going to tax you to pay for it."

Mr. GAINES. Does not the gentleman also understand that the Brazilian Government buys the coffee of Brazil and is a seller of Brazilian coffee, and that the situation is this, that when our people have untaxed trade between that country and this in coffee they find out at first Brazil has levied an export tariff on coffee and then put a tax on the trade and transferred the revenue that is received from that trade into its own treasury, and then it created a government monopoly of the coffee trade? The purpose of this feature of the bill was to see if we can not drive out that government monopoly and give us free trade in coffee. It seems contrary to all reasonable probability, if the gentleman from Ohio will allow me, that Brazil will continue this monopoly, and that monopoly is what the Ways and Means Committee have struck at in this provision.

Mr. LONGWORTH. I yield to the gentleman from Indiana.

Mr. GAINES. I really ought to apologize for taking so much of the gentleman's time as I have.

Mr. LONGWORTH. I yield to the gentleman with pleasure.

Mr. COX of Indiana. Then, as I understand the gentleman from West Virginia, as a matter of last resort and last analysis, if Brazil absolutely refuses to take off the export duty, then we propose to put a duty on the coffee while the coffee users pay for it?

Mr. GAINES. To that question I will say to the gentleman that probably to a considerable extent we would buy from the countries that do not levy an export tax, such as Java and Arabia. The gentleman must understand that we are now dealing with a governmental monopoly in buying Brazilian coffee, so that the result of a countervailing duty would be to cut off the oppression that that government monopoly imposes.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. LONGWORTH] has again expired.

Mr. PAYNE. I ask unanimous consent that his time be extended half an hour.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Ohio be extended half an hour. Is there objection?

There was no objection.

Mr. COX of Indiana. If the gentleman from Ohio will yield to allow me to ask one more question of his colleague [Mr. GAINES], then I will not interrupt him again. I did not catch fully the gentleman's answer to my question. Probably I did not make my question as plain and specific as I could.

Mr. GAINES. The question was quite plain. If there was any fault, it was with the answer.

Mr. COX of Indiana. No; I think probably the fault was my own. Supposing, now, that as an ultimatum Brazil flatly refuses to lift her export duty, but continues to keep it on? Then is it the gentleman's idea that we will impose a duty upon coffee and make the consumers of Brazilian coffee in this country pay that duty?

Mr. GAINES. I will repeat that my answer is this: In the first place we would have a considerable amount of trade probably in such an event with other countries which do not put on an export duty, instead of trading to that extent with Brazil. But even if there were no other trade to come in and moderate the situation, yet we are paying to-day every cent for Brazilian coffee that Brazilian coffee will command. There is an absolute governmental monopoly. There is no competition of Brazilian coffee with Brazilian coffee in the market of America; and that governmental monopoly is to-day exacting the last penny Brazilian coffee can exact from the American consumer. So that in no possible contingency can the price be raised by any slight tax.

Mr. COX of Indiana. Can the countries of the world which raise or produce coffee, outside of Brazil, furnish American producers and consumers of coffee with a sufficient quantity of it? In other words, must we not buy a large proportion of our coffee from Brazil?

Mr. GAINES. I will tell the gentleman what I think of the coffee situation and how it will work. I am inclined to think

that if we were to put a tax of 5 or 6 cents a pound upon Brazilian coffee—or 4 cents, possibly—it would increase to some extent the price to the consumer.

Mr. COX of Indiana. No doubt it would.

Mr. GAINES. There is grave doubt whether it would. There are many people who think, in view of the difference between the cost of Brazilian coffee laid down in New York and the price which the consumers of the country pay, that the middle men have the situation in their own hands in this country, so that it would make no difference. There is doubt about it, but it seems to me that that would increase the price.

But now, so far as the slight countervailing duty is concerned that we have put on, in my opinion it would in any event do no more than either, as we hope, break up that governmental monopoly and give us untaxed coffee, and give us cheaper coffee; or if so slight an increase of duty could be added to the price of Brazilian coffee, the Brazilian governmental monopoly would add it now.

Mr. COX of Indiana. Will the gentleman kindly answer my question, whether or not, in his judgment, there is enough coffee raised in the world outside of Brazil to comply with the demand for coffee in the United States?

Mr. GAINES. Why, of course there is, though our source is generally Brazilian. We seem to be the only people in the world who will drink in any great quantity the rather inferior Brazilian coffee; but if our conditions required us to purchase a part of our coffee from other coffee-producing regions, of course the supply would come in from other sources; and they would increase their supply in order to meet our demands.

Mr. LONGWORTH. Mr. Chairman, I think the briefest way of answering the gentleman from Indiana on the question of the countervailing duties, and also the proposition of the gentleman from New York this morning with reference to the maximum and minimum, is by the statement that by this bill it is not intended to place a tax on any of those articles to wield the club against any foreign nation, but it is simply a way of genteelly forcing other nations to do business with us on the most favorable terms and has no relation whatever to the question of revenue.

I have given as an estimate \$11,000,000 as the probable net surplus of the receipts over expenditures for the year 1910, based on an average increase for the four years from 1906 to 1910 of only \$10,000,000 a year. I have pointed out the fact that the increase for the last eleven years under the Dingley law of customs in internal revenue was more than \$20,000,000 a year. I therefore say that the committee was very conservative in only estimating an increase to continue at \$10,000,000. If it should continue at \$20,000,000, we would have a surplus of \$31,000,000 a year at the conclusion of the fiscal year of 1910.

Of course, while it is true that the revenues during the last ten or eleven years have increased, it is also true that the expenses have increased. The total expenditures, not including the postal department, were, in 1898, \$443,000,000; in 1907, \$576,000,000, and \$660,000,000 in 1908, an increase of \$135,000,000 for the year 1907 over 1898, or an average of more than \$13,000,000 a year. For 1908 it was \$217,000,000, an average of about \$20,000,000 a year. But this amount includes all that has been spent for the Panama Canal, in the neighborhood, as nearly as I can find, of about \$100,000,000, an investment pure and simple not properly chargeable against the running expenses of the Government. If we deduct this amount from the excess of expenditure of 1908 over 1897, it leaves \$117,000,000, or an average of about \$11,000,000 a year. Thus, for the period to which I have referred, the average increase of receipts has exceeded the average increase of expenditures for governmental purposes, properly considered, by nearly 2 to 1.

I believe firmly that this bill will be a far greater revenue-producing law than the Dingley law, and that when it has had a chance to show its revenue-producing power it will not only wipe out the deficit, but will enable the Government to embark on legitimate projects for which it ought to provide and for which the people will demand that it shall provide.

Since the passage of the Dingley law, and within the last few years, a new question of most far-reaching importance has come prominently before the people of the United States, the question of the conservation of our natural resources. The country has progressed so rapidly and our people are so immensely industrious that many of our natural resources are being used up to an alarming extent. The time is coming to call a halt and look the situation in the face.

This question was considered in the formation of this bill, principally in regard to three great staples of national wealth—iron ore, coal, and wood. Coal and iron ore have been placed on the free list, and the duty on lumber has been cut in half.

I am aware that there is a great difference of opinion as to

whether the change in the tariff law will have any effect in reducing the waste of resources; but I, for one, believe that it is a self-evident proposition that the larger the area from which the American people can draw for iron, coal, and lumber, the less rapid will be the destruction of coal, iron, and timber in this country. [Applause.]

So far as lumber is concerned, I am well aware that I am running counter to the opinion of the man who is, without doubt, the greatest authority in this country on forestry; but, with all respect for his opinion, I agree with my colleague from Ohio [Mr. HOWLAND] that there are certainly two sides to this question.

Mr. SHERLEY. The gentleman means counter to the second opinion of Mr. Pinchot, I presume?

Mr. LONGWORTH. Counter to the only opinion of his that I have seen. The proposition was advanced early in the hearings by those interested in maintaining a tariff on lumber that the high price of lumber tends in the direction of less waste in the cutting of standing timber than the low price of lumber; and they argue from this that as a reduction of the tariff on lumber would tend to lower its price, it would tend, therefore, to increase the waste and hasten the destruction of the forests. If we take the converse of the proposition, then if the raising of the tariff would raise the price of lumber it would be apparently wise, from the forest-conservation point of view, to raise the tariff so high that no lumber could possibly be imported, and this, according to their argument, would tend to prevent the destruction of the forests in this country. If this is not a *reductio ad absurdum* I never met one.

Mr. STEVENS of Minnesota. Is the gentleman familiar with the practice of the Forestry Bureau in conserving the cut of the forest in Minnesota in what is known as the "Cass Lake Reservation," where the Forestry Bureau requires that the trees should be cut as required by the regulations, and that those regulations provide for using all of the material in the trees, and burning and disposing of the waste? Is the gentleman familiar with that?

Mr. LONGWORTH. I have heard of it.

Mr. STEVENS of Minnesota. And that the prices obtained for such lumber were as high as the stumpage outside, so that the work has actually been done, and no attention has been paid to any tariff on that at all.

Mr. LONGWORTH. It seems to me that the defense of this proposition must rest upon this ground, that if the price of lumber is raised much higher than it is now—as high, for instance, as it is in Germany, where the ideal system of reforestation prevails—then lumber would not be used for some of the purposes for which it is now used. If people stop building frame houses and wooden fences and sheds, then, of course, the destruction of the forests would be lessened, because the uses to which lumber could be put would be few. I am not willing to subscribe to the theory that this is the proper way to protect the forests. On the contrary, I believe that a reduction in the duty on lumber is at least a step in the direction of conserving the forests.

Mr. COX of Indiana. Mr. Chairman, I am heartily in accord with the gentleman's statements; but if a reduction will be one step in tending to conserve the forests of this country, would not a complete abolition or removal of the duty on lumber be two steps in the right direction?

Mr. LONGWORTH. Mr. Chairman, I will state to the gentleman that I am not at liberty, under the circumstances, to state how I may have voted upon that or any other question in the committee.

Mr. SPARKMAN. Will the gentleman state about how much the present duties, the duties as provided for in the present bill, would tend toward the conservation of the forests of the country?

Mr. LONGWORTH. I think that possibly the reduction of the duties would tend to increase the imports.

Mr. SPARKMAN. To what extent?

Mr. LONGWORTH. I do not know.

Mr. SPARKMAN. I think Mr. Pinchot says it would be very slightly increased.

Mr. LONGWORTH. Oh, I understand that Mr. Pinchot says there will be no change whatever. The fact is, I am putting my opinion against Mr. Pinchot's, and I know it is not worth nearly as much.

Mr. SPARKMAN. The gentleman, then, has not given sufficient thought to the subject to enable him to answer the question?

Mr. LONGWORTH. No; I regret that I can not answer the question. Mr. Pinchot stated categorically that the placing of lumber on the free list would have no effect whatever on the price of lumber or on the question of reforestation. I can not

believe that that is so, though, as I say, his opinion is worth far more than mine.

Mr. Chairman, one other feature of this bill I am going to allude to, and then I shall close. That is the maximum and minimum as provided in this bill. Since the passage of the Dingley law many countries have adopted the maximum and minimum, and it is now in successful operation in almost every country in Europe which has a protective policy. Gentlemen are accustomed to allude to this as a "joker," and have charged that it was intended to raise duties. Mr. Chairman, this sort of criticism either is not sincere, or if sincere, it is based on misinformation. Let us see what the maximum and minimum means. It means simply that any country which admits our goods on as favorable terms as it admits goods of any other country is entitled to all our minimum rates, and any country which treats any other country better than she does us will have to accept our maximum rates. All we ask is to be treated as well as anybody else, as any other nation. Any nation that so treats us we will treat as well as we do any other nation. Gentlemen say this may provoke retaliatory measures from other countries. The fact is that it is designed to prevent retaliatory measures, and it will do that and nothing more.

Far from forcing upon any other country our maximum rates, it is designed to allow them the enjoyment of our minimum rates, and it would be the height of folly for any country which does any business with us to voluntarily debar herself from our market. For instance, as soon as the maximum and minimum features of this bill go into effect there is one country certainly which is immediately entitled to their benefit, and that is England. Does anyone suppose that France or Germany or any other country is going to let England come into this market on substantially better terms than they do? It would be cutting off their nose to spite their face. Far from being a challenge to a tariff war, it is an invitation to do business on the most favorable terms. We make no threat and demand no concession. We merely ask for as fair treatment as anyone else.

Reciprocal trade agreement, as provided in section 3 of the Dingley law, has not proved a success. Under it we have acquired few valuable concessions, and it has had the effect of unsettling prices, because the duties might at any time be changed by negotiations, and importers could not plan far in advance.

I do not believe that there can be the least doubt that as soon as our agreements have been determined after the passage of this bill that there will be no country in the world with whom we have trade relations of any substantial size that will not be enjoying all the benefits of our minimum tariff. To say anything else would be to impugn their good sense.

I would like, if I had the time, and I have already taken up a good deal too much, to have alluded to some of the schedules of this bill. I should like, for instance, to have at some length expressed my commendation of the placing of genuine works of art on the free list. I should have liked to have spoken at some length of the Philippine tariff provision, which I regard as a measure of long-delayed justice to the Filipinos, but I shall conclude in only a few words more. The title of this bill is, "A bill to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes." It will do these three things. It is a literal compliance with the pledge made in the Republican platform. It is in line with the most enlightened leadership of the Republican party. It adopts the suggestions made by the former President and the present President of the United States. It will produce a revenue amply sufficient to meet the requirements of this, the most progressive government in the world.

It protects every American industry North, South, East, and West that needs protection. It will guarantee to every man who wants to work steady employment at steady wages, and wages immensely higher than those paid in any other country under the sun. It is a revision downward. It has reduced five rates of duty for every one that it has increased, and fifteen for every one that it has increased except for revenue purposes alone. It recognizes the principle of the conservation of our national resources. It provides for true reciprocity as understood by Blaine and McKinley. It is an enlightened and progressive Republican tariff measure and as such should receive the vote of every Republican in this House, and of every Democrat who believes in the principles of protection to American industries and protection to American labor. [Loud applause.]

The CHAIRMAN. The gentleman from Georgia [Mr. HARDWICK] is recognized for thirty minutes.

Mr. HARDWICK. Mr. Chairman, while it is undoubtedly true that an academic and theoretical discussion of the tariff question is of at least doubtful utility just at a time when we

are in the very act of considering and passing upon a tariff bill which presents many difficult and perplexing practical questions for immediate and practical answer in the votes that each of us must soon cast, yet I do think that a brief statement of the principles that govern and control our actions and votes in this most important matter can not fail to be of interest not only to the House and to the country, but is also an absolute necessity, so that from the maze of involved schedules and rates, of intricate provisions and teeming figures, the motives which govern our actions and control our votes may be known to the people whose servants and agents we are. Some brief, clear statement of those principles is, to my mind, as necessary as is a clear and precise statement of the legal principles which control a law case before application of the law is made to the facts.

When this Government was founded, it was the clear and undoubted design of our fathers that its expenses should, under ordinary circumstances, be raised from customs duties imposed upon imports into the country and from what is now generally known as internal-revenue taxation. It was intended that all other sources of revenue should be left to the States and their various local subdivisions, untouched by the hand of the federal tax collector and undrawn upon by the General Government. No man who has studied the history of our country or who is familiar with its wonderful dual system can either doubt or dispute that proposition.

From the very earliest days of the Republic all statesmen and all political parties were agreed that a large proportion of the revenue required for the General Government must be raised from the customs duties. This is still admitted everywhere and by everybody. It was once seriously contended, however, that the customs duties would come out of the pockets of the foreign importer, who would receive no remuneration therefor when he sold his wares to the domestic purchaser.

Alexander Hamilton himself lived long enough to admit the fallacy of this contention, and even the brilliant Henry Clay was never able to establish its soundness when confronted by the cold logic of established facts, and the proof that the American price was in almost every case, the foreign price plus the cost of transportation, plus the duty. The contention has been long since abandoned and it is difficult indeed to find an intelligent man anywhere who will deny that the tariff is a tax on consumption and that the customs duty comes finally and ultimately out of the pockets of the American consumer.

The tariff being a tax, and a tax on consumption, there are few thoughtful and disinterested men who are willing to subscribe to the wondrous doctrine, so often and so plausibly advanced by our friends on the other side of the Chamber, that it is really a blessing in disguise and that the more you tax the masses of the people the happier and more prosperous they become. [Applause on the Democratic side.]

There are even fewer disinterested men who will seriously contend, with any hope for respectful attention, that the sovereign power of taxation, the supreme and kingly attribute of power, should be prostituted for private purposes, lent to private and selfish interests, and used, not for the purpose of raising necessary revenue for the Government, but for the purpose of enabling the domestic manufacturer or producer to charge a higher price for his goods and wares by shutting out his foreign competitors.

In the early days of our history it was generally conceded that customs duties ought to be levied not only for the primary purpose of raising governmental revenue, but also for the secondary and hardly less important purpose of enabling our infant industries to compete with powerful and long-established European rivals. In those days this country was almost an entirely agricultural country, and some protection, always incidental, was considered necessary in order to diversify its interests, render it independent of foreign trade and self-sufficient in times of war. This view was generally entertained at that time by all political parties and by men who agreed with each other on little else.

But it was never contended in those days that protection ought to be continued, for protection's sake, to these favored infants long after they had grown to giant size and strength, had conquered and monopolized American trade, had reached out toward every quarter of the globe in spectacular trade campaigns of foreign conquest, and were sighting, like the great Alexander, for more worlds to conquer. It has remained for latter-day Republican statesmanship to present and elaborate this amazing doctrine.

Taxation is the price we pay for orderly and well-administered government. It should be the lightest, whether direct

or indirect, that is consistent with honest and efficient administration. It is not a blessing, but a burden. No amount of sophistry about building up and diversifying industries, "protecting" home enterprises, or paying higher wages to the American laborer can long obscure that truth, and the day is not far distant, in my judgment, when the advocate of protection for protection's sake will stand unmasked before the American people in all the naked and hideous ugliness of his selfishness and greed.

If the Republican party and its leaders upon this floor and at the other end of the Capitol continue to legislate as they have in the past and as they propose to legislate in this bill, with an eye single to the interests of the producer and blind to that of the consumer, the day is not far distant when the unprotected consuming masses of the people will at last open their eyes and drive from power the party and the men who have so atrociously abused that power.

It may be that I have expressed my sentiments on this question somewhat warmly. If so, it is because I feel deeply. The particular constituency that I represent on this floor, and in large part and by a vast majority the people of the State and section of the country in which I live, have been the most oppressed, the most heavily burdened of all the people in the United States by the high-tariff policy that sprung from revenue necessities at the time of the civil war and has since been perpetuated by the greed and cunning and money of its beneficiaries. Cotton, their principal product, is sold in the unprotected markets of the world. All they have to sell must be sold at a world price, without tariff protection, and all that they have to buy must be bought in the most highly protected market on earth.

The cruel injustice of this situation is apparent at a glance. The treatment which caused their fathers to rebel against King George's Government was not more unfair, and the fact that they have borne so much so long and with such patience is the highest tribute that loyalty and patriotism has yet laid on the American altar. If the South has prospered during all these years, it has not been because of your tariff laws, but in spite of them. If she has sprung, Phoenix-like, from the ashes of the civil war and from the desolation of an overturned system, it has not been with the aid of any helping hand that you have extended to her on this great question, but by the courage and energy of her unconquerable people [applause] and with the greatest burden fastened to her massive shoulders under which a brave people ever labored. She is not always understood. A few chambers of commerce in our cities may resolve and declaim in favor of ship subsidy, for instance. Let no man deceive himself, however, with the delusion that the great South has spoken.

A few of her manufacturers, or all of them; a few of her lumber kings, or all of them; a few of her iron barons, or all of them; a few of her citizens, with special interests to serve and special favors to ask, or all of them, may come to Washington, appear before your committees and parade in the newspapers as in favor of a highly protective tariff, but let no man deceive himself into the belief that these men, or any of them, or all of them, speak for the great, toiling, suffering, burdened South.

Let me assure you to-day, as a representative of the South, a resident of one of her smaller towns in the very heart of her great cotton belt, that the South of to-day is no more inclined to bless the system that loads her down with great and grievous burdens than she has ever been. Human nature is about the same in the South as anywhere else, and there are doubtless many men and many interests in that section who would be willing to see all the rates and schedules raised until they kiss the skies, provided only they can get their own particular schedules fixed to suit themselves. These men by no means speak for our toiling, unfavored, and unprivileged millions. They speak for themselves and for their own pockets.

Let this be clearly understood and you will get a pretty clear idea about the worthlessness of all this talk, so often heard and so often seen in print, that the South is turning toward Taft, is eager to embrace Republicanism, and is hungering for the fleshpots of protection. Taft, the man, we like immensely. Taft, the statesman, we respect and admire, even while disagreeing with him. For the honest Republican we have the respect which one manly man entertains for another with whom he can not agree. Protection we still condemn and denounce, as we have always tried to condemn and denounce wrong and injustice whenever and wherever it may be found.

While we deplore the necessity for taxation, we admit its existence, and bow our backs as cheerfully as may be to the burdens that must be imposed in order to secure honest and efficient administration of government, but we are unwilling to

see a single duty imposed, a single rate raised or maintained, where the purpose and effect of such rates and duties is not to fill the Treasury, but to fill the pockets of the domestic manufacturer or producer out of the pockets of his unprotected fellow-citizen. To paraphrase somewhat the immortal expression of an early and glorious Virginia orator, we will cheerfully pay "millions for necessary governmental revenue, but not one cent for tribute" to the trusts and monopolies that swarm and infest the land.

The five great rules for tariff legislation laid down by Robert J. Walker in 1846 have never been improved on, or equaled, for that matter, since; and if the Democratic party were to-day framing the tariff bill it could not, in my judgment, act more wisely than to follow them religiously. It would need no other rule except that contained in the Denver platform on the subject of tariff-protected trusts. Without stating all five of these rules, there are two of them to which I now wish to direct your especial attention as worthy of the most serious consideration when we come to carefully examine and finally act upon the pending bill.

Walker's second rule was as follows:

No duty should be imposed upon any article above the lowest rate that will yield a just amount of revenue.

His fourth rule was that—

The maximum revenue rate should be placed on all luxuries.

If these two yardsticks could be applied, particularly the one suggested in Walker's second rule, it would be a great triumph for the right.

Now, as I understand the difference between the Republican and Democratic position on this matter, the Democratic position is well stated by Mr. Walker when he advocated the lowest rate that can be imposed in order to raise a just revenue, and the Republican doctrine, as I understand it, and I think I will express it in a way that will meet the approbation of every Republican in this House, is that a duty shall be imposed which carries the maximum of protection and at the same time raises the necessary revenue for the Government. That is the doctrine which I have heard them advocate generally, and if any gentleman here takes issue with that I will be glad to have him do so now. The issue between the parties thus stated is plain and simple enough.

I realize full well that in following the Democratic tariff idea, incidental protection is often, if not usually, afforded. But the protection so afforded is not only incidental, but one might say almost accidental. If the strict free-trade theory were followed, the tariff would necessarily be levied on articles which are not produced in this country, which is, I believe, the English tariff system. This system has, however, never been advocated in this country by either of the great parties, and neither of them contends for it now. The Democratic idea of the tariff has always been, in whatever words expressed, that the tariff should be imposed for the purpose of revenue only, that it should be levied on the largest number of articles, so as to distribute as generally as possible among all the people and all the sections of the country the burdens of taxation as well as such incidental benefit as might come through the imposition of even a purely revenue tariff upon competitive articles. A hardly less important article of faith is that the tariff shall be high on luxuries and as low as possible upon necessities. To this theory I sincerely and honestly subscribe, and I shall, if given the opportunity, vote in accordance therewith on every proposition in the bill.

So far as I am concerned, I shall make no effort to "get my share of the pie;" if there are any interests in my district or in my State that think they ought to be given "protection," because a protective-tariff bill is being passed, I can only say that they will not get it by my vote at least. I shall vote for nothing more than a revenue duty on any product or any article, whether the same is produced in the North or in the South, in the East or in the West. While I might be willing to vote for a proper revenue duty on any article for which imperative reasons could not be given for placing on the free list, yet I will never vote for a duty that is primarily protective or even partially prohibitive, even if the purpose and effect thereof should be to protect some product of my own State or even of my own district.

I am opposed to the Payne bill as a whole, and shall vote against it for many reasons, a number of which I shall now undertake to state.

The Republican party, in the platform upon which it went to the people in the election of 1908, declared "unequivocally" for "the revision of the tariff by a special session of Congress immediately following the inauguration of our next President." While pledging itself to maintain the principle of protection in

whatever revision was undertaken, the fact that it promised a revision at all was conclusive evidence that it had heard and proposed to heed, or at least to promise to heed, the loud murmurs of the discontented American consumer against the unjust and oppressive rates and schedules of the Dingley bill—schedules so high that many of them kissed the heavens, to which their injustice cried.

There was no clamor in the Republican party or out of it for revision upward. That was not the Iowa idea; that was not the demand of the West; that was not the cry of the burden carrier. Oh, no! There can be little doubt that the platform was intended to mean, and was generally construed to mean, in most parts of the country, at least, revision downward. What the beneficiaries of the protective-tariff system themselves were told that it meant I know not, but generally the people believed it meant downward revision. Upon this subject let me quote from the speech of President Taft, delivered at Cleveland, Ohio, on July 28, 1908, accepting the Republican nomination for the presidency:

The consequent material development has greatly changed the conditions under which many articles described by the schedules of the tariff are now produced. The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer. The excess over that difference serves no useful purpose, but offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rate.

On the other hand, there are some few other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised. A revision of the tariff undertaken upon this principle, which is at the basis of our present business system, begun promptly upon the incoming of the new administration and considered at a special session, with the preliminary investigations already begun by the appropriate committees of the House and Senate, will make the disturbances of business incident to such a change as little as possible.

It must be remembered that this speech of the President was not one of many campaign utterances, delivered on the spur of the moment and without due deliberation and careful consideration. It was a solemn and formal declaration of principles upon which he and his party stood before the country, asking the suffrage of its people, almost approaching a state paper in its dignity, solemnity, and importance. Can any man believe that the average voter who read it understood that we were to have tariff revision upward at the extraordinary session? Can any man fairly and justly deny that it amounted to an indorsement of that portion of the Democratic tariff declaration that dealt with the tariff-sheltered trusts? Can any man doubt that its deliberate purpose, and in view of the result of the election, its undoubted effect, was to eliminate as a campaign issue that phase of the tariff discussion?

What has happened? Our new President is inaugurated amid general good will and with the best wishes of the entire country, regardless of party lines; the extraordinary session of Congress is called, according to promise, to revise the tariff. After months of labor the Payne bill is born, and lo! according to the figures of the accurate, careful, and painstaking clerk of the Ways and Means Committee, Mr. Evans, given in the recapitulation on page 126 of his Comparison of the Payne Tariff Bill with the Present Tariff, it appears that, instead of revision downward, we are presented with revision upward, the ad valorem minimum duties under the Dingley law being 44.16 per cent and the average under the Payne bill being 45.72 per cent. The maximum duties provided are 20 per cent higher than the minimum duties, which average 45.72 per cent, as stated. Not only that, but I defy any gentleman in this House to name or to point out a single trust that has been killed or even slightly wounded by the bill. If there are any, they are so few in number and so insignificant in size that they have escaped my attention. Surely the sugar trust is not sorely afflicted when you have left the duties on raw sugar unchanged and have decreased the duty on refined sugar but 5 cents per hundred pounds.

Sure the steel trust is unhurt, although you have taken off the present duty of 40 cents per ton on iron ore, have cut the duty on steel rails in half, besides having made numerous other reductions of lesser importance. It is unhurt, because the duties, as you have left them, are still prohibitive, for the reason that the American steel and iron industry is easily the first in the world and needs no protection whatever. Even if no duty were imposed the foreigner could not compete with the American producer, because steel and iron are produced more cheaply here than anywhere else on earth. The foreign importations are already of small volume and value and are yearly decreasing. You have left the Standard Oil untouched; the counter-vailing duty by which Russian competition was shut out being

left unaltered and unrepealed in the very words in which it was tucked away in the Dingley law.

And so on down the line; when the great tariff battle of 1909 is fought out and ended, if the Republican party can work its will, as it doubtless can, and the roll is called of all the great industrial trusts to see which of them have survived the bloody assault made upon them by their friends, I have no doubt that each of them, of any size or importance, will come up smiling and answer "here," and that, too, in spite of the awful but somewhat Pickwickian threat of President Taft and his party to shave off the tariff "excess," which "serves no useful purpose, but offers a temptation to those who would monopolize the production and sale of such articles in this country to profit by the excessive rate."

I now desire to invite your attention to certain particular provisions of the Payne bill upon which I wish to make some observations.

First, let us take sugar. Under the Dingley law there were imported into the United States during the fiscal year ending June 30, 1907, 2,329,564 long tons of raw sugar. This sugar is classified as follows in reference to the duty paid by it:

	Long tons.
Full dutiable sugar.....	347,509
Concession sugar, preferential rates of duty, from—	
Philippine Islands.....	10,700
Cuba.....	1,340,400
Free sugar from—	
Hawaii.....	418,102
Porto Rico.....	212,853
Total.....	2,329,564

The total duties collected on all raw sugars during that year were \$54,310,082. All of this sugar must, of course, be refined before it is used, and it is well known that the sugar trust owns and controls the vast majority, indeed almost every one of the refineries. The sugar trust therefore had to pay this \$54,000,000 (round numbers) to get its raw sugar. For that amount of money paid in duties they were allowed to import free and dutiable raw sugar to the amount of 2,329,564 long tons, so that it will be readily seen that the average duty actually paid on all raw sugar was \$23.31 per long ton, or 1.04 cents per pound.

During the fiscal year ended June 30, 1907, there were refined in the United States 2,843,923 long tons of sugar. During the same period there was imported into the United States only 4,318,995 pounds, or 1,928 long tons, of refined sugar, that paid a duty of \$84,220.43. The importations of refined sugar had dropped from 101,198,512 pounds in 1900, yielding a revenue of nearly \$2,000,000, to the pitiful figures already given for the fiscal year 1907 under the joint and beneficent operation of the Dingley tariff and the sugar trust.

It is thus seen how completely the heavy duty on refined sugar has shut out importations of refined sugar and compelled the importation of raw sugar only. The sugar trust, owning and controlling the refineries of the country, pays the duty on the raw sugar and then sells to the American consumer the refined sugar that appears upon his table at the foreign price plus the American duty, which for the fiscal year 1907 was \$1.95 per hundred pounds, or \$43.68 per long ton. During that year we consumed 2,843,923 long tons of sugar refined in this country (besides the comparatively trifling amount of 1,928 long tons imported), and upon every ton and every pound of this sugar the American consumer paid to the sugar trust a bonus equal to the protective and prohibitive tariff imposed on refined sugar; a duty so useless as a revenue producer that during the fiscal year 1907 it yielded to the Government of the United States but \$84,000 in revenue, and yet so powerful as a bulwark, behind which the sugar trust lies sheltered, that it cost the people of the country \$124,202,956.64, or the number of long tons of sugar refined in this country (2,843,923) multiplied by the duty per long ton (\$43.68).

So that if our account be cast up with the sugar trust, and that concern be given credit for the \$54,000,000 that is paid in duties on raw sugar and be charged with the \$124,000,000, the extra price which it is enabled to charge the consumer on refined sugar by means of a miserable and fraudulent duty which yields the Government but \$84,000 per year, it will be seen that the net result of this delectable process is to demonstrate that this beautiful system results in a clean gift to the sugar trust of \$70,000,000 per annum out of the pockets of every man, woman, and child in America.

Mr. JOHNSON of South Carolina. Will the gentleman yield for a suggestion?

Mr. HARDWICK. Certainly.

Mr. JOHNSON of South Carolina. The bill also provides that certain 300,000 tons of sugar shall come in from the

Philippine Islands absolutely free of duty, which I think has paid a duty.

Mr. HARDWICK. Exactly; but that is raw sugar.

Mr. JOHNSON of South Carolina. The sugar trust can get the benefit.

Mr. HARDWICK. The sugar trust, of course, will be glad to have all the free raw sugar possible, because the more free raw sugar you let in the less money you force them to pay to the Government. But whenever you talk about letting refined sugar in, then the sugar trust begins to squeal; and the fact that you have left it so high that you are not going to let refined sugar in is the reason why the sugar trust is so satisfied with the present situation and so intensely delighted with the Payne bill.

As far as the sugar matter is concerned, the Payne bill will hurt the sugar trust hardly a penny. When you consider the constantly and yearly increasing consumption of sugar, my prediction is that during the fiscal year ending June 30, 1910, the sugar trust will actually get a larger bonus under the operation of the Payne bill, even at the slightly decreased rate, than it now gets under the Dingley law.

Mr. JAMES. Will the gentleman from Georgia state definitely how much the tariff upon refined sugar adds to the cost to the consumer?

Mr. HARDWICK. One dollar and ninety cents a hundred pounds.

Mr. JAMES. Nearly 2 cents a pound?

Mr. HARDWICK. Nearly 2 cents a pound. And what remedy is proposed in the Payne bill? What relief, if any, and how much relief is to be given? As to the remedy, none is proposed, none suggested. As to relief, it is so pitiable, so insignificant, so trifling, as to suggest that the party in power either has a very low opinion of the intelligence of the people or has grown callous to their wrongs and overbold in their favoritism to the privileged and powerful.

The Payne bill leaves the rates on raw sugar unchanged and grants the pitiful reduction of 5 cents a hundred pounds on the duty on refined sugar, fixing the duty thereon at \$1.90 per hundred pounds instead of \$1.95, as fixed by the Dingley bill. Let us see just how much relief this tremendous reduction will give. If the amount of sugar refined this year is, in round numbers, 3,000,000 long tons, and that is somewhere near what it will be, then this duty on refined sugar will enable the American sugar trust to add \$127,680,000 to the price it charges our people for their refined sugar, while the refiner will not pay to the Government more than \$57,000,000 at the outside as the duty on raw sugar he imports, and from the transaction he will clear not less than \$70,000,000 as a net gift from our tariff system over and above his legitimate profit that he would make in any event, tariff or no tariff. Where the Dingley bill operated to make the sugar trust a clear gift of \$70,000,000 during the fiscal year ending June 30, 1907, the best that the most hopeful advocate of the Payne measure can claim is that under that splendid bill that is to be enacted in pursuance of the solemn promise of the party of the gentleman from New York [Mr. PAYNE] and of its presidential candidate that the excessive rate behind which the trusts are sheltered were to be "shaved" off, we will not make the sugar trust a larger gift during the fiscal year ending June 30, 1910, than we did in 1907, the increase in consumption of refined sugar at least compensating it for the trifling reduction in the duty.

Let us next consider the tax on tea and coffee as carried in the Payne bill. According to section 295 of the bill, tea, if imported directly from the country of its growth and production, is taxed 8 cents per pound; if otherwise, 9 cents per pound. It is estimated by the committee that this duty is equivalent to an ad valorem duty of 54.54 per cent and will produce a revenue of \$8,000,000 (round numbers). Tea was free in the Dingley law. When King George undertook to tax our tea, nearly a century and a half ago, revolution followed. Our people of to-day will submit, of course, because if the tax is imposed at all it will be put upon them by the act of their own duly elected representatives, but I much mistake their temper if a political revolution does not follow that will drive the Republican party from power.

Coffee, with great ostentation and parade, is placed upon the free list, but a significant and fatal proviso is attached to this deceptive action which completely destroys both its generosity and its value. This proviso is contained in paragraph 533 of the bill and is in these words:

Provided, That if any country, dependency, or colony shall impose an export duty or other export charge of any kind whatsoever, directly or indirectly, upon coffee exported into the United States, a duty equal to export duty, tax, or charge shall be levied, collected, and paid thereon.

The gentleman from New York [Mr. PAYNE] contended on the floor the other day, when he made his elaborate and exhaustive speech, and the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from West Virginia [Mr. GAINES] repeated and reinforced his contention to-day that after all coffee would be free, because the countries that now impose this export tax would be forced to repeal it in order to meet the competition of other countries that export coffee into the country and impose no export duty thereon. In other words, according to the gentleman from New York [Mr. PAYNE], we are not only to have free coffee, as we had in the Dingley law, but this great proviso will, in the end, actually give the American consumer coffee at a cheaper price than he has ever gotten it before. What is the real situation? I append hereto as "Exhibit A" a statement recently furnished by the Bureau of Statistics, Department of Commerce and Labor, showing the amount and value of the coffee imported into the United States from every country in the world during the fiscal year ending June 30, 1908; also the rate of export duty of each country which imposes an export duty on coffee.

From this statement it appears that of \$67,682,901 worth of coffee imported into the United States during the fiscal year 1908, \$48,317,377 came from Brazil, or about 72 per cent of all our coffee. It must be recalled, also, that the coffee of the middle classes and of our poorer people comes almost entirely from Brazil, the finer grades being imported from Java and Ceylon.

The statement also shows that three States of Brazil—Rio Janeiro, Minas Geraes, and Sao Paulo—levied a specific export tax on all coffee exported from their ports—and practically all of the Brazilian coffee comes from these three Brazilian States and its ports—that average at least 2 cents per pound, besides a provision that an additional export tax of 20 per cent ad valorem shall be levied on the excess of the crop of 1908 above 9,000,000 bags (132 pounds each), and on the excess of the crop of 1909 above 9,500,000 bags, and on the excess of all future crops above 10,000,000 bags. With this 20 per cent added it is carefully estimated by competent experts that the average Brazilian export duty will not net very far from 2½ cents per pound. The American consumer already pays this, or will be forced to pay it, and now the Payne bill comes along and proposes to double his burden by imposing an American import duty of 2½ cents per pound, thereby taxing his coffee 5 cents per pound and increasing by that much the price he must pay for it.

But the gentleman from New York [Mr. PAYNE] ventures into the realm of prophecy and predicts substantially that the Brazilian Government will be forced to repeal these export duties by our action in imposing an import duty on coffee. That prediction is repeated this morning by the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from West Virginia [Mr. GAINES].

It seems to me that this prophecy is not based on a correct understanding of the present condition of the coffee industry in Brazil and of the situation of the Brazilian Government in reference thereto. An examination of consular report No. 336, page 192, September, 1908, and of consular report No. 339, page 743, December, 1908, will disclose those facts. Briefly stated, it seems that in 1908 the three great Brazilian coffee States, Rio de Janeiro, Minas Gaeres, and São Paulo, purchased in 1908 about 8,400,000 bags of coffee from the immense crop of 1906-7 and warehoused it so as to defend the price of coffee by holding it and selling it in other seasons when the crop is short. This action was taken as the result of a broad, comprehensive, and well-considered plan to regulate both the production and price of coffee by controlling the acreage and limiting exportation as much as possible over a fixed amount by imposing thereon a heavy tax.

The Government has now gone out of the business, but the plan has been financed by certain American, English, German, and French financiers, who make advances to the coffee producers on the coffee so warehoused through the middlemen.

The Brazilian Government, in order to get out of the coffee business, had to borrow over \$93,000,000 from these financiers, and has pledged its faith to levy an export tax of at least 5 francs per bag and 20 per cent ad valorem in addition on all coffee exported in excess of amounts that have been agreed upon and which I have already stated. This plan is called the "valorization scheme," and while I believe that I have stated it with substantial accuracy, I will append as an exhibit to my remarks a full extract giving the substance of the information on this subject contained in the consular reports that I have already referred to.

Now, I submit to the House and to the country: Has the gentleman from New York sufficient grounds upon which to base the prediction that he so confidently made, that Brazil would be forced to repeal her export duty on coffee? It seems to me that she can not do so unless she is willing to break faith with the financiers who have advanced many millions to her upon the faith that she will comply with her contract to levy this export tax. It seems to me that she can not do so unless she is willing to abandon her well-considered, deliberately planned, and immensely popular, in Brazil, at least, "valorization scheme."

I do not believe she can be forced to do so by competition, because, I believe, and the reports prove it, that as to the production of the middle-grade coffees she has so many natural advantages and produces at a comparatively cheaper price coffee of comparatively so much better a grade and quality that she has little to fear from any foreign competition, even after the American consumer is forced to pay the export tax that Brazil imposes and the import tax carried in the Payne bill. Her position as to foreign competition in that matter is almost as independent as that of our cotton grower.

For these reasons I firmly believe that the result of it all will be that the American consumer will not only pay from 8 to 9 cents a pound more for his tea, but at least 2½ cents a pound more for his coffee because of the Payne bill, thereby giving us, in spite of alleged "free coffee," the most heavily taxed breakfast table on earth. The duty on whisky and beer is left unchanged, though much more revenue might fairly and justly be obtained from both, and the highest of all public policies at the same time be subserved, but in order that the whisky decanter and the beer bottle may not be further burdened with taxation, the necessity for governmental revenue has turned us to the coffee pot and to the teakettle. I do not approve of this, nor do I believe that the American people will approve of it when they make up their judgment about it.

Mr. Chairman, I can not undertake to go into many more of the specific wrongs and injustices carried in the bill. In my judgment it is teeming with them, and in many particulars not only unfair and unjust, but shamelessly sectional.

Let me give you one or two instances of that. Jute bagging for covering cotton is now taxed six-tenths of a cent per pound, or 73½ cents per 100 yards. Every cotton farmer who uses an average of 6½ yards per bale pays a duty of nearly 5 cents on the bagging that covers every bale of cotton that he makes. The more fortunate wheat grower of the West gets his binding twine free. Yet, in spite of this discrimination, which has been clearly pointed out to Congress and the country, the Payne bill still preserves and still continues this most unjust and partial discrimination. If I am given the opportunity, I shall, when the proper time arrives, move to amend the bill so as to put jute bagging on the free list. It is true that the Payne bill practically cuts in two the duties on the steel ties used in baling cotton, but it leaves a duty of at least 12 cents per bundle on cotton ties, or a tax of something like 2½ cents per bale. If I have the opportunity I shall move to amend by putting them on the free list. The result is that the cotton farmer still pays a tribute of about 7½ cents per bale to the bagging and tie trust, and when it is remembered that this year we produced about 13,500,000 bales of cotton, it will be seen that this tribute while apparently small is really quite a considerable sum, amounting to almost a million dollars. On this subject I will print a very strong letter from Mr. W. B. Thompson, president of the New Orleans Cotton Exchange.

It appears from the recapitulation in the statement issued by authority of the Ways and Means Committee that the average duty on cotton manufacture is raised from 46.29 per cent ad valorem in the Dingley law to 50.27 per cent in the Payne bill. Professor Taussig, in his History of the Tariff, says of the cotton-manufacturing industry:

Probably as early as 1824, and almost certainly by 1832, the industry had reached a firm position in which it was able to meet foreign competition on equal terms.

This opinion was also expressed in 1833 by Mr. Nathan Appleton, a large cotton manufacturer. Only last summer one of the largest and brainest cotton manufacturers in the South, a resident of my own State, told me that the cotton manufacturers could very well afford to see the duty on the articles they made lowered or even removed, provided the duty on the machinery and oil which they had to buy was lowered or removed.

Be that as it may, it is undoubtedly true that this oldest of our industrial "infants" is no longer entitled to the protective and prohibitive duties that are given it in this bill, averaging,

as I have shown, more than 50 per cent ad valorem. The imposition of such high duties is not only not in the interest of revenue, but against it, for if the duty were lower the revenue derived therefrom would be much larger.

It enables the manufacturer of cotton goods to charge 50 per cent more than he is entitled to charge, or could otherwise obtain, for his wares. It renders dear the clothes that the masses of our people wear, but which they will soon be unable to buy unless these rates are arrested in their skyward march.

I have always thought that this was a particularly pathetic and a lamentably unjust thing when viewed from the standpoint of the cotton producer. In the first place, one natural result of these protective and prohibitive duties on cotton goods is to narrow his market and decrease the demand for his raw cotton. Again, he sells his raw material in the unprotected markets of the world, at a world price, and yet when he comes to buy back the very article that he originally produced and does buy it back in the shape of cotton clothing for himself and his family he must repurchase what is, in large part at least, the product of his own toil in the dearest and most highly protected market on earth. As a net result the Georgia farmer who makes the cotton is forced to pay a much higher price for cotton goods than the Englishman or the German or the Frenchman or, I believe now, even the Japanese, who transport Georgia-raised cotton across the broad oceans and make it into cotton cloth and clothing, which they sell to their own people cheaper than the cotton producer in Georgia can buy similar articles. It is unjust; it is unfair; it is inherently wrong.

Others may embrace the doctrine and engage in the "grab game," the "log-rolling system" that is constantly going on in Congress and throughout the country in order that they may get as much as they can for their own districts. That is a matter for each man to decide for himself. As for me, I can not do so, and never will. If certain gentlemen and certain interests are right, and it is indeed the demand of the so-called "progressive business man's South" that her Representatives shall engage in this game, then I confess that, though young in years, I am too old-fashioned in principle to subscribe to the doctrine and my district needs a more "progressive" Representative, for I can never support in whole or in part any legislation that but places a heavier burden upon the backs of my people, as this Payne bill does. [Applause.]

Mr. GAINES. I understood the gentleman to say that Brazilian coffee was a superior coffee.

Mr. HARDWICK. No; I did not. I said that when compared with the Mexican coffee, which is a cheap coffee, and the other cheap grades of coffee, that the Brazil coffee was the best and cheapest.

Mr. GAINES. If the gentleman will permit me.

Mr. HARDWICK. I have not but a minute or two more, unless the gentleman is very anxious to ask the question.

Mr. GAINES. I will refrain.

Mr. HARDWICK. I yield anyway.

Mr. GAINES. What I wished to say to the gentleman was this, that this country takes the great bulk of the Brazilian coffee.

Mr. HARDWICK. No; I want to say to the gentleman, from a study of the consular reports I am satisfied that is not true.

Mr. GAINES. But, at any rate, Mr. Chairman, the Brazilian coffee is sold only by the Brazilian Government.

Mr. HARDWICK. The truth of it is, if the gentleman will permit, that the Brazilian Government has gone entirely out of the coffee business. If the gentleman will read the consular reports, he will see that the Brazilian Government is now out of the business.

Mr. GAINES. The gentleman will find that the coffee of Brazil is sold by a monopoly and that the monopoly now exacts the last possible penny that their coffee will bring in the market up to the point where people buy coffee from other countries.

Mr. HARDWICK. That monopoly is just like all other monopolies; it exacts the last penny they can out of the consumer and will not sell to him for a penny cheaper than it is forced to pay by competition.

Mr. GAINES. And it can not charge any more under that countervailing duty.

Mr. HARDWICK. Oh, yes; it will make a difference of two and a half cents a pound more in the cost of coffee imported from Brazil. [Applause on the Democratic side.]

APPENDIX A.

Imports of coffee by countries, quantities, and values during the fiscal year ended June 30, 1908.
[Compiled from report published by Bureau of Statistics, Department of Commerce and Labor.]

	Pounds.	Value.
Europe:		
Austria-Hungary.....	66,594	\$4,696
Belgium.....	6,500	358
France.....	215,196	26,459
Germany.....	684	53
Italy.....	1,930,800	295,855
Netherlands.....	7,850	1,784
Portugal.....	26,412	4,154
Spain.....	669,288	86,700
Turkey in Europe.....		
United Kingdom.....		
North America:		
Bermuda.....	200	22
British Honduras.....	119,942	15,729
Canada.....		
Central American States—		
Costa Rica.....	11,814,266	1,342,723
Guatemala.....	17,211,819	2,005,997
Honduras.....	494,922	60,128
Nicaragua.....	1,220,619	123,401
Panama.....	247,915	19,962
Salvador.....	9,212,505	909,684
Mexico.....	29,012,345	3,338,510
West Indies—		
British.....	3,410,795	276,638
Cuba.....	1,342	322
Dutch.....	117,250	11,734
French.....	132	24
Haiti.....	3,203,011	181,266
Santo Domingo.....	702,359	62,504
South America:		
Brazil.....	697,845,096	48,317,337
Chile.....	90	10
Colombia.....	47,963,700	3,953,445
Ecuador.....	105,400	17,468
Guiana—		
British.....	800	60
Dutch.....	333,374	36,071
Peru.....	2,597	301
Venezuela.....	51,610,511	4,837,862
Asia:		
Aden.....	2,737,908	417,854
Chinese Empire.....	26,000	4,000
East Indies—		
British India.....	2,464	352
Straits Settlements.....	407,223	35,181
Other British.....		
Dutch.....	8,769,852	1,124,696
Turkey in Asia.....	1,068,490	170,039
All other Asia.....		
Oceania, Philippine Islands.....		

EXPORT DUTY ON COFFEE.

Belgian Congo, 100 kilos 3 francs—\$0.579.
Brazil:
Rio de Janeiro, kilo 29.75 reils—\$0.0162335.
Minas Geraes, ad valorem 6½ per cent.
Sao Paulo, kilo 41.4 reils—\$0.0226044.
NOTE. —In addition to the duty above, coffee exported from the above-mentioned Brazilian States is subject to a duty of 5 francs per bag of 60 kilos. According to the decree of September 12, 1908, an additional tax of 20 per cent ad valorem is to be levied on all coffee exported from the State of Sao Paulo in excess of 9,000,000 bags during the crop year commencing July 1, 1908; in excess of 9,500,000 bags during the crop year beginning July 1, 1909, and in excess of 10,000,000 bags during succeeding crop years.
Ceylon, hundredweight 0.10 rupee—\$0.03244½.
Dominican Republic, per 46 kilos—\$0.15.
Ecuador, kilo 0.005 sucre—\$0.002435.
French Congo, ad valorem 5 per cent.
French Somali coast protectorate, 100 kilos 1 franc—\$0.193.
Guatemala, 101 pounds, \$1.
Haiti:
Coffee, 101 pounds, \$5.
Coffee, broken and residues of 101 pounds, \$2.50.
Nicaragua, 100 pounds, \$0.40.
Portuguese possessions:
Cape Verde Island, kilo 4 reils—\$0.00432.
Congo, 100 kilos 1\$680 reils—\$1.8144.
San Tome y Principe:
To Portuguese ports, kilo 16 reils—\$0.01728.
To foreign ports in Portuguese vessels, kilo 30 reils—\$0.0324.
To foreign ports in foreign vessels, kilo 45 reils—\$0.04860.
Timor, picul 2\$520 reils—\$2.7216.
Salvador:
From the ports of Libertad and Acajutla, 46 kilos, \$0.40.
Surtax, 46 kilos, 0.265 peso (silver)—\$0.096725.
From the port of La Union, 46 kilos, \$0.40.
Surtax, 46 kilos, 0.51 peso (silver)—\$0.18615.
NOTE. —Compiled in the Bureau of Manufactures, Department of Commerce and Labor.

APPENDIX B.

VALORIZATION SCHEME.

The State of Sao Paulo, with assistance from the States of Rio de Janeiro and Minas Geraes, purchased in 1908, 8,400,000 bags of coffee from the immense crop of 1906-7, warehoused it, and is holding it to defend the price of coffee by selling in other seasons when the crop is short. This is called "valorization of coffee," and prohibits further

extension of acreage, limits the exportation beyond a fixed amount by a progressive tax on exports in excess of 9,000,000 bags in 1907, 9,500,000 the next year, and 10,000,000 each succeeding year, the last amount covering the maximum annual average produced in the State of Sao Paulo.

The excess of the amount produced over that allotted for export will be stored in Sao Paulo warehouses and made the basis of advances of money to the middlemen, and by them to the producers.

The coffee is not held by the Government, but by the middlemen and producers. Certain American, German, and English financiers agreed to take two-thirds of the \$73,000,000 loan asked for by the Sao Paulo Government, and French financiers the balance. Under the loan contract the State goes out of the coffee business, so far as present contracts admit. Prior to this the Government met all the expenses incurred, partly from the treasury and partly by loans.

In 1907 the Government had borrowed \$93,011,297 upon coffee bought by the Government and stored.

It expended \$4,644,900 on loan repayment and \$71,173,566 for purchasing coffee, leaving a balance of \$17,192,826 for premium on loans, payment of interest, and other expenses.

The entire valorization scheme is based on a 3-franc (58 cents) surtax on exports. In 1907 this tax of 3 francs was levied on each bag exported and yielded a revenue of \$7,112,475. All the expenses incurred in the defense of coffee, interest, commissions, difference between par value and rate sold of the external loans, publications, traveling expenses (\$6,388,318) come from this tax.

A bag of coffee is 132 pounds. The tax, 58 cents, is about ½ cent a pound.

At the end of 1907 the state had 7,700,000 bags of coffee stored in Havre, Hamburg, Bremen, Antwerp, London, Trieste, Marseille, New York, and New Orleans, and 657,000 bags in Santos.

Under the new arrangement, by which the state goes out of the business, a surtax of 5 francs per bag is to be levied on coffee exported, and 20 per cent ad valorem on all exports in excess of 9,000,000 bags. The surtax will be about eight-elevenths of a cent per pound, and 20 per cent ad valorem.

In 1907 the average import price of coffee at New York was 7.9 cents per pound, and in 1906, 8.6 cents. Twenty per cent of this is about 1.6 cents per pound, making a total tax of about 2½ cents.

Brazilian imports—1907-8.

	Bags.
New York.....	3,334,712
New Orleans.....	1,791,626
Charleston.....	10,000
San Francisco.....	108
Total.....	5,136,446

See Consular Report, No. 336, September, 1908.
See Consular Report, No. 339, December, 1908.

APPENDIX C.

NEW ORLEANS COTTON EXCHANGE,

New Orleans, January 30, 1909.

HON. THOMAS W. HARDWICK,
Member of Congress, Washington, D. C.

DEAR SIR: I am in receipt of your favor of the 20th instant, acknowledging my letter concerning the request of the cotton exchange to the honorable Secretary of Agriculture to institute an investigation looking toward increasing the uses of cotton. I also note your request for some data in the matter of the tariff on jute bagging. I beg to thank you for the interest you are taking in both of these matters, and in relation to the latter I give you the following details:

Jute bagging for covering cotton is taxed now six-tenths of a cent per square yard, or, say, 73½ cents per 100 yards, costing the cotton farmer (who uses an average of 6½ yards per bale) in duty 4½ cents on every bale of cotton grown in America.

Steel cotton ties at present are protected by a duty of five-tenths of a cent per pound, or 22½ cents per bundle, which contains enough for five bales of cotton, making cost to farmer in duty 4½ cents on each bale of cotton grown, which, together with the above-mentioned duty on bagging, brings the total protection afforded the American trusts engaged in making bagging and ties 9 cents per cotton bale, which is taken out of the southern farmers' pockets, while the more fortunate growers of wheat in the Northwest get their binder twine free of duty.

The bagging industry of America is under the control of three concerns, namely, the American Manufacturing Company, of New York; the Ludlow Manufacturing Associates, of Boston; and the Peru Bagging Manufacturing Company, of Peru, Ind., who for many years past have worked under an agreement as to prices, output, etc. Independent mills have been bought by the bagging trust and dismantled.

The importations during 1907 of bagging were about 20,000,000 square yards, or, say, 16,363,636 running yards, and the major portion of same were imported by those in control of the American Manufacturing Company, in New York; and this year the same condition of affairs will exist, because of heavy purchases abroad already of this class of bagging by the American Manufacturing Company.

No cotton ties have been imported for several years, as the Carnegie Steel Company keeps the price at a point equal to cost of importing. For several years past the distribution and sale of cotton ties made by the steel trust has been in the hands of those in control of the bagging trust.

The present cotton crop looks to be 13,000,000 bales, so you may see the tax the cotton farmer is called upon to pay as a tribute to the bagging and tie trusts of America is quite considerable.

Some note may be made of an apparent inconsistency of the cotton exchange in that it advocates the extension of the use of cotton and at the same time declares in favor of free jute bagging. When properly understood there is no inconsistency herein. The exchange advocates the removal of the duty on foreign bagging, first, because as yet no satisfactory method has been discovered for manufacturing cotton bagging, and, in the second place, we believe that it will be to the interest of the American producer of cotton to buy his bagging as cheaply as possible. Inasmuch as the cotton farmer is the only user of bagging, any increase in the price thereof would fall directly and solely upon him. It is our opinion that any advance in the price of cotton that might be brought about by the compulsory use thereof for bagging would be more than offset by the increased cost to the farmer of marketing his cotton.

I can give you any further information on this subject, command me.

Very truly, yours,

W. B. THOMPSON, President.

Mr. FOCHT. Mr. Chairman, a great philosopher and publicist, and former Speaker of this House, Thomas B. Reed, in discussing the tariff, once declared that he cared not for pedantic maxims, nor for theory, nor for how the proposition might sound, or how it would look; what he wanted to know was, How does it work?

Now, Mr. Chairman, I believe the tariff enactments by the Republican party have all worked out well. I propose to vote for this measure, as presented by the Committee on Ways and Means, but, Mr. Chairman, I wish to call attention to one paragraph in that bill to which I am obliged to raise objection.

It is proposed to take the duty from hides for the reason that we do not produce enough to supply the consumers. I also find that it is proposed to take the tariff from bituminous coal, when it is known to every Member of this House that we produce bituminous coal in nearly every State in the Union. The propositions seem to be absolutely contradictory, and inasmuch as the last will impose disaster, if not complete ruin, on the operators of my district, if I have no other opportunity than this, I desire to enter my protest against taking the tariff from bituminous coal. I desire also to file several letters on this subject.

HUNTINGDON COAL COMPANY,
Huntingdon, Pa., March 23, 1909.

Hon. B. K. FOCHT, Washington, D. C.

DEAR SIR: Your telegrams received this evening. In our judgment free coal will be a very decided injury to our district. Thanking you for your inquiry, we are,
Yours, very truly,

JOHN LANGDON.
JOHN WHITE.
E. A. MILLER.

ROCKHILL IRON AND COAL COMPANY,
OFFICE OF PRESIDENT AND GENERAL MANAGER,
Orbissonia, Pa., March 26, 1909.

Hon. B. K. FOCHT,

House of Representatives, Washington, D. C.

MY DEAR MR. FOCHT: After making careful inquiry, I have wired you, in reply to your esteemed inquiry, as follows: "Bituminous-coal operators in the central Pennsylvania district, so far as I can ascertain, are opposed to reciprocal free trade with Canada."

The Payne bill would probably benefit the bituminous-coal operators of northwest Pennsylvania and also of New York State, where freight rates would admit of their shipping coal into Canada, but Canadian coal shippers would knock out the trade of central Pennsylvania operators in the New England States, and we would have no opportunity to compete with them in their own territory.

With assurance of our appreciation of the interest you have taken in our behalf,

Very truly, yours,

R. S. SEIBERT, President.

In attempting the important task of revising the tariff, an undertaking the effects of which will be so far-reaching that the keenest prophet will hardly venture to be too precise in his predictions, it will be the part of wisdom not to lose sight of the landmarks that indicate the economic progress of the United States ever since the beneficent policy of protection has blessed both the manufacturer and the workingman. By virtue of the operations of the protective tariff we have attained a degree of national opulence never dreamed of fifty years ago. Before that time we were almost wholly an agricultural people. Today we are a nation of manufacturers than whom the world knows no greater. The product of our factories in the aggregate is the marvel of the world. Under the Republican policy of protection the wealth of the country has increased nearly sixfold; its foreign trade threefold; the value of manufactured products nearly sevenfold; wages in manufacturing establishments nearly sixfold; the number of wage-earners more than three-fold; and our mileage of railroads more than sixfold. When the Republican party came into power our wealth per capita was about one-third of what it is now. Then the balance of trade against us was something like \$20,000,000 a year. For the year 1908, our imports were \$1,116,449,681, and our exports \$1,728,668,188, a balance in our favor of \$612,218,507.

HOLD ON TO A GOOD THING.

While, of course, a reversal of such a policy would be almost national suicide, and does not enter the imagination of anyone save the most harebrained free trader, even a serious modification of it would spell ruin to a number of important domestic industries. I do not hesitate, Mr. Chairman, to admit that I am fixed in my belief that there can not be put into successful operation free trade between the nations of the earth until labor and other conditions are equalized. Far better wait for the elevation of the European standard than lower our own. I believe when you have a good thing you ought to keep it. All this talk about it being necessary to reduce our tariff rates in order to enable us to acquire new markets for our manufactured products is, in my opinion, the merest moonshine. Other nations who have become converted to the doctrine of protection do not seem to be impressed with that sort of argument. Germany has a stiff

protective tariff, and yet she is giving free-trade Great Britain, with all the latter's commercial prestige, the closest rub in the competition for foreign trade which that nation has ever experienced. France is not moved by any altruistic folderol when she raises her tariff rates in such manner as to discriminate almost viciously against the products of the United States. Bismarck, the greatest statesman Europe has known in the last half century, and who was most accomplished in the game of international politics, used to say that dealing with the tariff was a game in which the other fellow is duped. Well, Mr. Chairman, if that is true, then let us see that we are not "the other fellow."

It was due to Bismarck that Germany adopted the protective tariff policy, and to it she owes her present commanding position in the world of commerce. England has been a free-trade nation ever since Cobden formulated her commercial policy. She was forced to be such, because she needed the raw material of the world for her great diversified manufacturing industries, and was willing to become the dumping ground for the surplus of the world's fields so as to give her manufacturers their material as cheaply as possible. But of late a new light is shining even there. A constantly increasing number of British economists are of the opinion that the time is rapidly approaching when free trade must make way for protection, and when that time comes, Mr. Chairman, we may be sure that "John Bull" will look out for number one, as he always does.

WHAT THE DINGLEY TARIFF HAS DONE.

The Republican party by its latest national platform and through the utterances of the distinguished citizen who now sits in the presidential chair, is committed to a revision of the tariff. It ought to make good its pledge. It ought to and will revise the schedules of the Dingley tariff, under the operations of which the capital invested in manufacturing industries, the number of wage-earners, and the aggregate of wages paid have increased by hundreds of millions. They say that the steel and iron business is a pretty good barometer, so far as the prosperity of the country is concerned, and I guess that comes very near to being the truth. Well, then, Mr. Chairman, the Dingley tariff went into effect actually in 1898. In that year our exports of manufactures of iron and steel, according to the Statistical Abstract of the United States, were \$70,406,885; in 1907—ten years later—they were, so the Monthly Summary of Commerce and Finance of the United States informs us, \$197,066,781, an increase of nearly 300 per cent. Not so bad for a tariff created in accordance with a policy which, its adversaries claim, makes foreign markets inaccessible.

THE REPUBLICAN PARTY'S PLEDGE.

Though revision is the slogan of to-day, and we are bound to live up to our promises, I doubt if the revision which some people seem to have in mind, which would play the mischief with some of our industries, and would simply compel us to devise new taxes to cover the deficit in our Treasury, is just the thing the people of this country are hankering after. The tariff plank of the Republican national platform declares that—

In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries, * * * the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system.

In view of this declaration, it is of interest to give a few figures showing how the tariff of 1897—the Dingley tariff—has operated in regard to wage-earners. Again I take the year 1898 as the year in which the Dingley tariff actually went into effect. The following table shows the increases for each year until and including 1906, as given in the Statistical Abstract for 1907:

Year.	Em- ployees.	Hours per week.	Wages per hour.	Full time week's earnings per em- ployee.
1898.....	106.4	99.7	100.2	99.9
1899.....	112.1	99.2	102	101.2
1900.....	115.6	98.7	105.5	104.1
1901.....	119.1	98.1	108	105.9
1902.....	123.6	97.3	112.2	109.2
1903.....	126.5	96.6	116.3	112.3
1904.....	125.7	95.9	117	112.2
1905.....	133.6	95.9	118.9	114
1906.....	142.9	95.4	124.2	118.5

We see from this that since the Dingley tariff took effect the number of wage-earners has steadily grown; their relative hours of labor have greatly diminished, and yet their earnings as steadily and considerably increased. This increase in the number of wage-earners is directly traceable to the operations of the protective tariff which has been the cause of the investment in this country of hundreds of millions of foreign capital, which, under a policy of free trade, would have been invested elsewhere. Many foreign manufacturers shut out of our market or heavily handicapped by the heavy duties imposed by our tariff, but attracted by the business our home market offers, have established plants here or invested their money in stock in plants already existing, thereby enlarging their capacity.

THE WORKINGMAN'S OPPORTUNITY.

No statistics are available to show just how much of such foreign capital has been brought here, but it is safe to say that hundreds of millions of dollars have in this manner found their way to our shores. The foreign capitalists would undoubtedly have preferred to keep their capital at home if they could have reached our home market in another way. But the protective policy compelled the investments, and thus American labor was given the opportunity to make many products that foreign labor would have made but for the tariff. There is comfort in the contemplation of the fact that even if the cost of living on this side of the water is somewhat greater than it is in England or France or Germany yet the earnings of the American workingman are so much better that he can afford to maintain a very much higher standard of living. Again it is the tariff that has made wages higher and placed the American workingman where he is envied by all his fellow-workers the world over.

Look at our immigration. In 1898 there came to our shores 229,299. Year by year the number grew until in 1907 there came a host of 1,285,349. What does this prove, Mr. Chairman? Why, that the opportunity to earn a livelihood was here; that the demand for workingmen was steadily growing, and that the wages paid here were alluring. People do not go to places where there is no work for them, and again it is the protective tariff that gave birth to, or made it possible, to enlarge the industries in which all these millions found ready employment. Some of these immigrants do not make desirable citizens, but they would not come if it were not for the inducement of better conditions. This is the house that "Jack Tariff" built and which he filled full of everything that man needs for the comforts of life.

There is in the tariff clause of the Republican platform which I have quoted, a declaration that the duties to be imposed should be such—

As will equal the difference of the cost of production at home and abroad, together with a reasonable profit to American industry.

That is the crux of protection. Our tariff does nothing more than "equal the difference of the cost of production at home and abroad." It protects the American manufacturer against the importation of articles made by the poorly paid labor of Europe and the Far East, and it protects the American workingman against having to come down to the level of that poorly paid labor. It insures that reasonable profit to American industries; only that and nothing more. It behooves us, therefore, in taking upon ourselves the revision of the tariff schedules, to be careful not to disturb the balance in the one scale of which is the welfare of the American manufacturer, and in the other the welfare of the American workingman.

The dairy business is among the leading industries of my district. Pennsylvania ranks sixth in the list of dairy States, and the counties composing my district are in the very forefront of the business in the Keystone State. I shall trespass upon the time and patience of the House long enough to show by census statistics the great proportions of that business in this country and in my State. In the census of manufacturing industries, taken in 1905, we find the following as to butter, cheese, and condensed milk:

	1905.	Increase, 1880-1905.
Number of establishments.....	8,926	Per cent. 127
Capital.....	\$47,255,556	392
Salaried officials, clerks, etc.....	3,507	
Salaries.....	\$1,376,097	
Wage-earners, average number.....	15,557	96.08
Total wages.....	\$8,412,937	444
Miscellaneous expenses.....	\$4,074,368	
Cost of materials used.....	\$142,920,277	678.3
Value of products.....	\$168,182,789	559.3

For Pennsylvania the figures show the extent of the industry and its growth from 1900 to 1905:

	1900.	1905.
Number of establishments.....	749	645
Capital.....	\$3,083,128	\$3,649,110
Salaried officials, clerks, etc.....	127	311
Salaries.....	\$45,590	\$88,593
Wage-earners, average number.....	973	1,218
Wages.....	\$445,708	\$556,310
Miscellaneous expenses.....	\$116,195	\$237,544
Cost of materials.....	\$8,711,655	\$10,290,006
Value of products.....	\$10,290,006	\$11,681,115

Pennsylvania dairies produced in 1905 butter and by-products to the amount of 288,540,218 pounds of the value of \$9,298,311; cheese and its by-products to the amount of 41,664,181 pounds of the value of \$1,024,574, and condensed milk and its by-products to the amount of 40,729,400 pounds of the value of \$1,234,417.

FREE TRADE IN DISGUISE.

Our exports of these commodities amounted in 1904, according to the report of the Bureau of Statistics on "Commerce and navigation of the United States," to 10,717,824 pounds of butter, valued at \$1,768,184, and 23,335,172 pounds of cheese, valued at \$2,452,239. Now, the present tariff imposes a duty of 6 cents per pound on butter and the same on cheese. Reduce that tariff and you destroy the differential of the cost of production at home and abroad, which to maintain the Republican party has given its solemn pledge no less than the pledge to revise the tariff. I realize full well that it will be practically impossible to construct a tariff that will please everybody. Even the Republican tariff builders, with all their experience and all their painstaking labor, will make mistakes. Of course, they will not bring forth anything so ill fitting as the Wilson tariff, which even President Cleveland, when he unwillingly signed it, declared to be a crime against the country and which, for the period of its operation, cast a blight upon the industries of our land.

But as there is nothing perfect that is made of human hands, so this tariff, which is to be the fruit of this extraordinary session, will lack perfection. Recognizing the fallibility of our judgment, it behooves us to be all the more careful as to possible mistakes, and so to guide our final decisions that no injury shall be done to any of the industries which by virtue of the protective tariff have reached their present degree of prosperity and have unmeasurably benefited the American workingman.

There is a school of political economists, Mr. Chairman, whose contention is that the reduction of tariff duties would bring more revenue to the Government by increasing the volume of imports. Let us see how this would work. We imported in 1907 in dutiable goods \$773,448,834; our duty-free imports amounted to \$641,953,451. Of the total imports of \$1,415,402,285 (see Statistical Abstract for 1907), therefore, 45.35 per cent came in free of duty. Our average ad valorem duty on dutiable articles was 42.55 per cent. Cut this in half and we would have to import \$1,546,897,668 in order to bring into the Treasury the same amount of revenue derived from present tariff rates. Or, to put it another way, with a tariff only half as high as the present, instead of importing \$1,415,402,285, we would have to import \$2,830,804,570 to raise the same revenue, and would have to deprive American capital and American labor of their legitimate activity to just that extent. No, Mr. Chairman, this deceptive argument of your tariff-for-revenue-only economist, charm he ever so wisely, falls upon deaf ears as far as I am concerned. It is free trade in disguise, and that flower by another name smells just as bad.

REDUCTION IN THE IRON AND STEEL SCHEDULE.

We have heard a good deal, Mr. Chairman, in the course of the recent tariff hearings about Mr. Carnegie's statement before the Ways and Means Committee, to the effect that there is no further need for import duties on steel and iron. Mr. Carnegie is no longer in the iron business. He has made his pile and sits snug and warm, and the marvelous income which he derives from the underlying bonds, not of the United States Steel Corporation but of the properties which he sold to that concern, enables him to scatter far and wide throughout this blessed country libraries, large and small, for the benefit of its people. That is all right; and yet, Mr. Chairman, this opinion of the Laird of Skibo reminds me much of the story of that wealthy lady who, coming in from the street on a raw, cold, winter day, called her butler and directed him to send a ton of coal to a certain poor family. She sat down by the cozy open grate fire,

had a dainty luncheon, and felt warm and comfortable. Her butler entered and asked for the address of the poor family, when the lady said:

You need not mind sending the coal now, Jeffries; the weather has moderated a good deal.

I truly believe that the weather has moderated considerably for Mr. Andrew Carnegie.

There may be a schedule here and there, Mr. Chairman, a slight reduction of which may not work irremediable injury to the industries affected by it. It may be that our supply of iron ore is so abundant that it will more than supply the demand at home and from abroad. It may be that our iron and steel manufacturers have attained such a degree of skill in the production of their wares that they can hold their own against all foreign competition, even if the duty on such imports should be reduced.

I shall not be so presumptuous as to constitute myself their mouthpiece. They are fully competent to state their own case and state it much more effectively than I can possibly make it. I shall simply point to the testimony of Mr. Gary, the president of the United States Steel Corporation, and others now actively engaged in the iron and steel manufacturing business, and put their contention that the industry can not prosper without the protection of the tariff against Mr. Carnegie's opinion to the contrary. But this particular instance will serve quite acceptably as an illustration of how great minds do not always run in the same channels, and how doctors may differ, especially when one of them has gone out of practice and the others are still in it.

NOT A NEW ISSUE.

In 1904 the Republican platform said, as did the platform of 1908, that—

The measure of protection should always at least equal the difference in the cost of production at home and abroad.

But it added:

Rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration.

And still further on:

When the only free-trade country among the great nations agitates a return to protection, the chief protective country should not falter in maintaining it.

In the Republican Campaign Book of 1904 will be found the following utterance:

Much has been said during the past year as to the importance of a revision of the present tariff. To this it is only necessary to say in reply that the Republican party has adjusted, revised, increased, or reduced the tariff whenever such adjustment, increase, or decrease seemed necessary during all of the forty years since it assumed government in 1861. In that period of forty years there have been more than 20 different tariff changes. A considerable number of these have been changes of a broad, general character, many of them increases or decreases all along the line, while others were of less importance and relating to certain classes of merchandise only, but any of them sufficient to show the willingness of the Republican party at any period of its control to make any necessary changes, revisions, or reductions which, in view of new conditions, may be demanded by public opinion.

The declarations of the platform of 1904 and the citations from the campaign book are all on a line with what we—I mean Republicans—have contended for and admitted during the last presidential campaign.

In the industrial and commercial fields there are continually warring and changing ideas as to the exactness of one schedule or another, and as to the propriety of making the free list contain a larger or a smaller number of articles. Congress responds to the demands of the people, while the people determine the whole matter according to their varying interests. Transpositions from the free to the dutiable list, and vice versa, are constantly occurring, all depending at last upon a real or supposed advantage to the people and responding to their demands.

NO STEP BACKWARD.

I have already adverted in passing to the deficit with which the National Treasury is confronted. There will be no actual deficit at the end of the current fiscal year, because of the cash balance in the Treasury of \$250,000,000. At the close of the fiscal year 1910, however, the deficit will be actual at the present rate of income and expenditure, and it behooves the Republican party to provide for that contingency. We may as well familiarize ourselves with one fact: Our expenditures are not going to be any less; on the contrary, quite the reverse. Our country is growing constantly; the functions of the Government are enlarging as a result of that growth; its needs consequently will also become larger.

WE ARE GROWING.

As a nation, Mr. Chairman, we are still in our adolescence. Uncle Sam is a lusty youth, and not only does he need from time to time an enlargement of his garments, but also such

adornment as will make it possible for him to hold his own among the nations of the world. You may talk as you please, but our navy is bound to increase; you may talk as you will, but our army will not get smaller.

The agricultural interests of the country will demand what is due to their importance. Good roads must be built for the greater convenience of the farmer. Commerce will demand the establishment of interstate waterways, of canals that shall join the waters of the Great Lakes with those of the Gulf, and that also will make it possible to load a vessel at Chicago and send her straight to the Atlantic Ocean without a transshipment of her cargo. Our rivers must be maintained or made navigable, as the case may be. The Panama Canal must be completed, no matter how great a cost, for the pride of the American people will not permit a halting there. The national capital must be made truly national in that it must keep step with the growth of the Union, and herein, too, the people at large must take a part. All this costs money, and while for some enterprises—such as the Panama Canal, the inland waterways, and the building of good roads—a bond issue would be permissible and, I think, practical, as a partial solution of the fiscal problem, there is yet not much room for a radical reduction of tariff duties.

As I said at the beginning of my remarks, the pledge for a revision of the tariff has been given. We must not go back on our promise. But I venture to express the hope, Mr. Chairman, that there will be no revision that will not be wholly in keeping with the time-honored shibboleth of the Republican party—protection for American industries and American workingmen.

Mr. GARDNER of Massachusetts. Mr. Chairman, the impression seems to prevail in this House and to some extent throughout the country that the boot and shoe manufacturers have always said that if they should be given free hides they would be willing to see the duty removed from boots and shoes. Now, the gentleman from Missouri [Mr. CLARK], in speaking the other day, said that he had searched through the evidence given on the leather schedule before the Committee on Ways and Means and that it had been somewhat altered. I do not think he was correct, because I have the original print under my hand. I acknowledge, however, that I was present at the hearings and heard with some dismay the evidence given by makers of certain kinds of leather and by makers of fine boots and shoes. I feared lest the committee might think from the evidence offered that the whole shoe and leather trade was willing to abandon all protection for its product in return for free hides.

VIEWS OF THE BOOT AND SHOE TRADE.

In examining the evidence, however, I found that in but a single instance did any witness speak for any one except himself in venturing the opinion that free raw materials would enable him to face the world's competition without protection. It is true, however, that Mr. Charles H. Jones, representing the New England Shoe and Leather Association, our best-informed witness, probably, made answer to Representative Cockran, of the committee, in a manner which needs some explanation.

Mr. Cockran said:

I assume, and for the purpose of the argument you can assume it as your remark, that the giving of free raw material would enable you to take your chances without protection.

Mr. Jones replied:

I am glad to say that I am on record in a statement to the effect that I shall be very glad to see shoes absolutely free if all the leather and other materials were free. The New England Association is united in that view at this time.

I was surprised at this view of the matter, as I believed that many of my constituents who did not make fine shoes felt quite differently on the subject. Nevertheless, as I entirely appreciated the difficulties under which even so good a witness as Mr. Jones labored, I felt that he probably missed the drift of Mr. Cockran's question.

Five days later, those hearings were held on November 28, 1908, the New England Shoe and Leather Association, through their president and their secretary, filed with the Committee on Ways and Means this letter, of which I shall read the beginning:

DEAR SIR: It has been repeatedly stated by the local press since the hearings on the hide and leather schedules held before your committee on November 28 that the tanners and shoe manufacturers present would not object to the removal of the duty on leather and shoes if hides and tanning materials could be admitted free. As such articles seem to be based on the statements made by our representatives before your committee, we think it perhaps wise that they should be corrected, and that the attitude of the members of our association should be made clear.

Then the letter goes on to say that certain grades of fine shoes probably need but little protection, but that other grades require a tariff of from 10 to 25 per cent.

The gentleman from Missouri [Mr. CLARK] called attention to the fact that I myself three years ago in this House asked him if he would support a proposition for free hides, coupled with a proposition to take the duty off the products of leather. That was on January 5, 1906. I asked that question of him in the middle of his speech, because I wanted to ascertain his position, not because I wished to give my own.

Eight days later, January 13, 1906, when I addressed the House on this subject, I definitely stated my position, and this is what I said: If I thought that such a rule could be brought in, I should go before the Ways and Means Committee with a bill for free hides, free sole leather, and a duty of 10 cents per pair and 10 per cent ad valorem on boots and shoes.

In that same speech I stated that 35 per cent of the manufacturers in my district could not stand free boots and shoes. On January 19, 1906, I reiterated this statement in a discussion with the gentleman from New York [Mr. PERKINS], when he told the House that the shoemakers in his district did not care for any protection. I thought then, as I think now, that the gentleman's enthusiasm had run away with him. Again, in debate with the gentleman from Mississippi, Mr. Williams, I stated specifically that 35 per cent of the makers of shoes in my district could not afford to exchange free shoes for free hides. The percentage to-day is much greater. This discussion of March 6, 1906, with Mr. Williams, of Mississippi, contains some very significant matter.

In December, 1905, Mr. Williams introduced a bill to amend the leather schedule. A copy of that bill I hold in my hand. I questioned Mr. Williams about that bill on the floor of the House, and this is what he said in reply:

It is in absolute keeping with the Democratic doctrine of the Walker tariff, the greatest distinctive tariff that this country ever saw in all its history.

That sentence makes mighty interesting reading at the present time, because the Williams bill is almost exactly like the leather schedule reported by the Committee on Ways and Means in the Payne bill.

To be sure, Mr. Williams did not provide for free hides. He provided for a 5 per cent duty on hides, but subsequently, I believe, he introduced a bill for free hides. He provided for 7 per cent on sole leather, and your committee has reported 5 per cent on sole leather; he provided for 12½ per cent on upper leather, and your committee has provided for 15 per cent on upper leather; he provided for 15 per cent on boots and shoes, and your committee has provided for 15 per cent on boots and shoes. The leather schedule of the Payne bill, of which you on the opposite side of this Chamber complain, bears a singular resemblance to the bill which Mr. Williams told the House was absolutely in accord with Democratic doctrine.

Mr. Chairman, this House has been given so much misinformation as to the facts that a short account of the history of the hide duty and the leather schedule will do no harm.

HISTORY OF THE HIDE DUTY.

During the civil war, when it was necessary to tax everything possible, a 10 per cent duty on hides was imposed, but in 1872 hides were put on the free list, and there they remained during the tariffs of 1875, 1883, 1890, and 1894. Meanwhile the duty on boots and shoes varied from 20 per cent to 30 per cent, and the duty on upper leather remained pretty constantly at 20 per cent, while the duty on sole leather never has been lower than 10 per cent.

Even in the Wilson Act the Democratic party only reduced the duty on boots and shoes to 20 per cent, leaving the duty on upper leather and sole leather where it stood in the McKinley Act.

In 1897 the Dingley Act imposed a duty of 15 per cent on hides and at the same time raised the duty on boots and shoes only from 20 per cent to 25 per cent, leaving upper leather unchanged.

I have examined hearings held during the preparation of the McKinley Act, the Wilson Act, and the Dingley Act, and find that not one single individual, be he farmer or be he butcher, even by letter or by word suggested the imposition of a hide duty. Whence came the pressure which resulted in this anomaly no one can now discover.

The Dingley bill passed the House with hides on the free list, but in the Senate a high duty was added. Subsequently the conference reduced the figure to 15 per cent.

IS THE LEATHER SCHEDULE SUFFICIENTLY REDUCED?

Whether or not this duty was imposed at the instigation of the great Chicago packers I do not know. Whether or not a hide in the hands of a packer is entitled to the same protection as a hide in the hands of a farmer I do not pretend to say. Whether of late years the packers have financed a campaign which has

created an artificial sentiment among the farmers in favor of this duty is beside the question.

The fact remains that this sentiment undoubtedly exists, and it must be reckoned with. I impute no blame to you Members who honestly admit that you oppose free hides because your people oppose free hides, but I confess that I lose patience with gentlemen who conceal themselves behind the pretext that they can not vote for free hides because, forsooth, the leather duty and boot-and-shoe duty have not been sufficiently cut. How much would you have them cut? Would you ruin men before you were satisfied, for ruin is spelled by free calfskin leather and free patent leather, and ruin is spelled by free boots and shoes, so far as a substantial minority of manufacturers is concerned.

It is not a fair trade, you tell me, because the duty is entirely removed from hides, and yet the duty on shoes is only reduced 40 per cent and the duty on upper leather only 25 per cent. Why is it not a fair trade, pray? The duty on shoes and leather is reduced to a point lower than it has been for half a century, lower than it was before the duty on hides was imposed in 1897.

If the duty on upper leather was raised not at all, and the duty on shoes was raised but from 20 per cent to 25 per cent when hides were made dutiable, surely more than justice is done if we reduce those duties now by more than they gained under the Dingley Act.

It is an old, old question as to the difference that the duty on hides makes in the cost of a pair of shoes. I am coming to that question later, but for present purposes we can all agree that no one believes it amounts to as much as 15 cents. Yet the reduction in this bill of the duty on shoes from 25 per cent to 15 per cent curtails the shoemakers' protection by from 15 to 50 cents. The duty on a pair of \$5 shoes to-day is \$1.25.

The duty on the same shoes under the Payne bill would be 75 cents, or 50 cents less protection for the shoemakers. Suppose that shoes as cheap as \$1.50 a pair should be imported. To-day they would pay 37½ cents duty; under the Payne bill they would pay but 22½ cents, a loss of 15 cents protection. On the one hand we know that free hides could not help the manufacturer as much as 15 cents per pair, and on the other hand gentlemen draw long faces because the shoe trade thinks that from 15 to 50 cents a pair is quite enough of their protection to forego in return.

I have talked enough about trading and trades. If a duty can not stand on its own merits, it should not stand at all, no matter whether gentlemen wish to tie it up with some other duty or not.

DOES THE HIDE DUTY SQUARE WITH THE PROTECTIVE DOCTRINE?

That which is raw material for one man is the finished product of another. True enough; and protectionists admit that every finished product presents a prima facie claim for protection, provided that it can prove that it needs it; but no product may claim a rate of duty in excess of its need of protection. Neither should any protection be afforded when the resultant harm offsets the utmost possible good.

We protectionists believe that duties should be imposed for two distinct reasons: First, to encourage additional home production of a given article; second, to prevent domestic goods being supplanted in our market by foreign goods. Few of us believe that a protective duty should be so high as materially to exceed the difference in the cost of production abroad and at home.

Let us see how nearly the duty on hides conforms to these requisites. Does it encourage the breeding of a single additional animal? It certainly has not done so as yet, for our population is increasing faster than the number of our cattle. Who ever heard of a farmer consulting the quotations on hides before deciding whether to raise more stock or not? It is the price of beef that governs. The hide is but a small part of the value of an animal. If the people demand more beef, the farmer breeds more animals; but if the people demand more leather, no one raises more hides, for such an act would simply result in overstocking the market with beef.

Does this duty furnish a market for a single American hide? Not for a single one. We use all our own hides and also a great many more which we import. The world's demand for leather is outstripping the world's demand for beef. Every hide taken off every animal in the world finds a ready market, and hides continue to rise in price because the supply fails to meet the demand.

Prophecies are dangerous, but, in my opinion, whether this duty is removed or not, hides will gradually rise in price. Of this we may be sure, that whether the scale be up or down the price in this country will be just so much lower as the duty is less.

Mr. COX of Indiana. Will the gentleman yield for a question?

Mr. GARDNER of Massachusetts. Yes.

Mr. COX of Indiana. Do I understand from the force of the gentleman's argument that the rising price of hides will be governed exclusively by the law of supply and demand?

Mr. GARDNER of Massachusetts. I think it would be largely governed by the law of supply and demand.

Mr. COX of Indiana. Then, if the constant rising price of hides is governed exclusively by the law of supply and demand, why will not the same law of supply and demand govern the price of other commodities?

Mr. GARDNER of Massachusetts. I think the law of supply and demand at any one particular time governs the price of most products, especially by-products. I am not one of those people who think that the laws of trade are substantially interfered with by attempted or imaginary manipulation of the market.

Mr. WEISSE. May I answer the gentleman's question, I will ask the gentleman from Massachusetts?

Mr. GARDNER of Massachusetts. I yield.

Mr. WEISSE. Mr. Chairman, we being the largest tanning people in the world, no doubt we will establish the price for hides in the world. We tan and can tan probably 80 per cent of the hides produced in the world, provided we can get them in here at the same price foreign countries can get them.

Mr. GARDNER of Massachusetts. Mr. Chairman, in answer to the gentleman from Indiana [Mr. Cox], I do not want to go into an economic discussion. Therefore I will briefly outline my views by saying this: I believe that the law of supply and demand fixes the price of any article for the time being. This economic law, of course, is modified by considerations of future cost of production. In the long run, except in the case of articles whose production is limited by a law of nature or in some other way, cost of production must ultimately control value.

Mr. COX of Indiana. Will the gentleman yield in this connection?

Mr. GARDNER of Massachusetts. Yes.

Mr. COX of Indiana. If the law of supply and demand inevitably fixes the price of an article, in the gentleman's opinion or judgment, can that law of supply and demand be controlled by legislation?

Mr. GARDNER of Massachusetts. Oh, that is an academic question, and, besides, the gentleman misquoted me. I said "at any particular time" the law of supply and demand governs, under certain modifications. Everybody knows that the cost of production must of necessity in the long run control the value of products which can be produced in unlimited quantity. Supply and demand themselves are, to a great degree, determined by cost of production.

Mr. CLARK of Missouri. Mr. Chairman, just one question: Is it not true that notwithstanding the higher wages paid to men and women working in these shoe shops, yet, on account of their extraordinary skill, American shoes are really produced much more cheaply than the shoes of anyone else?

Mr. GARDNER of Massachusetts. Certain kinds. I will come to that later if my time is not cut off. I shall go very extensively into that question. Let me get ahead a little with my argument.

That the protectionist's doctrine of the equalization of labor cost does not enter into this hide question, I need hardly point out. If the United States is at any disadvantage in comparative labor cost, the difference is infinitely small and quite indistinguishable from the general cost of raising beef. Does any one seriously maintain that this difference amounts to 15 per cent of the value of the product?

WHO REAPS THE BENEFIT?

I realize perfectly well that there are other reasons than those already given which impel Congressmen to vote for the protection of a given article. The foremost reason of all is the fact that their constituents are human and therefore desire a duty, right or wrong, on whatever article they produce. No one knows better than I that the great obstacle which impedes the repeal of the hide duty lies in the fact that in this country there are more cows than shoemakers. I see clearly enough that we must persuade the farmers that they shoulder the curse and not the blessing of this duty.

Touching the question as to whether the packer or the farmer gets the benefit of the tax, reams and reams have been written smothering arguments in figures. Yet neither side is convinced. One party claims that there is no thought of anything except the beef value when the bargain is struck between the farmer and the packer, and that the latter reaps the whole benefit or takes the whole loss if hides rise or fall. The other party claims that if the hide is worth an increased price to the packer, the laws of competition and trade necessitate a higher payment to the farmer. In all the mass of argument one fact

stands out preeminent. A carload of steers badly and carelessly scarred by branding brings the same price as a carload of similar steers whose hides have not been ruined. If the stock raisers on the ranges really believed that they derived a revenue from hides, do you not suppose that they speedily would reform their method of branding?

Perhaps the farmer may get some part of the profit on the hide duty. I can not prove that he does not do so, but I will wager that he will agree with me that the packer gets the lion's share.

But whether the packer or the farmer gets the profit, whether it goes into few hands or into many, the production of hides in this country has all the economic results of a monopoly. The output is limited and the demand is great. The only limit on price on the one hand is, "what the traffic can bear," or on the other hand the price of importation duty paid. When times are fair and the demand normal, given equal quality, American hides will be 15 per cent higher than the world's quotation.

Mr. MOSS. Will the gentleman permit me to ask him a question there?

Mr. GARDNER of Massachusetts. If the gentleman will wait just a minute, I will; I want to find my place.

Mr. MOSS. You were speaking of the fact that hides had nothing to do with the price of cattle. Why will a carload of cattle with horns cut off shipped to the market bring more money than the same carload of cattle with horns on?

Mr. GARDNER of Massachusetts. I admitted that no one can prove whether or not the increased value of a hide is measured in the price the farmer receives for his cattle. I merely gave an illustration of two carloads of steers side by side to show that the packer got the lion's share.

Mr. MOSS. Does not the gentleman know that it is a fact that if you ship cattle with horns on it reduces the price of those cattle on sale in the market?

Mr. GARDNER of Massachusetts. No; I do not know it; and if the gentleman will pardon me, I think he is mistaken as to the fact.

Mr. SLAYDEN. Mr. Chairman, I merely want to say to the gentleman from Massachusetts that his statement that branding the hides of cattle so as to impair their value exercises no influence on the price of the steer received by the seller is distinctly and positively denied by the largest shippers, men who are so intelligent that they are generally thought to know their own interests. I contend that the hide is an important element of value and recognized in every transaction.

Mr. GARDNER of Massachusetts. I did not know that even Judge Cowan denied that fact.

Mr. SLAYDEN. I do not know whether he did or not; he is a lawyer, and may not always agree with the shippers.

Mr. GARDNER of Massachusetts. I have never heard one word in denial of my contention from gentlemen on your side of this question. The gentleman from Wisconsin [Mr. WEISSE] continually buys these hides. I ask him to inform the gentleman from Texas as to the facts.

Mr. WEISSE. Is not this the fact, that the farmer or cattle raiser appears to be under the impression that the packer will give the additional 15 per cent on hides if he sells his beef, but the shoe manufacturer who sells him the shoes he is able to buy, and the tanner who sells him leather for less money, so to speak, will not give him anything? Do they think that the packer trust will give it quicker than ten or twenty thousand shoe manufacturers? I would like to have an answer to that from the gentleman from Texas.

Mr. SLAYDEN. I can say to the gentleman that they do not expect a donation from either of the parties, and if we do we will not get it.

Mr. GARDNER of Massachusetts. I take it that the gentleman from Texas thinks that the farmer is going to get an extra value from these hides in consequence of the duty, does he not?

Mr. SLAYDEN. Undoubtedly part of it; he may not get the whole 15 per cent.

Mr. GARDNER of Massachusetts. Is it a large part?

Mr. SLAYDEN. I am not a shipper, and I can only say what gentlemen who are interested in the trade say about it.

Mr. GARDNER of Massachusetts. The reason I asked was because I have heard so many of the Texas gentlemen recently take the same position that the gentleman from Texas [Mr. SLAYDEN] has taken. I was rather interested to find this statement of the gentleman from Texas [Mr. BURLESON], made on the floor of this House on January 19, 1906—three years ago. The gentleman from New York [Mr. PERKINS] said:

I have always been told that two or three Senators from some of the small western mountain mineral States held up the Dingley bill until they got the duty on hides, because they thought it would be of some advantage to them.

To which Mr. BURLISON replied:

They were mistaken about it, and the farmer and stock raiser were handed a gold brick.

There has been a change in the attitude of some of the gentlemen from Texas since that time.

Mr. GARNER of Texas. Does the gentleman from Massachusetts contend that the farmer gets no benefit from this?

Mr. GARDNER of Massachusetts. If the gentleman has done me the honor to listen to my address up to the present point he must be quite aware that "the gentleman from Massachusetts" makes no such contention; but distinctly states that the proposition is neither subject to proof nor to disproof.

Mr. GARNER of Texas. Does the gentleman from Massachusetts, then, believe that this squares with the Republican platform adopted at Chicago?

Mr. GARDNER of Massachusetts. Bless my soul! do not ask me conundrums like that. [Laughter.]

THE CONSUMER'S SHARE.

And now a new Richmond has entered the field of tariff discussion, our friend the ultimate consumer. I am prepared to admit that this gentleman has been somewhat neglected in previous tariff discussions. Perhaps that fact is not to be wondered at. Americans have made money easily and have earned good pay. The result has been that we have been somewhat indifferent in regard to our own expenditures unless they should happen to be expenditures incident to our business.

I admit, then, that the interests of the ultimate consumer must be shown to be on our side, and that fact seems to me to be as susceptible of proof as any future proposition can be.

At the risk of thrashing over old straw, I have a word to say as to the extra cost which the present duty on hides adds to a pair of shoes. Of course, it all depends on what kind of shoes you are discussing. If you mean a pair of thin-soled Sunday shoes with a calfskin upper, the difference may not be over 3 cents. If, however, you mean a double-soled, fine street boot with a grain top, I doubt if 11 cents is an exaggeration. If you mean a farmer's pegged shoe, that some of you gentlemen call a "brogan," the extra cost would probably be about 9 or 10 cents with hides at the present prices.

Farmers' peg shoes in my part of the world are made with a good, heavy sole and heel, while the upper is frequently made of what is called a "split." It takes from 2 to 2½ pounds of sole leather for a pair of such boots, and it takes about 3 feet of "split" leather for the uppers. Now, do not mistake me and go home and weigh some soles and heels and measure the leather in uppers. You would come to the conclusion that I had joined the Ananias Club. You probably would forget to send for all the scraps that have been cut off and weigh them also. I will not guarantee my figures, as I never made farmers' shoes, but that which I tell you is my conclusion after much cross-questioning.

Mr. TIRRELL. Will my colleague please state what the proportion of cost would be on a shoe of that kind?

Mr. GARDNER of Massachusetts. The factory cost is something I have had difficulty in finding out. I know the retail price of these shoes. They run from \$2 to \$2.50. What the factory cost amounts to depends a good deal on bookkeeping; but I will say, for a guess, that the factory cost does not run over a dollar on the \$2.50 shoe. It may run up as high as \$1.25. People make more shoes of that sort in the gentleman's district than they do in mine. Down my way they make more cheap and medium grade women's and misses' wear—shoes and slippers.

Mr. TIRRELL. The cost of these shoes sold in the factory is from 67 cents up to a dollar.

Mr. GARDNER of Massachusetts. Let us suppose, then, for the sake of argument, that the extra-duty cost on a pair of \$3.50 shoes amounts to 5 or 6 cents. Is the ultimate consumer going to get the benefit of the reduction of the duty? Now, do not ask me any such absurd question as to how much cheaper a pair of \$3.50 shoes will be sold if hides are free. You might just as well ask me how much cheaper a dollar dinner would be if the price of beef were to fall. You will get a better dollar dinner for your money in the one case and you will get a better shoe for your money in the other. The real question is this: Will you get as much more for your money as you have a right to expect?

Mr. NORRIS. If the gentleman will allow me.

Mr. GARDNER of Massachusetts. I yield to the gentleman.

Mr. NORRIS. The point that I would like to get some information on is this: Why is it that he believes that the removal of the tariff would improve the grade of shoe made

here—that we will get a better character of shoe? Certainly the tariff has nothing to do with that.

Mr. GARDNER of Massachusetts. I see that the gentleman's mind works the same way as mine. He sees the natural sequence of this argument. He has anticipated the exact question which I am just approaching.

Mr. VOLSTEAD. On what figure do you estimate the hides?

Mr. GARDNER of Massachusetts. I estimate dry salted imported hides at 20 cents a pound. The imported hide makes up, on an average, 1.7 of a pound of sole leather to the pound of hide. A packer hide, the domestic hide, makes about eight-tenths of a pound of sole leather to the pound of hide. Figure a first-class domestic hide at 15 cents per pound.

Mr. SLAYDEN. Mr. Chairman, did the gentleman mean to say that they got 1.7 pounds of sole leather out of a pound of imported hides?

Mr. GARDNER of Massachusetts. Just about one pound and seven-tenths.

Mr. SLAYDEN. I would like to have the gentleman explain how that is possible.

Mr. GARDNER of Massachusetts. Because the imported hides I speak of are dry; they are shriveled up. That is why they sell at 20 cents a pound, when the best packer hides, of infinitely superior quality, sell at only 16 or 17 cents. All the weight has gone out of the dry salted hides. That is one of the facts which confuses many of you gentleman when you start to figure.

The hide that weighs 70 or 80 pounds when it is taken off the animal would not weigh more than 35 pounds when imported dry salted. When it comes out of the tanning liquor most of its weight has been regained.

Now, coming to the question as to whether cheaper raw materials will improve the quality of boots and shoes, I can not positively assert that the consumer of shoes will get all the benefit if the price of raw material falls, but I can positively assert that he is always obliged to shoulder the whole loss when the price of raw material rises. Let me explain to you just what happens when a raise in cost of production faces a shoe manufacturer. As an illustration, let me take a typical case in my own district, where most of the establishments are small and where a member of the firm frequently goes on the road to sell directly to the retail trade.

Our typical manufacturer has a list of regular customers who are in the habit of purchasing from him a certain grade of ladies' \$2 shoes. The price of raw material goes up, and he finds that he can not make that shoe at a profit. A meeting of all hands is called—the head of the firm, the traveling member, the foreman, the forelady, the bookkeeper, and the office boy. The shoe is put on the middle of the table and they all sit around and look at it. The head of the firm suggests a cheaper sole, cut, perhaps, from the neck of the hide. The traveling man suggests the use of a little "leather board" where it will not show. The foreman suggests a sheepskin top, and the forelady suggests cheaper trimmings and laces. By the time the office boy has had his say the shoe has been skimped enough to meet the rise in materials. The consumer pays that bill, does he not?

Good customers' orders are filled with that skimmed shoe and the shoe manufacturer sits trembling, for he knows full well that those chickens are coming home to roost before he fills his orders for the next spring trade. The only consolation he has is that the manufacturer next door is in the same boat. Time goes by, the ultimate consumer is protesting to the retailer about the poor wear of the shoes, and the retailer is passing the complaint upward to the manufacturer. The retailer will give that firm just one more show. Meanwhile, material goes up once more, and with sobs and sighs the \$2 shoe is skimmed again. Then comes the deluge. The ultimate consumer changes his retailer and the retailer changes his manufacturer. Can anyone wonder that the manufacturer leaves no stone unturned to keep down the price of his raw material? Now, if I am right in supposing that the general tendency of leather prices must be upward, anything which can be done to stay it must of necessity stay this skimping process and so will benefit the ultimate consumer. Of course the manufacturer will get the profit if he can; but he can not. He must content himself with holding his customers. So long as the shoe trade is not controlled by a trust competition will keep the profits down.

Mr. DOUGLAS. Will the gentleman yield for a question?

Mr. GARDNER of Massachusetts. Yes.

Mr. DOUGLAS. I have listened with much interest to what the gentleman has said. I should like to know what is meant in the trade by "leather board?"

Mr. GARDNER of Massachusetts. Oh, it comes about as near—

Mr. CLARK of Missouri. I should like to ask the gentleman a question.

Mr. DOUGLAS. Let him answer mine.

Mr. CLARK of Missouri. I thought he had.

Mr. GARDNER of Massachusetts. No; I have not yet.

Mr. CLARK of Missouri. Then I waive my question.

Mr. GARDNER of Massachusetts. I should say that leather board is mostly thick paper, or something of the sort, which has been waved within sight of a steer. [Laughter.] It has shreds of leather running through it.

Mr. DOUGLAS. Is it a substitute for leather?

Mr. GARDNER of Massachusetts. It is stiffening.

Mr. CLARK of Missouri. If it will interest the shoe houses in America any, I will make the statement that if we get a chance to amend this bill, I am going to offer an amendment that there shall be stamped on each shoe the materials which go into its manufacture. Are you in favor of that proposition?

Mr. GARDNER of Massachusetts. Oh, I will vote for it, and down in my district they will take my head off for voting for it, if the gentleman wants to know. He is right about it.

Mr. CLARK of Missouri. Oh, I do not want the gentleman to lose his head.

Mr. WEISSE. If the gentleman will allow me to answer the question of the gentleman from Ohio, leather board is composed of wood pulp and scraps of old leather. When the stuff is ground up it is put under high hydraulic pressure and made a solid sheet of so-called "leather board."

BENEFITS TO THE SOLE-LEATHER INDUSTRY.

Mr. GARDNER of Massachusetts. Although I know more about the shoe and upper leather business, yet I should not omit to say a word of the great boon that free hides would prove for the manufacturers of sole leather. Our exports of this commodity have actually diminished since the Dingley bill was passed. Whether this diminution is or is not caused by the duty on hides is a matter of dispute. Personally I believe that, to some extent, it certainly is the result of the duty. To be sure, if a tanner imports a foreign hide, converts it into sole leather, and ships it to England, he is entitled to a drawback of the amount of duty the hide has paid. Hitherto the collection of this drawback has not been simple, but that is not the worst of it. There is no drawback on exported sole leather made from packer hides, and yet, if my argument is sound, the price of packer hides is raised 15 per cent by the existence of a duty on foreign hides. Be this as it may, the fact remains that our exports of sole leather in 1907 and 1908 were less than three-quarters of our exports of the same articles in the two years prior to the passage of the Dingley Act.

The loss of a foreign market is bad for our sole-leather tanners, but they are now confronted with a situation which is alarming. The great packers themselves have extensively entered into the tanning business, with the result that the independent tanners must buy their raw materials from their own competitors.

Hides fell sharply as a result of the business depression in 1907, but the independent sole-leather tanner did not reap the benefit. Large quantities of hides were held out of the market by the packers, and were either tanned in their own tanneries or let out for tanning on contract to the independents. The result is that there are very few independent tanners to-day in this country who have not, at one time or another, been compelled to compromise with their powerful rivals on account of the scarcity of their raw material.

THE BOOT AND SHOE INDUSTRY.

A sketch of the boot and shoe industry and I am done. We make in this country between three and four hundred million dollars' worth of boots and shoes annually, and of this amount we export less than 3 per cent. How is it that we need protection if we can export 3 per cent, or any other per cent, of our shoes? The bulk of our exports are light-weight shoes, often made partly of canvas, and they are sold in Cuba and in Central and South America. The others are mostly exported to Europe and are high-grade shoes, with well-known names like the Walkover, the Regal, and the Hannan. A few manufacturers like Rice & Hutchins, of Boston, and Florsheim, of Chicago, export a shoe of even higher grade. These shoes are sold mostly to American customers traveling abroad at American shops established for the purpose. To suppose that we are really seriously cutting into the sales of European shoes to European customers is a very great mistake. I believe that the sales of American shoes in France is only one-seventh of 1 per cent of the whole French product. A few years ago it really looked as if we were going to break down the native shoemakers of

Europe, especially in England, but to-day the tendency is all the other way, and our English trade is retrograding instead of increasing.

The cause of all this is not far to seek. Nearly every man in this House, I will venture to say, is wearing a welt shoe at the present instant. The welt is the strip of leather to which the upper and the sole are both fastened. It is the welt which makes a shoe elastic, comfortable, and noiseless. The Goodyear patent for welting shoes by machinery is at the bottom of our leap into foreign markets. Until recently, foreigners never welted shoes by machinery, and we easily undersold their hand-sewed shoes of similar quality. There are many other valuable patents beside the Goodyear; but I mention it for the reason that our European trade grew out of it more than out of any other.

Even after foreigners began to install Goodyear machines, nevertheless, our rapid inventive power until a few years ago kept us far in the lead of European shoemakers.

A few years ago the United Shoe Machinery Company obtained control of the best patents and in one way or another has developed a situation by which it has become the best customer for new inventions. Inasmuch as the United Shoe Machinery Company has agencies all over the world from which it provides instructors and equips factories, a new machine may be installed in Switzerland or even in far-off Finland just as promptly as in Haverhill. With my own eyes I saw last summer in Nuremberg a shoe made in that town from an American pattern by American methods with American machinery. I examined it as thoroughly as an amateur could do, and I knew the right questions to ask. That shoe sold for 7 marks, or \$1.75 at retail. Outside of a sample shop I do not believe that the same shoe could be bought in this country at retail for less than \$2.25.

It was precisely along this line that Mr. George E. Keith, of Brockton, Mass., spoke at a meeting of shoe men in Boston just before the hearings before the Ways and Means Committee. Mr. Keith is the largest exporter of American shoes. He makes the Walkover shoe. He had just returned from a trip to Europe when he spoke in Boston. While he felt that he himself was in no danger, he warned the medium-priced men that they were in great danger. Mr. Keith came on to Washington to the hearings, accompanying the leaders of the boot and shoe industry. I asked Mr. Keith to go on the stand and tell the Committee on Ways and Means the facts about European shoes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCALL. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to conclude his remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARDNER of Massachusetts. Mr. Chairman, I shall not be very long. I have very nearly finished.

Mr. DOUGLAS. May I remind the gentleman that he was speaking about the testimony of Mr. Keith, and I hope he has not lost track of it.

Mr. GARDNER of Massachusetts. I had forgotten that for a moment, Mr. Chairman. I asked Mr. Keith to make a statement. I lunched with him. He was modest and seemed to feel that a great many of his fellow-manufacturers of fine shoes did not agree with him. At all events he did not go on the witness stand. At a meeting of the boot and shoe men in New York, held a little while later, men spoke their minds more freely.

At that meeting some Swiss shoes were exhibited. I am told that they were a revelation to those gentlemen. Be that as it may, the meeting passed resolutions, which they sent to the Committee on Ways and Means, asking a minimum duty of 15 per cent on their product.

Mr. TIRRELL. Mr. Chairman, will my colleague allow me to ask him this question: If it is not a fact that Mr. George E. Keith, of whom the gentleman has been speaking, has more American shoe stores in England and on the Continent than any other shoe manufacturer in this country?

Mr. GARDNER of Massachusetts. He is the largest exporter of shoes in this country.

Mr. TIRRELL. And also one of the largest manufacturers in the United States.

Mr. GARDNER of Massachusetts. One of the largest.

Mr. TIRRELL. And did he state to the gentleman—and if so, will the gentleman state to the House, having that European knowledge of the situation—why he objected to the tariff being taken off shoes?

Mr. GARDNER of Massachusetts. He stated those views in public in Boston. I do not recollect correctly enough to repeat his private conversation with me.

Three years ago I spoke in this House on the hide question. At that time this world-wide development in shoemaking was but just underway, and yet even then I stated that 35 per cent of the shoemakers in my district would be driven to the wall by free boots and shoes. To-day the proportion is infinitely greater and the percentage will continue to increase just as fast as the rest of the world develops our methods in the different grades of shoes.

Now, do not deceive yourselves with the idea that Europeans are not good machinists. Any automobilist can tell you better than that. I do not know how many automobiles are imported into this country to-day, but the number is large, and yet every one of them must surmount a tariff wall of 40 per cent. I have heard many Americans claim that our automobiles are just as good as the foreign car. I have yet to hear anyone claim that ours are the better. We have excellent workmen in the shoe trade, and we pay them high wages. They have excellent workmen abroad, and they pay them low wages. Formerly their labor cost was higher than ours. Since the introduction of American machinery in Europe that statement is no longer true.

Formerly we could defy the world, in spite of our high wages, for two good, substantial reasons: First, the superiority of American methods of manufacture; and, second, the superior style, fit, and finish of American shoes. We have lost the first advantage, but we retain the second. We still produce shoes of superior style, fit, and finish, and a great protection it is in fine shoes; but it is a poor reed to lean upon in the cheaper goods. Cheaper grades are not bought for their style, fit, and finish, but for their durability and usefulness.

The American maker of fine shoes can still challenge the world. The maker of cheaper grades must be protected or go to the wall.

CONCLUSION.

Lastly, gentlemen, let me impress on you that the demand for free hides is based less on a desire for profit than on a sense of injustice. We believe that the cattle industry is thriving; we believe that the cow is amply protected in other ways, and we believe that the profits from this duty go mostly into the pockets of the man who needs them least.

The CHAIRMAN. The gentleman from Ohio [Mr. ANSBERRY] is recognized for twenty minutes.

Mr. ANSBERRY. Mr. Chairman, the consideration of this or any tariff bill from even the constitutional view point, that is considered under a strict construction of the section of the Constitution of the United States from which the Congress derives its power to levy and collect taxes, duties, and imposts, always presents to the legislators attempting to frame the bill, not one, but a series of vexatious questions; but when, as in this case, there is added the difficulties attendant upon apportioning the spoils produced by a tariff bill, not framed for revenue alone, but with a view to protecting special interests, then, indeed, is the task an onerous one. It is the special interests, great and small, that in these days and the days that immediately preceded the public consideration of this bill, infested congressional halls and committee rooms seeking their own selfish interests, and not, as some of them urged, the public weal that add new difficulties.

However, if the membership of this House are permitted to pass upon the various schedules of this bill untrammelled by caucus action, it is my opinion, gathered from the debates that I have heard, that the demands of at least some of these selfish interests will be denied.

In the current issue of the American Magazine, Ida Tarbell, in commenting on the difficulties I have mentioned, called attention to the fact that much of the evidence adduced before the Committee on Ways and Means was ridiculous and unreliable. She also pointed out the well-known fact that a cursory reading of the testimony taken before this committee would easily reveal the interests which each witness represented, as well as their narrow and selfish view and the ends sought by these men. Miss Tarbell says, and the records bear her out, that "the infant-industry" argument is more alive and persistent than ever. From New York came a woman who wanted the duty increased on basket willows because she was compelled to compete with foreign-grown willows, sent into this country by the shipload and sold far below what willows can be grown for in this country. From Virginia came a cry that mountain-ivy root, for making pipes, be protected from the competition of briar wood.

There were many more industries like this which in the nature of the case should affect but a small number of people that ask that the whole country be taxed that they be taken care of. There has never been a more general and complete demonstration of how general the notion has become that, no matter how few are benefited, it is fair to ask the whole mass to subscribe to the fund. Hundreds of pages of testimony are given to

requests not to disturb the present schedules unless it be to increase the duty, and the reason for the requests when sifted down has invariably been that of Mr. George O. Bower, of Philadelphia, in asking for an increase on a certain product handled by his firm, that it was not for protection but for prohibition, to increase his profits by securing more of the market. But, of course, most of the witnesses pretended that they were solicitous for the American workmen, and various other philanthropic motives. The "laird of Skibo" appeared before the committee and gave away some of the secrets of the game. It was said by the steel men that Andrew violated the rules of the game; that after he had gotten all he wanted he was unwilling to permit them to continue.

Among other things he hit the nail on the head when he said, with reference to the testimony of the magnates of the steel trust who had preceded him:

They are incapable of judging; no judge should be permitted to sit in a cause in which he is interested; you make the greatest mistake in your life if you attach importance to an interested witness.

Rather crudely put, but no one could misunderstand his meaning.

Judge Alton B. Parker, in a speech recently delivered, gave utterance to a truism when he said:

The instant we impose a tariff on the importation of any merchandise, not for the purpose of raising money for the support of the Government, but solely for the purpose of shutting out competition, that instant we tax unjustly every other class in the community, not for the common good but for the undue benefit of those engaged in producing the particular article. Immediately on doing so as to one article, the manufacturers or producers of another desire earnestly to pass into the favored class. Example furnishes precedent; precedent creates new example. This is but the working out of ordinary human impulse.

The ideal way of collecting taxes to pay the expenses of government would be a system whereby those who can best afford it would carry the heavy end of the burden, instead of, as it is now, the reverse; those who can least afford it are paying the big end of the taxes. And the procuring of this desired end, it seems to me, is not so hard if we will go about it earnestly and intelligently. The inheritance tax can be made to yield a larger return. Then, there is the income tax, on the authority of no less a man than the President of the United States in his speech accepting the nomination tendered him by the Republican convention, when he said that, in his opinion, an income-tax law could be placed upon the statute books without amending the Constitution. Of course this should be graduated, and probably the lowest income taxed should be about \$4,000. It is true that the possessors of these incomes might have to forego some of their luxuries, but they will be able to derive satisfaction from the fact that they are thus enabling their less fortunate brethren to obtain a few more of the necessities of life. Of course we would still levy duties on imports, but they could be levied highest on luxuries and lowest on necessities.

The Democratic party, in convention assembled, at Denver last summer adopted as a plank in its platform a demand for the repeal of the tariff on wood pulp, print paper, lumber, timber, and logs, a departure from its position for tariff for revenue only, but it seems to me that our party was justified in trying to put consumers of the articles mentioned in the privileged class just by way of giving the greatest number a taste of what the other infinitesimally smaller group, the manufacturers of lumber and the owners of stumpage, had enjoyed so long. It also had in mind the conservation of the forest and the prevention of the great losses due to freshets, which we were assured by authorities were caused by the destruction of our forests. For we, like President Roosevelt, had sat at the feet of that great conservator, Gifford Pinchot, and had learned our lessons well. Gifford Pinchot attained his high position in public life by reason of the fact that he was a protégé of Theodore Roosevelt, and because of the confidence that the American people had in him as an unselfish worker with high aims.

But he has fallen from his high estate. About the time of the so-called "lumberman's banquet," held in this city on February 13 last, rumors began to be current that Mr. Pinchot was wavering, but it was not until Mr. Roosevelt had retired from the presidency that Pinchot finally lined up on the other side. There is an old saw which runs, "When the cat's away the mice will play;" and any person gifted with imagination can, in his mind's eye, see a short but strenuous gentleman restlessly pacing to and fro on the captain's bridge of an African-bound steamer and ever and anon, Napoleon-like, gazing with far-away and saddened look toward the fast receding shores of far-away America; the while an embryo Binns, perched high in the wireless cage, is sending a message addressed, "Pinchot, Washington: The lumbermen will get you if you don't watch out. Signed, T. R." [Applause.] But it is too late. The lumbermen advanced on Washington. They saw, they con-

verted; and when they left the Nation's Capital, it is said that Gifford Pinchot was chained a captive at their chariot wheels.

Lumber enters in some form or other into the absolute necessities of the daily life of every man, woman, and child of our great country; and now, in this season of depression, in the midst of the terrible panic, while the great mass of our citizens are compelled by dire necessity or the fear of it to skimp and save and exercise the greatest care in their expenditures and to practice all forms of pitiful and petty economies, it seems is a splendid time to grant them the boon of unprotected lumber. But we are told that lumber is now comparatively cheap. My answer is, let us make it cheaper, and if there be anything in the insistent demands of the lumber and stumpage interest removal of the tariff will make it cheaper. If it is made cheaper, it will stimulate building operations, and that means renewed activity and the employment of men, not only in the lumber and building lines, but in all its allied industries. We are told by some so-called "authorities" that the tariff has nothing to do with the price of lumber. Common sense teaches the contrary, else why is it that the most powerful and far-reaching lobby that this city has ever seen has been diligently at work for the purpose of preserving a prohibitive tariff? The concern exhibited by the lumber interests either refutes the proposition or is evidence that these men know nothing about their business.

Government statistics show that less than 2 per cent of our lumber supply at present comes from Canada, and that fully as much lumber is exported from this country to Canada. The American lumberman will not much longer be permitted to "eat the cake and keep it also." The lumbermen of Canada are so incensed at the absence of all reciprocity in our lumber duty that unless the bars are thrown down and the importation of lumber into this country permitted, there will be a prohibitive import duty levied by Canada which will deprive our lumber interests of the market which they have been enjoying there. It is notorious that for many years lumber from this side of the line has been shipped into Manitoba and the other prairie provinces in great quantities; also that the southern pine has flooded the maritime and eastern provinces. The Canadian Pacific Railway purchases practically all of its car material from our Southern States, and only this last season the Grand Trunk Pacific Railway, after calling for bids for timber to be used on the western end of its line, placed the contract on Puget Sound. How can it be possible that our lumbermen are unable to compete on a parity with Canadian lumbermen in their home market when they are constantly shipping their lumber into the Canadian market?

We are astonished to learn that the sidetracks of the railroads of the country are crowded to their utmost to furnish standing room for 305,000 idle cars and locomotives. Think of it. Idle cars and engines enough to make a solid line from Washington to San Francisco.

Now, no one will dispute that if a movement is started in the lumber industry but that these cars, or a large portion of them, will start, will once more be engaged in carrying out the designs for which they were constructed, and to man them will give employment to idle trainmen and others formerly engaged in the railroad business.

But the case of the consumer versus the lumber trust, the lumber manufacturer and producer, and those interested in stumpage, it seems to me is proven beyond peradventure. The last word on the subject was spoken by my friend and colleague [Mr. HOWLAND], when yesterday for one hour he held the attention of this House and exposed the fallacies of the opposition with clear and convincing argument based on incontrovertible facts.

Mr. Chairman, I have always been proud of the fact that I was born in the Buckeye State; that my ancestors, as pioneers, helped to drain her swamps and to clear her trackless forests. Northwestern Ohio, which I have the honor to represent, was referred to contemptuously in the long ago as the "hoop-pole district," but it has now developed into the fairest garden spot in that fair State. Ohio is sweet music to my ears. Her statesmen sons, whether as Chief Executive of this Republic, in the Senate of the United States, or upon this floor, have always faced and performed every duty with singular ability, high courage, and strong endeavor, and my colleague [Mr. HOWLAND] proved by his masterful handling of the task which he yesterday essayed that he is no exception to the rule. [Applause.]

It has been urged by the opponents of free lumber that it will result in wasting in the woods all of the cheaper grades of timber, for the reason that it will not pay to move it from the place of felling it to the point of manufacture. That this argument is mere speculation and contrary to the facts I know from personal knowledge, for in my own home city among its largest and

most successful enterprises is a concern, the Defiance Box Company, which manufactures into crates and boxes timber that our opponents would have us believe would be entirely wasted; and this was the one manufacturing plant within my knowledge which increased its business and was not compelled to shorten its working days during the panic, or depression, as my friends on the other side prefer to call it. A striking refutation of the dismal prediction of the "standpatters."

That the lumber industry needs no protection, except from the rapacity of some of those engaged in it, is proven by the advance in the price of the commodities handled by them between the years 1892 and 1907. Facts admitted and published to the world by the publication known as the American Lumberman, of Chicago, the mouthpiece of the lumbermen of America, show the advance in these commodities as follows:

	1892.	1907.	Per cent of increase.
Fencing:			
6-inch, No. 1.....	\$15.00	\$32.00	113.33
4-inch, No. 1.....	12.00	30.00	150.00
4-inch, No. 2.....	9.00	26.00	188.88
4-inch, No. 3.....	7.00	19.00	171.42
6-inch, No. 2.....	12.00	29.00	141.66
6-inch, No. 3.....	9.00	21.50	138.88
Common boards:			
8-inch, No. 1.....	12.50	30.00	140.00
8-inch, No. 2.....	11.00	28.00	154.00
8-inch, No. 3.....	10.00	25.00	150.00
10-inch, No. 1.....	12.50	31.50	160.00
10-inch, No. 2.....	11.00	28.00	154.54
10-inch, No. 3.....	10.00	25.00	150.00
12-inch, No. 1.....	14.00	37.00	164.28
12-inch, No. 2.....	12.50	31.00	148.00
12-inch, No. 3.....	9.50	26.00	173.68
Flooring:			
No. 1, fancy.....	16.50	33.00	100.00
C, fancy.....	25.00	47.00	88.00
Piece stuff:			
2 by 4, 12, 14, and 16.....	11.50	23.00	100.00
2 by 6, 12, 14, and 16.....	10.00	27.50	175.00
2 by 8, 12, 14, and 16.....	11.00	27.50	150.00
2 by 10, 12, 14, and 16.....	10.50	29.00	176.19
2 by 12, 12, 14, and 16.....	11.50	30.50	165.21
3 by 12, 12, 14, and 16.....	11.50	31.50	173.91
White pine lath.....	2.00	5.00	150.00

It has been proven that there is no need of protection for the American lumber industry and that the present tariff is an unnecessary and galling burden upon the people and a premium on more rapid destruction of our forests, and this the more glaring when conservation of these natural resources is one of the problems of greatest national importance, and attention has been time and time again called to this fact by Mr. Pinchot, and he has painted a dark and gloomy picture of the price that future generations will pay for this wanton destruction.

As to the claim that labor engaged in the lumber business can not compete with the Hindoo and other oriental labor of Canada—and it seems that Canada is practically our sole competitor in the lumber business—as my colleague [Mr. HOWLAND] well said yesterday, this is an illusion and a dream, for testimony of credible witnesses before the Ways and Means Committee shows conclusively that white labor is paid better prices in British Columbia than in Washington and Oregon; and while it is admitted that some of the western Canadian mills employ oriental labor, it is not through choice but necessity, because of the scarcity of white labor, and while the wage per day per man paid to the oriental is somewhat lower than to the white man for the corresponding work, still the superiority and efficiency of the white man make his labor cheaper. Mr. F. V. Lynch, a lumberman of St. Paul, Minn., manufacturer of lumber in Canada and the owner of timber in the United States, testified before the Ways and Means Committee that he was interested in two large sawmills in western Canada; that the cost of these mills and equipment was about \$400,000 apiece; that similar mills and equipment in United States cost \$150,000 less, and that the difference in cost was accounted for by the tariff charged by the Canadian government on American machinery, with which his company's mills are equipped, the high freight rate in transporting machinery, and the high cost of labor which prevails there, together with the lack of efficiency of the Canadian mechanics as compared with the American.

He further said they employed no oriental labor; that most of the employees were Americans, highly skilled employees, including manager and superintendents. That they had learned their trades and business in the United States, and that they were induced to go to Canada for Mr. Lynch's company because they received higher wages in Canada than at home, and it follows, I think, that Mr. Lynch's company, like

all others, pays these Americans higher wages, not from philanthropic motives, but because they were more efficient than could be obtained in Canada. Mr. A. J. Scanlon, a lumberman of Minneapolis, scouts the claims of the "standpatter." He says that he and associates are heavily interested in Canadian stumpage, but are likewise owners of timber in Oregon, Florida, and Louisiana, and are interested in the manufacture of lumber on large scale at Scanlon, Minn., and Kentwood, La., and that proportionately for every hundred dollars invested in Canadian timber they had more than a thousand dollars invested in timber and mills on this side of the line.

Now, it seems to me that Mr. Scanlon, interested as he is in the manufacture of lumber and the ownership of stumpage both here and in Canada, would make an ideal witness. He said:

If I had any reason to believe that our business would be seriously affected by a removal of the tariff on lumber, I would not be here advocating it. I am of the opinion that the tariff on lumber should be removed, because it is not a protection to American manufacturers of lumber or American labor, except so far as they are owners of stumpage. A large part of the timber of this country is in the hands of individuals and corporations, and is held as an investment, and also not purchased with a view to manufacturing it. Such investments have always proven very profitable, and will continue to do so, regardless of whether there is a duty on lumber coming into this country or not. I do not consider it equitable and just to afford protection to that form of investments at the expense of the public at large.

In 1894, 1895, 1896, and 1897 it was possible to purchase timber in Minnesota at from \$1 to \$2 per thousand for white and Norway pine. The tamarack, jack pine, and spruce, if there was any on the land, was included in the sale without cost to the purchaser. To-day the minimum price on timber in Minnesota is not less than \$6 per thousand and the maximum \$12 per thousand, depending on the quality and the accessibility of it for logging purposes, and there is little to be had at these prices. The jack pine, spruce, and tamarack above mentioned, which were not formerly included in the purchase price, are now paid for at the same rate as the other timber on the land. The same conditions prevail to-day in the pine districts of Michigan and Wisconsin, except that prices of stumpage are higher for especially good bunches of timber.

I believe that the removal of the tariff on lumber would conserve the forests of our country. I think it would have a tendency to check the abnormal advances that have occurred of late years, both in timber and lumber. I believe it will broaden the markets for the consumers of lumber and eventually lead to a more uniform, healthy condition of the lumber trade in general in this country.

I have on my desk clippings from over 100 prominent newspapers and farm journals published in every portion of the United States that are calling upon the American Congress to put lumber and the products of logs and timber on the free list, among them one from the Ohio State Journal, a progressive and independent Republican newspaper, of my own State. In the light of this insistent demand from the great body of the American consumers, in the light of this call from an enlightened press, in the light of the testimony of these lumbermen and what amounts to almost common knowledge, logs and the products of logs should be placed upon the free list. It will enlarge the opportunities of thousands of men to own their own homes. Even though it should work a temporary hardship to the few, manufacturers of lumber and owners of stumpage, it will have the effect of benefiting the many. It will encourage the home builder, and everyone concedes that a man who owns his own home is a better citizen. It may have the effect of reducing the number of mansions on the hill, but it will undoubtedly increase the number of cottages in the valley. As to which state of affairs is preferable, determine by your vote.

There are many other things in this bill that I would put on the free list; notably, all of those natural products of which we have but one crop—coal, iron ore, petroleum and its products—as well as coffee, tea, and many other necessities. I can not subscribe to the "standpatter's" doctrine that anything that will make it harder for the workingman to own a little home, through high prices for lumber, nails, hardware, glass, and everything that enters into the construction of a house, will be a good thing for the country. I will add that the products of steel should be on the free list or very near it. A fallacious argument of the "standpatter" when driven to bay, as they are on the lumber and steel question, is that while a protective duty on these things is almost indefensible, still when woven into a systematic whole is perfection itself, as though by combining many things, wrong in themselves, good could result.

And, Mr. Chairman, if by an effort of mine I can encourage or be of assistance to an American home builder, I will feel that I have not lived in vain. [Loud applause.]

Mr. WEISSE. Mr. Chairman, I desire to ask the gentleman a question.

Mr. ANSBERRY. I will be very glad, indeed, to yield to the gentleman.

Mr. WEISSE. For just a single question. On March 26 I asked the gentleman from Ohio [Mr. COLE] whether the decline in the price of horses from 1893 to 1900 was not \$17 per head.

He denied that statement in his answer to me. He has inserted in the RECORD a statement showing that horses did decline \$17 from 1893 to 1900. [Applause on the Democratic side.]

Mr. ANSBERRY. I believe the gentleman from Wisconsin is right; I agree in that. Now, Mr. Chairman, I would like to insert in the RECORD a letter I received recently from the editor of a farm and stock journal, which is self-explanatory, and for that purpose I ask that my remarks may be extended in the RECORD. I do not care to trespass further on the time of the House, as I have already had the time allotted me extended fifteen minutes, for which courtesy I thank the House.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The letter inserted is as follows:

FARM AND STOCK,
St. Joseph, Mo., February 16, 1909.

Hon. TIMOTHY T. ANSBERRY, Washington, D. C.

DEAR SIR: Now that tariff revision is impending and the Ways and Means Committee is at work on a bill for a new tariff law, we have sometimes wondered whether Members of Congress fully understand how deeply interested the farmers of this country are in the tariff on lumber and other forest products.

Rightly or wrongly, the farmers believe that what amounts to a lumber trust practically controls the price of lumber all over the country. They know that the price of lumber has increased anywhere from 75 to 200 per cent in the last ten or fifteen years; they also know from the publications of the Department of Agriculture that our forests are nearly exhausted, and they can not understand how Congress can for a moment permit any portion of the tariff on lumber, whether rough or finished, to remain at a time when our forests are dwindling and the price of lumber is endlessly ascending. The way the farmer figures it out, he is taxed 10 per cent on every post he buys, 30 per cent on every box shook, \$2 a thousand feet on every rough board, and from \$2.50 to \$3.50 a thousand on the finished lumber he may require, all for the purpose of creating a tariff wall which makes his lumber higher, enormously increases the value of the standing timber held by the speculators, and encourages the destruction of the remaining forests, which eventually can only be regarded as a national disaster.

We are sending you under another cover a copy of Farm and Stock, containing a marked editorial on this subject, which voices our views and, we believe, the views of the great masses of the farming population of this country. If there is any one feature of the tariff law on which the farmers are well informed, it is in regard to lumber, and it will be impossible to placate them with any tariff which merely takes some kinds of lumber off the dutiable list and leaves others. Fully half the lumber the farmer buys for a new house is finished and the present tariff on it is absolutely prohibitive.

The farmer knows full well that if he could not raise cereals and provisions enough to feed the country the consuming millions would knock the tariff off these commodities in a flash. He knows very well that the present timber crop, which is practically the only crop that can be raised, is nearly exhausted, comparatively speaking, and he can not understand any process of reasoning which undertakes to defend the tariff on these commodities.

Very truly, yours,

FARM AND STOCK,
FRED. J. WRIGHT, Editor.

Mr. KEIFER. Mr. Chairman, it is pleasant to be able in general debate to violate the usual custom here by speaking on the subject before the committee.

If Members desiring to ask questions can contain themselves until I conclude what I desire to say, I will be thankful to them. My remarks will be confined mainly to the history of tariff legislation and the wisdom of its revision. I will have something to say on the subject of a duty on hides, also a little on wool and sugar.

I shall waste little time in answering the long since exploded academic free-trade theories still reiterated here. Their fallacy was demonstrated in actual practice by the operation of the Wilson free-trade tariff of 1894, which produced unparalleled distress in this country, and by the operation of the present protective tariff, which restored universal prosperity to this country.

With a limited time and an unlimited subject for discussion, I am warned that I can not hope to more than touch on a few of the many important things involved in this tariff bill.

SOME TARIFF HISTORY.

A tariff on imports to this country came first chiefly on account of England's unjust laws by which her colonies were prohibited from manufacturing even necessary articles in common use and compelling the inhabitants thereof to buy their goods "manufactured in England across the sea."

I think the Ways and Means Committee of this House and the country are to be congratulated upon the general fairness of the bill reported and the evident desire of the committee to maintain the principle of protection to American labor and American industries. I say this much in justice to the committee, although there may be parts of the bill which I think should be amended.

The task devolving on a Republican Congress of revising the Dingley tariff act of 1897, a Republican measure, is a vastly more difficult and delicate task than a revision of any former tariff act. This because, for the first time, a party of protection is called on to revise a protective tariff act exclusively of

its own creation. Without now going back to the earlier tariff acts and the history of their repeal or revision, we commence with the Walker tariff act, passed July 30, 1846, in President Polk's administration, which embodied only the principle of tariff for revenue only, based on ad valorem duties, and for that purpose it proved a signal failure. It was entitled "An act reducing the duty on imports." The Democratic platform of 1908 uses almost the same language. There was no general revision or repeal of that act until the passage of the Morrill tariff act of March 2, 1861, at the close of Buchanan's administration, and this latter act was largely in the nature of an emergency act to provide for an empty Treasury and the payment of then existing Treasury notes and loans and to authorize a further loan, as well as to fix the duties on imports. The Treasury of the United States was not only then empty by reason of the operation of the Walker tariff, but money could not then be borrowed by the United States, at home or abroad, at 10 per cent per annum. This pretended revenue tariff had prevented new industries from being started and had destroyed the few that had been struggling for existence. The fires had gone out of the furnaces and the wheels of industry had ceased to hum, and labor was scarce, and what little there was in mine, field, or shop was cheap. The price of imported inferior railroad iron—not steel rails—was then usually above \$100 per ton, and many other imported articles were equally high, compared with present prices paid for American protected like products.

The Morrill tariff act was largely a Republican measure, though it had the approval of President Buchanan only two days before Abraham Lincoln's first inauguration. The clouds of the civil war were then darkening the political sky. Seven States of the Union had already passed ordinances of secession, and the so-called "Confederate States of America" had been (February 8, 1861) christened. War was in the air. Under such existing and impending conditions the Morrill tariff bill was enacted into law to provide for and to meet them. The financial conditions that arose during and incident to the war and the general business conditions which also necessarily then arose were so unusual in character as to prevent our accurately calculating the normal effect of a protective tariff act, even of the moderate kind then existing.

The Government was a buyer and consumer of agricultural and all kinds of home products. Eleven States of the Union joined the Confederate States. The whole business and productive power of the loyal States of the Union were devoted to sustaining it, and foreign commerce, especially in American bottoms, disappeared from the seas. Our surplus products, in so far as we had any, were not sold in competition with other nations of the world. Our able-bodied men were in the army or navy, and the demand for labor was great and wages were high. Grain, forage, and meats from the farms brought high prices. So of manufactured articles of all kinds. Yet, notwithstanding all the unusual or abnormal conditions, the Morrill tariff act of 1861 and other less general tariff acts of the war times helped largely to start up business on favorable lines, conducive to higher wages for the wage-earner and more stable prices for the products of the agriculturists—in short, to Americanize our productive powers and resources. The war marks strongly the beginning of a period in this country when the tendency was for our people to remove from the farms to cities and towns, to change from a bucolic life to a city or to a more gregarious one. About 75 per cent of the people of the United States in 1860, before slavery was abolished, were engaged in agriculture, and now, according to the best statistics obtainable, not over 35 per cent of them are engaged directly or indirectly in agriculture.

Three of the five counties, Madison, Fayette, and Pickaway, of my district in Ohio, unexcelled for richness of soil and productiveness, have decreased in population since 1880. The two counties, Clark and Miami, with large manufacturing interests have increased in population. It must not be inferred from this statement that the number of farms in the three counties has decreased or that their productiveness or value has depreciated or that the dignity of labor thereon has been affected by any social, business, or political changes. On the contrary, farmers now are better housed, have better barns, do their field work easier, possess better implements, have better roads for travel and over which to transport their products to market, have more and better carriages and buggies to ride in, enjoy more and better facilities for improvement and the education of their children, and have better mail advantages through rural delivery and otherwise than at any prior period. Their lands are generally cleared and are easier cultivated than in earlier times.

It is highly important that the probably now 30,000,000 of our agricultural people should have their interests carefully

protected in any tariff legislation, for on our food supply depends largely the success of all other pursuits. The farmer has the least representation here and before our committees, and his interests are the most likely to be neglected. All other general or special interests seem to be represented by agents, attorneys, or lobbyists. The sheep or wool interests seem to be the only ones concerned in agriculture who are represented here.

But I have strayed somewhat from the history of tariff legislation. There were a number of partial or amendatory tariff acts passed between the Morrill tariff and the next general tariff revision. The tariff act of March 3, 1853, was a general one, and it was largely prepared on the report of a tariff commission. It was generally moderate in its protective provisions, and though favored in the course of its preparation by supposed strong advocates of protection, some of them—William McKinley, a member then of the Ways and Means Committee, and others—voted against the bill. Some of this unexpected opposition came through the persuasion of Mr. Blaine, of Maine (not then in Congress), who was then of the opinion that free trade was about to become popular. Mr. Blaine, and some Members of Congress who failed to support the 1853 tariff act, later changed their minds and became somewhat famous as protectionists.

The Mills tariff bill was reported to this House April 2, 1858, and to the Senate with amendments January 22, 1859. The House disagreed to a conference on the Senate amendments January 26, 1859, and the bill failed.

The House bill, popularly known as the "McKinley bill," was reported by him April 16, 1890, and it became, with some amendments, a law October 1, 1890. It, too, was not extremely radical as a protective tariff act.

Next came the Wilson-Gorman Act of August 27, 1894. On December 20, 1893, Mr. Wilson, of West Virginia, reported the bill to the House, and the House passed it February 2, 1894, and the Senate passed it with amendments July 3, 1894; and on the conferees of the Senate and House failing to agree, the House discharged their conferees and concurred in the Senate amendments August 13, 1894, and the bill was presented to President Cleveland for his approval August 15, 1894, and it became a law without his approval. He neither vetoed nor approved the bill, but expressed his condemnation of it in a letter to Mr. Wilson July 2, 1894, which was read to the House August 13, 1894, roundly scolding his party friends for their failure to carry out Democratic free-trade principles.

The consequences arising from the fact that it was understood that the Democratic party, when it came into power in 1893, would pass a free-trade tariff act, and the further fact that it soon did so in principle, necessarily proved most disastrous to all the business interests of the whole country and produced more distress, especially among the laboring classes of our people, than ever occurred in a like period before. The previous good protective times helped to intensify the real business depression that followed this act. It destroyed business confidence, without which prosperity can not exist.

The country awaited anxiously the revision which came when the Republican party was restored to power and the Dingley tariff of July 24, 1897, became a law. The Dingley bill was reported to the House from the Committee on Ways and Means March 19, 1897, and passed it March 31, 1897, and the Senate July 7, 1897, and by both the Senate and the House July 24, 1897. It was debated eleven days in the House and forty-two days in the Senate. It was approved by President McKinley July 24, 1897.

This act speedily brought prosperity to the whole country with the assurance that a protective system would continue indefinitely. Although its operation has been violently assailed here and elsewhere for a dozen years, its protective principle has proved a blessing to our people, especially to the laboring classes of all occupations, and in six successive congressional and in three presidential elections the people have approved it. During its existence there has been more universal prosperity, greater increase in wealth, more general employment of our people, more money spent and donated to support, establish, and maintain religious, charitable, and educational institutions; to encourage art and science; to upbuild the Army and Navy of the United States; to fortify our coasts; to extend the mail service to all our inhabitants, and so forth; and to provide for the general welfare of our people than in any other like period in our history. In the same period the expense of the war with Spain has been mainly met and the United States has expanded into a world power, and new possessions have been acquired, with consequent large expenditures. The map of the world has been changed. We have built a navy to cope on the high seas with the most powerful nations of the earth. The building of the Panama Canal has been entered on, and is being fast pushed

toward completion. The Dingley tariff act made these and other great things possible.

The claim that monopolies and trusts have also prospered during the existence of the Dingley tariff and that particular individuals have amassed a disproportionate share of wealth and power is more apparent than real, and the Dingley tariff is not responsible for them. The number of these is comparatively small when the whole number of our inhabitants engaged in business are taken into account. The common people never before enjoyed so much general prosperity as in the last ten years, and never before, in this or any other country, toiled so few hours per day and yet possessed so much of the Nation's wealth and so many homes. All parties profess to favor legislation that will secure universal prosperity. This can not be brought about without some of the more enterprising acquiring large fortunes. Poverty of the masses of our people is not the panacea for inordinate individual wealth, as our Democratic friends seem to think.

If trusts and monopolies were necessarily incident to our Nation's prosperity, then general poverty and distress would seem to be the only way to get rid of them. But, happily, they are not necessarily the offspring of prosperity, nor is poverty the true remedy for them. Trusts and monopolies, whenever found to be an evil, should be separately dealt with by proper legislation.

The financial panic of 1907 bore no relation to the tariff, and but for the tariff its evil effects would have been more calamitous and far-reaching than they were. Bad business methods brought it about, and a return to honest methods soon stopped its disastrous progress. We have learned some wholesome lessons from it. The large business corporations, such as controlled the railroads and the larger operations of the country, were the first and principal sufferers from the panic. These same corporations are here denounced as monopolies and in the same breath their condition is pointed to as evidence of the hard times supposed to still exist.

It is, however, somewhat misleading to point out that railroads have large numbers of idle cars on sidetracks and that there are now large numbers of unemployed men. If through short crops and want of business confidence cars are not in use and men are unemployed, a protective tariff is not to be blamed for it. The remedy certainly will not come from free trade; that is, by turning our laborers out of mills and shops at home and by buying our supplies of manufactured articles from other countries, and by compelling our farm people to sell their grain and food animals to pauper-paid laborers in distant parts of the world.

In even ordinary prosperous times, in certain seasons of each year, there are necessarily many idle cars to be seen on sidetracks, and there are always a considerable number of people unemployed; some through misfortune, some by accident, some because their chosen occupation does not continue the year round, and some by choice or indisposition. Business can not continue to boom perpetually, even in the United States.

If there are, in exceptional times, apparently many unemployed persons in a great business center like New York, Pittsburg, Chicago, or other great city, where large, varied, and numerous industries exist, it is because there is in it a large population and many employees. When conditions, from any cause, become unfavorable throughout the whole country, it naturally seems that more people are thrown out of work at such a center than elsewhere, though, relatively, this is not the case. It is only where large numbers are brought together that unfavorable conditions are clearly observed. And what would the condition of unemployed people be if they were located where no manufacturing or producing enterprises existed? What would or could they do if mining or manufacturing were not conducted anywhere? What would be the effect on these people if they could only be employed as farm hands or as agriculturists? If so employed, where would the market be for their surplus farm products, if they had any? If they were not able to get work at all on farms, then where?

But the real cause of trouble never arises in the great active business centers, but always in consequence of a general business depression and a failure of confidence in the future, or for some other controlling cause over which the producers at such centers have no control and which are not connected with or dependent on any American tariff law. The trouble, if trouble comes, is always with the consumers of a particular product rather than with its producer; not on account of any protective duty on any special thing. And the general result is that as soon as confidence is restored business revives, and those who were in enforced idleness are given work, and usually at the same wages formerly paid them. Wages no not in such cases go, or have not usually gone, down for men employed in the principal industries.

Free trade which prevents the establishing of important industries at great centers, or generally anywhere, is the only remedy proposed to prevent idleness. It is the mother of idleness. That is, to prevent natural laborers, in exceptional times, from the danger of becoming temporarily unemployed, the free trader would so legislate as to prevent his being employed at good wages at all; or if employed in a prosperous business, the free trader would destroy it, to make certain that by no possibility could they obtain employment at all where their genius, skill, and industry would be properly rewarded.

The annual values, stated in round numbers, of products of all kinds in the United States are:

Farm products.....	\$7,500,000,000
Mineral products.....	2,000,000,000
Forest and fish products.....	1,000,000,000
Manufactured products.....	18,000,000,000
Total.....	28,500,000,000

The value of our annual exports is \$1,700,000,000. The foreign market for our products is only 5.9 per cent. The value of our home consumption is \$26,800,000,000.

The home market for our products is 94.1 per cent.

Our prosperity depends on maintaining the home market as much as on home production.

When capital and labor are employed our people are interdependent producers and consumers, and necessarily enjoy prosperity. The value of material used, cost of production, and the wages earned and profits made then remain in the United States.

Revision that will lessen either our home production or our home market will be unjust, unwise, un-American, and will endanger our prosperity.

Some of our capitalists and business men who are slow to resume their former business enterprises in their full scope are now only waiting for a new tariff act to be passed to restore confidence and in order that they may know what business policy is to permanently prevail. Business confidence must be general to bring general prosperity.

Having said this much as to the history of past tariff legislation and its effect upon labor and business, I come to the position of the two principal parties on tariff revision.

REPUBLICAN V. DEMOCRATIC TARIFF POLICIES.

A tariff is a duty on goods imported from a foreign country. It is of early origin in the United States. The first Congress, as its first general law in its first session, July 4, 1789, enacted the first tariff act. It had the approval of George Washington, the first President of the young Republic. It was professedly protective in character. Its first section opened with a preamble expressing its objects thus:

Whereas it is necessary for the support of Government, for the discharge of debts of the United States, and the encouragement and protection of manufactures that duties be laid on goods, wares, and merchandise imported.

During Washington's Presidency 14 acts were passed, and received his approval, relating to the collection of duties on imports.

The tariff acts of March 3, 1791, and May 2, 1792, established, in the main, our administrative system of collecting import duties through customs officers, ports of entry, and so forth, the existence of which some of our Democratic Members here so much deplore.

That there must be from time to time a careful revision of any tariff law all should agree. Changes in the condition and development of new and the going out of old industries in our still new and highly progressive Nation necessarily require this, but it should not be so revised as to destroy or impair existing industries or to reduce the wages of laborers engaged therein. A business that has been honestly built up with labor, skill, enterprise, and capital under the operation of a wise law has vested rights, and those dependent on its continuing for their employment at remunerative wages are justly entitled to have it maintained. It would be criminal in character to repeal or modify a law on the faith of which a business has been established so as to destroy it. Revision of the present tariff law does not imply a reversal of our existing tariff system of protection. An abnormally high duty should be reduced, but to reduce any duty below a reasonably protective level would invite disaster.

The Republican party, though strongly committed to a tariff revision in its last national platform, promised a continuance of the present protective tariff system and laid down the central principle upon which the revision should be had. This is clearly stated in its platform thus:

In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods en-

tering their markets, and the minimum to represent the normal measure of protection at home, the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system.

I am, in considerable part, responsible for the language used in the essential portions of this plank.

The difference between the cost of production at home and abroad, together with a reasonable profit to American industries, is promised, and anything short of that will work wrong and injustice and will not keep the faith.

Reasonable security against foreign competition to which American manufacturers, farmers and producers are entitled is also promised, and if this Congress does not secure this it will be recreant to its duty.

These cardinal principles for revision have had the recent approval of the people. But for countervailing things that came into the last national election, it is believed that a more significant and overwhelming indorsement of them would have been shown. Temperance and other state and local issues had much to do with results in many parts, especially in the Northern States, and, of course, the real or pretended fear of the people of most of the Southern States that in some way they were in danger of the negro dominating the white race, or becoming entitled to some right to live if the Republican party was continued in power, led many persons there, who would not otherwise have done so, to vote the Democratic ticket, free-trade principles and all.

Notwithstanding they so voted, the stronger and better business men of the South are now boasting of a "new South," a "greater South," and they are rejoicing over its recovery through protective tariff laws from effete and free-trade business notions which prevented the establishing of healthy and prosperous industries and the development of its natural resources. They will no longer seek to prevent manufacturing and general business industries being established and maintained in their midst and to prevent well paid independent free labor, as was long the rule in the South. The expression of this rule was embodied in the constitution of the Confederate States of America, which ran thus:

Nor shall any duties or taxes on importations from foreign nations be laid to promote or foster any branch of industry.

Under this provision duties on imports were prohibited for the express purpose of preventing the establishing or fostering of any branch of industry. Slavery was bucolic, and any industry, likewise progress, was inimical to it.

It was most gratifying to see, as I did to-day, a sign on a lot on the northeast corner of Fifteenth and H streets, of this city, reading:

On this site will be erected the building for the Southern Commercial Congress for a greater Nation through a greater South.

Under this should have been written:

Who would have thought it:
The Dingley Act brought it.

A little reference here to some facts shown by statistics will be more eloquent and convincing than any declamation. The wealth of the United States as shown by recent and the most reliable statistics is shown for the years stated in the following table:

	Total national wealth.
1890.....	\$61,208,755,972
1900.....	82,304,517,845
1902.....	91,238,732,842
1904.....	100,272,947,840
1907.....	113,749,270,337

It appears by these statistics that our national wealth has about doubled since the present tariff law went into operation.

Experience has also shown that both our exports and imports have increased under protective tariff laws. An example showing this will be found in the following tables giving the value of imports and exports of merchandise in three successive years under each of the Wilson and Dingley tariff acts:

Values of imports and exports of merchandise under the Wilson tariff act.

	Imports.	Exports.
September 1, 1894, to August 31, 1895.....	\$759,108,416	\$806,670,050
September 1, 1895, to July 31, 1896.....	687,605,637	837,802,519
August 1, 1896, to July 31, 1897.....	766,296,619	1,054,379,735
Total.....	2,698,862,304	2,213,010,602

Values of imports and exports of merchandise under the Dingley tariff act.

	Imports.	Exports.
August 1, 1905, to July 31, 1906.....	\$1,244,612,289	\$1,747,627,353
August 1, 1906, to July 31, 1907.....	1,456,450,869	1,897,707,339
August 1, 1907, to June 30, 1908.....	1,069,719,899	1,732,223,811
Total.....	3,770,783,057	4,367,558,503

It will be seen by these tables that both imports and exports were almost double in the three protective over the three practically free-trade years.

The balance against us of imports over exports under the Wilson act, it is seen, was \$645,641,642, while the balance in our favor under the Dingley act was \$596,775,446, the difference being \$1,242,417,088.

Comment is unnecessary. The lesson was long ago learned that under protection our people enjoy prosperity, indulge in more luxuries, and hence purchase more in value of certain articles abroad than in times of free trade and its necessary business depression. But I must hasten to a more significant lesson shown by conditions at home as to which the new South is awakening.

Manufacturing industries have been unknown or have existed in a languishing way in large parts of the United States. What has been the result in such parts in an economic sense?

Where the raw material has been dug from the earth and utilized in manufacturing useful things, where mills and factories have been established and made to flourish and skilled and all kinds of labor has commanded good living wages, there prosperity and wealth are found largely in excess of any and all other parts of our Union.

Mainly the manufacturing section of this country is in area north of the Potomac and Ohio rivers and east of the Mississippi, and including the New England and Middle States, Maryland, Ohio, Indiana, Illinois, Michigan, Wisconsin, and the District of Columbia, containing of the total area of continental United States only 14.1 per cent, and wherein was produced in 1900 of the total manufactures produced 77 per cent, the gross value of which in that year was \$10,021,718,161, while in the other States, comprising 85.9 per cent of the whole area, it was only \$2,988,318,053, and then paying out in a single year in salaries and wages in manufacturing \$2,194,936,683 as against only \$536,471,656 in the other States; employing then in manufacturing industries 4,437,714 persons as against only 1,273,917 in the other States, and wherein the average per capita deposits in savings banks then were \$56.90 as against \$6.67 in the other States, and with a total savings bank deposit of \$2,200,439,838 as against \$249,108,047 in the other States, and with an average per capita deposit in all banks of \$153.80 as against \$37.10 in the other States, and with a total deposit in all banks of \$5,949,934,845 as against \$1,384,666,395 in the other States, and with banking resources more than four times as great as in the other States; and so in like proportions as to the value of lands, real-estate improvements and personal property, and the number of schools, colleges, and universities, and of salaries paid to professors and teachers. The contrast holds good throughout, and demonstrates the wisdom of diversifying, protecting, and fostering industries.

There are always, relatively, less employed people in the smaller than in the larger area, though the population is about the same in each.

The foregoing evidence of the wonderful comparative prosperity of a small area of our country over the remaining area is a most important and interesting study, and the lesson therefrom is most gratifying. It will be noted that in the larger area, almost 86 per cent of the whole area, many of the old States are found, also many of the older as well as some of the really prosperous newer cities, including the southern, northern, and western cities of New Orleans, St. Louis, Minneapolis, Kansas City, Omaha, Denver, San Francisco, Seattle, Tacoma, and others, and this large area includes the richest mining regions, especially of gold and silver, of the United States. Yet for want of a diversity of manufacturing industries being mingled with agriculture, the larger area described is only about equal in population to the smaller area—about 14 per cent of the whole—and produces only about 23 per cent of the total manufactures and less than one-third of the whole value thereof, pays out in wages only one-fourth and employs only a little more than one-fourth as many laborers as the smaller area; and wherein the average per capita savings bank deposits is not one-eighth and the total of such deposits is only one-ninth and the average per capita deposit in all banks and the total deposits in all banks is less in each case than one-fourth in the smaller area.

This answers completely the common cry of the free traders that a protective tariff only enriches the few at the expense of the many—that "protection is a robbery."

The large per capita of deposits in savings banks in the manufacturing regions referred to shows the general distribution of wealth among the people and its great excess over that of the people of the other regions. The importance of locating the producer and consumer side by side is shown in this comparative statement. The price of farm lands in the manufacturing region is, all things considered, much higher than in the other parts. Every spot of the once nonmanufacturing South that has been touched with a mining or manufacturing industry has prospered in contrast with the other parts, and this is the case elsewhere in this country.

Whoever produces something from his mechanical or inventive skill immediately becomes a patriotic American protectionist, and whoever does nothing or produces nothing is a natural free trader, and he always pretends to believe that he has, in some way, been robbed by tariff protection of what he never had or deserved to have. He pretends to believe that if he could buy cheap foreign pauper-made things he would still prosper, although he had nothing and earned nothing to buy anything. There must be earning power and capacity and opportunity to exercise them to acquire money, and without money nothing can be purchased. There is no practical difference between high and low prices to a would-be purchaser who is without money.

If an article costs a dollar and is needed by a person who has not and can not earn the dollar, it might as well be offered to such person at \$2, but if a person has not the dollar and somebody is standing ready to employ him at two, three, or four dollars per day, the acquisition of the needed article is easily in sight. This is well understood by the intelligent wage earners of this country, and appeals to excite prejudice against their employers have been, and will continue to be, vain. And where the operatives in mills and factories are employed at good wages, all classes of mechanics and farm hands necessarily are in like manner employed, and when everybody is so employed general prosperity in all pursuits prevails. When employed, our people become interdependent producers and consumers and all enjoy prosperity.

Our market for all kinds of products of farm and factory is approximately 94 per cent of it at home. This is the market to promote and make secure. To do so is both wise and patriotic. "America for Americans" should be the watch cry until the millenium comes.

We still hear some talk about our manufacturers selling some of their product abroad for less than at home. This is rarely true save in appearance. Goods are generally sold to go abroad at wholesale and bring to the manufacturer more in net cash than he can realize if sold at home through agents and commission houses. The sales abroad are also generally of a surplus or remnant, and the goods are often made to sell in a foreign market to keep a home plant in operation. The proposed Democratic remedy for these foreign sales is to totally destroy our home producing power and prevent our people from selling anything at home or abroad.

The small area in which so much of our national and individual wealth and prosperity exists has no superior or natural advantages over the other parts of the United States. The difference is represented in business enterprise, energy, spirit, and faith in the success and development of our institutions.

In spite of the past and of adverse party affiliations, the South has awakened to new and better business life and is now prospering, and is further to prosper in comparison with its past, in which I heartily rejoice. The South's great resources, incident to its climate, rich soil, abundant minerals, water power, and other like natural resources and conditions, are certain to develop when her people have awakened to modern and progressive business methods and to her opportunities and possibilities. When she produces from her soil and manufactures through her own natural resources what she needs at home and a surplus for foreign markets her day of business resurrection is at hand, and universal enterprise, and not cotton, will reign as king. Through a protective policy, practically applied, prosperity will come to the South not hitherto dreamed of. "Plant the factory beside the farm" is a good motto for all sections of our country.

The position of the Democratic party is impossible of definition on the tariff question. Its late national platform gave us only one declaration of policy for revision. It reads:

We favor immediate revision of the tariff by the reduction of import duties.

This appears to have been copied from the title to the Walker tariff act already mentioned.

This declaration admits of no consideration of the effect of revision on the needed revenues of the Government or of the wisdom of protecting the American wage-earner or of maintaining any branch of American industry. The only thing declared for is "reduction of import duties," and this regardless of consequences. No vested rights of property, no established industry, no scale of wages for the skilled mechanic or the common laborer in this country would be respected if Democratic revision could prevail. American interests and markets would be slaughtered to promote foreign interests and markets. American mines, mills, and factories would be closed and capital sacrificed or remain uninvested, all to promote foreign industries and investments.

The farmers' surplus product would be left to perish, or to be sold, if at all, at home to a largely idle people at very low prices, or transported for a like market, if any, to foreign parts, the farmer paying the cost of transportation and then selling, if at all, to pauper-paid classes of people. Democratic revision would have the consumers of American farm products located as far as possible from where they are grown. Such policy would separate as widely as possible the producer and consumer, reversing the axiomatic prosperity maxim, "Farm and factory side by side."

This Democratic policy would not only turn the laborers from mining, mill, factory, and shop, but, in time, would drive them to agricultural pursuits and, by increasing the number of farmers, lessen their chances for profits, and thereby reverse existing conditions.

In the proportion that the consumers of products of the field and farm exceed the number engaged in agriculture will the business of farming pay. The people in continental United States engaged in agriculture is about 35 per cent of the whole number. I remember when they were about 85 per cent of the whole number, and then farmers generally were poor and their products brought comparatively little.

The theory that our markets abroad for farm products would be increased by our buying manufactured or other goods abroad is not even plausible, and it has never been supported by experience. No country or people buy from us what they have or can produce at home. Not a bushel of wheat, a barrel of flour, a pound of beef or pork, or other product of agriculture or anything else ever was purchased from the United States by any foreign people unless they needed it and could not produce it themselves. And we have just seen that we both buy and sell more abroad in protective than in free-trade times.

The further Democratic un-American theory that if we buy our goods from abroad and thereby enrich the foreign manufacturers and keep the foreign masses employed that they will be better able to buy of us needs only to be stated to show its fallacy. Is it not a better and wiser policy to establish and maintain flourishing mills, shops, and factories at home, filled with American well-paid laborers, and then rely on home consumption of our farm and other products? Anything that sacrifices home industries and thereby drives our mechanics to the streets, idle, is business suicide and un-American.

The Democratic party, judged by its legislative history and by its platform declarations, can only be regarded as a free-trade party and inimical to all American protection of labor and capital. The individual views of certain Democrats only indicate their desire to abandon a party that has done so much to prevent universal prosperity throughout the Union. When in power its legislation proved disastrous to the people. When out of power it has had some apparent success as a party of criticism, which is the last and lowest stage of party existence.

In 1892 its national platform read:

We denounce protection as a robbery of the many to enrich the few.

It then denounced reciprocity as a jugglery; and the Wilson-Gorman Act repealed all of the provisions in the McKinley Act of 1890 relating to reciprocity, and declared that everything done or attempted to be done to enforce it should be held to be null and void. By this our Government could not keep its reciprocal tariff agreements with certain foreign countries, and was compelled to break faith with them, to our great dishonor. Yet in 1904 that party in its national platform indorsed reciprocity as sound in principle if coupled with free trade, as though reciprocity could be practiced or would be necessary if our ports were open for free importations to all the world. Reciprocity is only possible as an incident to protection. Reciprocity relates to a concession of existing duties between countries that levy duties; and consequently, if no American duty exists, there can be no concession, and none is needed or could possibly be made.

I understood the distinguished gentleman from Missouri [Mr. CLARK] to announce in his recent speech that he and his party

were not now in favor of putting raw material on the free list. I congratulate him and his party over this conversion and, I may say, progress. It was the platform policy of the Democratic party in 1892, and later, to class many things as raw material and then put them on the free list. President Cleveland, in his memorable letter of July 2, 1894 (see RECORD, vol. 23, pt. 3, p. 8494), to Mr. Wilson, then chairman of the Ways and Means Committee of this House, after soundly and truthfully denouncing and trouncing his party for its failure when in power to be able to act wisely and in the interest of the people, proceeded to declare:

We have in our platforms and in every way possible declared in favor of the free importation of raw material.

It must be admitted that no tariff measure can accord with Democratic principles and promises, or bear a genuine Democratic badge, that does not provide for free raw material.

Wool, hides, and some other things were then commonly treated as raw material.

I agree, in the main, with the gentleman from Missouri [Mr. CLARK] in his recently expressed views here that there is no such thing as raw material in the hands of its producer, and that everything is raw material to the user or consumer in manufacturing or otherwise. I also like his convenient policy of favoring a protective duty on anything, raw material or not (salt only excepted), provided such duty will produce a revenue. He says he stands for free trade on salt under all circumstances as a Missouri ancient tradition, and on that alone. I heard him with interest discuss the policy of a duty on zinc, a product of Missouri, and I would call a 10-cent limit on the proposition that his mental show down will disclose that he has reached the conclusion that zinc needs a protective duty against Mexican zinc because such a duty will produce a revenue. I hope he and his party will work the same mental racket on some other things that should be protected.

In a broad sense there is no such thing as raw material, and in a narrower sense almost everything is, to somebody, raw material. An article or commodity is never raw material in the hands of its producer, and in the hands of a manufacturer thereof or of its consumer it is, to him, raw material.

WHAT REVISION SHOULD AND SHOULD NOT BE.

The principle of protection must be generally maintained with reduction of duty on articles in the interest of revenue and without endangering the perpetuation of our home industries and the employment of our laborers at fair and remunerative wages. The farmer as well as the manufacturer and laborer should have his interests safeguarded. Our diverse and local interests, regardless of section, must be honestly cared for. If revision means a scramble for protection of one section or industry to the exclusion of other sections or industries, or if the struggle is to be to put products of one section or class of our people on the free list because they are desired to be cheapened for manufacturers in other parts or by other classes, then when such revision comes, if it can come, there will be great cause of complaint and it will prove a failure if it does not promptly and inevitably lead to great business disaster.

Free trade, universal free trade, would be preferable to such revision.

Let us not deceive ourselves in advance. Most, if not all, our established industries are of a character that, from their very nature, were not established and built up in a brief time, or cheaply, nor can they be abandoned or restored at will. If once put out of business, plants can not again become going concerns in any short period of time, and in no case without great expense and loss. A failure to foster established industries will destroy confidence and drive capital from them as an investment. Experience has shown that if the doors are open for free foreign competition as to any generally needed thing in this country, and that if the price thereof should be lowered thereby, that it would be only for a time sufficient to destroy American competition and to drive our capital and labor out of the business involved, and then that the price would go back to a point higher than it had been produced for at home. For example, the Wilson tariff act (1894) put cotton ties on the free list, and the result was that they ceased to be made in the United States, and the price thereof soon just about doubled.

The contention that products may be bought more cheaply abroad, through free trade, is fallacious; but, if so, are we willing to abandon our policy of establishing, maintaining, and diversifying our own industries, and our policy of upbuilding and extending the employment of our own people, and thereby enabling them to receive living wages, and to permit our capital to be invested at a fair profit?

A tariff may seem only to protect a particular industry or occupation, yet if it is protected and made to flourish all classes

of our people will be, directly or indirectly, benefited. So of all industries. They should, as far as possible, all be equitably protected. It is impossible, especially in this country, for any large body of our people to follow successfully one occupation; and in so far as they do the country as a whole will not flourish financially or mentally.

My friend from Indiana [Mr. CRUMPACKER], in his recent speech, commented on the so-called "raw-material producer" as though he was of a favored class, entitled to no consideration in American tariff legislation. But for this class all other industries would be impossible. If this class did not produce a surplus for sale, there would be no other class of producers. If there are abundant consumers of the farmers' products, they will flourish, and the more steady and higher the wages paid these consumers the more prosperous will be the farmer class, and the more will they purchase of the products of other labor and industries. There must be mutuality in all protective tariff legislation or it will largely fail.

It must not be forgotten that all history, from the earliest times, teaches that a nation of people mainly engaged in one pursuit is always poor and, in general, its people are poor, and their mental and progressive condition is dwarfed. People thus employed live too much on a dead level to flourish or progress. The Egyptians were, from the beginning, agriculturists. They flourished only in the period when the Pharaohs forced them from the fields to work in quarries and in erecting pyramids and monoliths. So as to other purely agricultural countries. Many of them have, in a large sense, passed away. Their people languished and degenerated mentally, physically, and financially. Commerce, trade by land and sea, diverse pursuits, and sometimes war, have given vital energy to nations, and have brought spirit, enterprise, and prosperity to their people. The condition of Egypt to-day, as well as of certain countries of Asia, such as Persia, China, and especially India under English rule, afford striking examples of people becoming and remaining effete, helpless, and hopeless failures in any desirable or progressive form of civilization, and they generally and easily surrender their liberties. These countries cut no figure in the exaltation of humanity in the world. Italy even dates her passing away as a world power or as a nation of influence from the time her people sought to dominate in painting, sculpture, and generally in works of art.

It is only through diversified industries and ambitions that this country can continue to hold its commanding position and to exercise its controlling influence in the mental, moral, and business affairs of the world, or its people can generally prosper and be happy.

The example and the statistics I have already given sufficiently demonstrate the difference between the general and individual wealth of the manufacturing over the nonmanufacturing parts of our country. Of course I believe that the occupation of the farmer is as elevating in every way, if not more so, than any other. I only want to emphasize the fact that our state would be bad if we were principally farmers, merchants, or of any other one class of producers.

But to return to the matter of tariff revision. We have operated for about a dozen years under a fairly protective system, and this should continue. Revision, as we have seen, is interpreted by our Democratic friends to mean reduction of import duties in all cases. Their theory is that this country can prosper only when we are able to buy at lower rates goods of foreign manufacture or can buy them of domestic manufacture after forcing the American laborer in mines, mills, factories, and shops to accept lower wages. Revision downward might temporarily produce this result, but it would not last. Such revision would soon destroy our industries and leave our consumers to pay whatever price the foreign producer might demand. Such has been the experience of the past. If a necessary commodity or article is needed by our people and they, or some of them, can produce it, we do not have to send gold abroad to pay for it; if we do not produce it, we must send the gold or do without it. If it is made or grown abroad, all the labor attending its production is foreign, and to that extent labor is idle or lessened at home. The principal part of the prime cost of production of all manufactured articles, or of agricultural products even, consists of skilled and unskilled labor.

A reduction of import duties that does not result in bringing foreign goods into our country not hitherto in competition with domestic goods will benefit nobody nor will it produce any additional revenue. To the extent that foreign goods take the place of our homemade goods our laborers and capitalists must suffer. For every article purchased abroad that could be purchased of home production, gold or its equivalent will

go abroad and our laborers and industries will be deprived of it. If revision is not such as to bring foreign and domestic goods in competition, then it will mean nothing. If this does not result, then the revision will lead to no good nor do no harm, save in destroying confidence. And even free trade or any approach to it that does not secure pauper-manufactured foreign goods and the dispensing of a like amount of our own goods will be equally vain and prices will not be reduced by it.

If an industry has reached a point in production that it can undersell, at home or abroad, in competition with the same industry of other countries, then a reduction of import duties will bring no results. In such case it would bring little or no revenue, and any revision will be deceptive, and time would be misspent in doing it.

It follows that any revision that does not destroy or injure some home industry by inviting cheaper foreign manufactured goods to be brought here to take the place of our own, or to take the place of what is called "raw material," such as hides, wool, and so forth, would not stop our own home production, and would likewise produce no useful results, not even revenue. So a revision of duties by reduction on what we are now able through protection to produce would only have the effect to seriously injure or destroy our own industries, turn our laborers out of them, or compel them to accept reduced wages.

If the duty is reduced only so as to threaten the coming in of foreign products and so as to require the reduction of the price of our own home products, then the laborers, farmers, and manufacturers will still suffer the penalty in reduced wages, lower prices, and in the value of home products.

The 1908 Republican platform gives us the only safe or satisfactory rule by which Congress can now be guided, namely:

The imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries.

Mr. GARRETT. Mr. Chairman, is it agreeable to the gentleman to submit to an interruption at that point?

Mr. KEIFER. Certainly.

Mr. GARRETT. I want to ask this of the gentleman because I know he is very familiar with the history: Has that clause as to "a reasonable profit to American industries" ever been in a Republican platform before—that particular phrase?

Mr. KEIFER. I think not in exactly that form. I can tell the gentleman I am, I think, the author of this clause of the platform myself. It first appears, and I am sure of that, in the Republican state platform of Ohio. I think the Republican state convention that first adopted it met in March, 1908, and then it was carried into the national platform at Chicago in the June following. I do not recall whether or not it is in just that language in both platforms, but my recollection is that it is.

Mr. GARRETT. The gentleman understands that I am asking as a matter of historical interest—

Mr. KEIFER. Certainly.

Mr. GARRETT. Whether it has been in any Republican platform before.

Mr. KEIFER. I think not in that language, but in principle.

We should not depart from this rule for revision, and it should be liberally applied in the interest of the American wage-earners and industries.

So much of a misleading character is said of President McKinley's last (Buffalo) speech (September 5, 1901) in which he talked of tariff revision, that I think best to try to have his then real views better understood. This speech was delivered after the present tariff law had been in force only four years. Listen to some of the things he said in that speech had been accomplished by it:

My fellow-citizens, trade statistics indicate that this country is in a state of unexampled prosperity. The figures are almost appalling. They show that we are utilizing our fields and forests and mines, and that we are furnishing profitable employment to the millions of workmen throughout the United States, bringing comfort and happiness to their homes, and making it possible to lay by savings for old age and disability. That all the people are participating in this great prosperity is seen in every American community and shown by the enormous and unprecedented deposits in our savings banks.

We have a vast and intricate business built up through years of toil and struggle, in which every part of the country has its stake, which will not permit of either neglect or undue selfishness. No narrow, sordid policy will subvert it. The greatest skill and wisdom on the part of the manufacturers and producers will be required to hold and increase it. Our industrial enterprises which have grown to such great proportions affect the homes and occupations of the people and the welfare of the country. Our capacity to produce has developed so enormously and our products have so multiplied that the problem of more markets requires our urgent and immediate attention. Only a broad and enlightened policy will keep what we have.

By sensible trade arrangements, which will not interrupt our home production, we shall extend the outlets for our increasing surplus.

What we produce beyond our domestic consumption must have a vent abroad.

If perchance some of our tariffs are no longer needed for revenue or to encourage and protect our industries at home, why should they not be employed to extend and promote our markets abroad?

Whatever of suggestion the speech contains as to extending trade to other countries through reciprocity or through an interchange of commodities is conditioned upon first protecting and increasing our home industries, upon preserving fair and existing wages to our laborers, and upon securing a needed revenue to the Government.

Of course, on such condition, it should be our highest ambition to secure a market for all the surplus commodities we may or can produce. President McKinley, in that speech, uttered no word showing a purpose to lower the banner of protection he had so long upheld.

I have thus far refrained from speaking of particular schedules or items thereof in this bill, and I would remain silent as to all of them if I could reconcile my views to what I regard as manifest inequities, and as serious omissions from any duty which, if not corrected by amendments of the bill, will lead to gross inequality among and injustice toward certain classes of our people, and to consequent dissatisfaction of a serious character. The exceptional commodities are commonly misnamed "raw materials."

RAW MATERIALS—HIDES, WOOL, ETC.

The committee adopted no general rule, even as to the so-called "raw materials." Some are protected in whole or in part and others are put on the free list. A striking example of this is hides. I shall speak here principally of them. Under the Dingley Act the duty on "hides of cattle, raw or uncured, whether dry, salted, or pickled," is 15 per cent ad valorem. Under this bill such hides are put on the free list, while leather, dressed skins of all kinds, and manufactures of leather are to be made dutiable, ranging from the lowest, sole leather and so up, at 5 per cent ad valorem to 15 per cent on dressed and 30 per cent on manufactures of leather. This is severely discriminating. It will protect the American tanner and shoe and harness makers and other manufacturers of leather goods without cheapening them to the buyers or consumers of the product. Shoes and harness will continue to sell to the "ultimate consumer," to use Mr. BOUTELL'S new-coined phrase, at the former and not reduced prices. If this should not prove to be true, still a great injustice would be done to the cattle raisers and stockmen of this country, and it will work a manifest injustice to the whole people, whether interested in cattle or not, regardless of class in the United States. The meat, as well as the hide product, will be lessened by the removal of the duty on hides. Less neat cattle will be raised.

Mr. WEISSE. I do not like to interrupt the gentleman from Ohio, because he has stated that he did not want to be interrupted. I am satisfied that he does not want to make a misstatement, however, in any way. He does not understand the leather business.

Mr. KEIFER. Wait until I am through, and then you will see.

Mr. WEISSE. I will just say this, that the cut in leather is twice as large as it is in hides.

Mr. KEIFER. That is a very commonplace statement. I do not know very much about making leather shoes. I could once, as an amateur, make a pair of shoes for a horse's feet, but I could not make a pair of shoes for the gentleman's feet.

Mr. GARRETT. You would not make the shoes for a horse's feet out of leather.

Mr. KEIFER. Out of iron or steel; but I would not fall into the mistake that the distinguished gentleman from Massachusetts [Mr. GARDNER] did a little while ago, when he pretended to know all about shoes, leather, hides, and all, and made a calculation showing that there would be 11 cents duty on the leather in a pair of shoes, when only the leather in the heels and the soles of them came from cattle hides or other articles dutiable at all under the law. He calculated on all of the elements that entered into the shoes, when there was but a small fraction of them that was dutiable at all under the Dingley tariff law. But that comes from an assumed overknowledge, overinformation, or overlearning, or from only a little learning on the subject. I believe it was the poet Pope who said:

A little learning is a dangerous thing.
Drink deep or taste not the Pierian spring;
These shallow draughts intoxicate the brain,
And drinking largely sobers us again.

The term "free hides" is misleading, as only "hides of cattle" are dutiable under existing law, and other hides and skins now on the free list, used largely in making leather for shoes, and so forth, such as horse hides, goat, sheep, kangaroo, porpoise, and calf skins. All hides save of cattle are on the free

list. Calfskins are distinguished from cattle hides by the weight. All green salted hides weighing each 25 pounds or less and all dry hides weighing 12 pounds or less are regarded as calfskins, and all over these weights as cattle hides. And there is no actual duty on leather exported made of imported hides. There were imported in 1905 cattle hides in value \$18,384,650 out of a total import of hides and skins (excluding fur skins) of \$73,397,418, so it will be seen that about three-fourths of the hides and skins used for leather are now imported free of duty.

Trade reports show that in free-trade England the price of hides is constantly in excess of the price in the United States. The price of hides here, it would seem, is not advanced by the duty on them, while the 15 per cent duty on "hides of cattle" slaughtered here are in number about 12,500,000 and of a value of about \$75,000,000, the duty value thereon being \$11,250,000, which, if it at all inured to the cattle raisers, would go far to encourage cattle breeding to supply both meat and hides.

The pretended erudition displayed to prove that hides are raw material and should not be protected is more amusing than instructive. I have not taken the pains to read the testimony of the shoe and leather men who advance such views.

Why should not the breeder, grower, or feeder of cattle have protection on his production as well as the tanner and shoemaker and all manufacturers of leather goods, however hides may be classed? He invests his capital in his land, in his breeding stock, or in purchasing his cattle to feed, in the feed to raise and fatten them; devotes labor, involving much exposure, on their care, drives or transports them, generally to a distant market, or slaughters or causes them to be slaughtered for him, and in various other ways takes care of them, and always at much risk of loss by exposure, disease, accident, or otherwise. By the time the hide is taken from the animal and ready for the tanner it represents a substantial cost and, at least relatively, equivalent to the cost of any ordinary manufactured article of equal value. This is accomplished by the farmer investing his own labor and capital, and he is not to be regarded as a speculative dealer or tradesman, though he may have more of capital, skill, labor, and risk involved in the hide product, according to its value, than a person usually has in any product manufactured from it.

A bullock, ready for sale and slaughter, is the finished product of his owner, and his parts can not be segregated and regarded as raw material.

I am in favor of a reasonable and equitable duty on hides, the leather made therefrom, and the manufactures thereof. The producer of either promotes a large industry and a great interest at great cost, each employing much labor and capital; but if hides are not to be dutiable, then leather and the manufactures thereof should go on the free list. The line and policy of protection should, in that respect, be broken.

The statement that the duty on hides does not tend to the increase of cattle or the number of hides, like the further statement that the cattle owner receives no part of the duty, and that it all goes to the packer and enables him to have a monopoly on hides and the tanning business, is the picked-up, common talk of interested or ignorant parties. There is no more reason or logic in saying that a duty on hides does not promote the breeding of cattle for the market than to say that the price of beef or of the animal ready for slaughter does not have anything to do with encouraging the breeding and raising of cattle. Why not say the value of the whole hide of an animal or the tallow in him does not have anything to do with his being bred for market? Commonly, the value of a hide of a beef animal is one-sixth the value of the whole animal, and the value of the hide of a calf is more nearly the one-fourth of its whole value.

I have here a bill actually rendered for the carcass of an animal sold for slaughter subject to a post-mortem inspection of the meat on account of his having a lump on his neck. The meat was found to be good, and the whole animal was accounted for in its several parts, the value of each being given. Here is the bill as rendered:

CHICAGO LIVE STOCK EXCHANGE,
OFFICE OF THE SECRETARY,
Union Stock Yards, Chicago, Ill.

Statement of the disposition of one carcass of beef and its offal, pronounced fit for food by the state veterinarian of the State of Illinois at a post-mortem examination thereof held in the city of Chicago on October 23, 1908.

Owner, Lee L. S. Com. Co. Tag No. S.
Sold to M. C. Dea.

	CREDIT.	
By four quarters of beef, 765 pounds, at \$6.50-----		\$49. 72
By butter stock, 38 pounds, at \$8.55-----		3. 25
Hide, 79 pounds, at \$11.38-----		8. 99
By head, tongue, etc-----		. 60
		62. 56

	DEBIT.	
To slaughtering, dressing, chilling, and delivering carcass--		\$0. 97
To feed and petty incidental expenses-----		1. 18
		\$2. 15
Net proceeds-----		60. 41

RADCLIFFE BROTHERS, Dealer, Kans.
This bill is an old one, and not made for the use I now make of it.

The understanding is that packers usually never sell the meat of a fat steer for as much as they pay for him. Their profit comes from by-products—all of his parts, even the hair, are conserved and turned into value.

The 15 per cent ad valorem duty provided in the present law has been in force for nearly twelve years, and cattle raising has been largely promoted thereby, and its repeal will cause the business to fall off materially, thereby reducing the supply and increasing the price of beef, and probably of hides, all over this country. The beef consumer will be seriously affected by putting hides on the free list—he will soon pay more for his meat because of its scarcity.

Cattle breeding, raising, and feeding have wholly changed in recent years in most parts of the United States. Few large herds are found on open, unowned, or uninclosed lands. They are raised, grazed, and fed in inclosures and in small lots. The lands on which they are kept are now valuable; also the feed and grain required to fatten a bunch of cattle often will sell for more at a near-by market than the bunch of cattle will bring when fattened. There is seldom a considerable lot of cattle gathered for feeding, as in former times. Cattle and hogs are now marketed in every month in the year. It is easy for a farmer to go out of the cattle business. But for the duty on hides many farmers and cattle feeders would now be out of the business, and the number of hogs raised and fed for market would likewise be much less, as cattle and hogs are generally kept and fed together. Cattle are often fed for the sake of the hogs. The price of pork would also be materially increased by putting hides on the free list.

Enough has already been said and shown to demonstrate the fallacy of the claim that the packer only gets the benefit of the duty on hides. The packer has to be interested in the producer, and the price he pays for his butcher stock must be such as to stimulate its production or his business would languish. The aggregate value of the elements in an animal are what determine its whole value. The price meat is sold for at wholesale or retail, the price tallow brings, and the price other parts, as well as the hide, are sold for, augmented, if you please, by the duty thereon, all go to make up the value of the animal and measure the price the packer can afford to and usually does pay for him.

It is convenient for some persons to advocate a bad cause by finding somebody to denounce for dishonesty, and then assume that he is the only beneficiary of something they oppose. The packers, though large dealers, are as honest as other business men. And the farmer is not wholly dependent on them for a market for his fat stock. A large portion of the beef cattle are butchered by small operators; and farmers are themselves taking steps to secure a fair market for their fat stock, even to establishing convenient packing facilities for themselves. Cattle are bred and fed for meat in all parts of the Union on almost every farm and by millions of farmers, all of whom must suffer if hides are put on the free list.

Mr. WEISSE. If the gentleman will allow me just a question again. He claimed and I claimed that the price of hides does enter into the price of the cattle. He and I agree on that absolutely. Then, I just want to ask him a fair question, namely, If he does not believe that the 500,000 head of cattle that are exported from this country every year—or about that number every year, as it varies—that the farmer loses the 15 per cent on that hide when it is sold in London and has to pay a duty to come back to this country, which is \$2.40 on a \$16 hide taken off the steer raised in Ohio and Iowa?

Mr. KEIFER. Mr. Chairman, the answer to that I can give very briefly. I do not believe the assumption of the question. I am sure it is inaccurate, though not intentionally so.

Mr. WEISSE. If the gentleman will allow me—
Mr. KEIFER. I can not yield further, because my time will soon be up and I will have to hasten through. I do not want to get off on a side track.

It is a still more feeble theory that a duty on hides enables the packer to create a monopoly on hides and their tanning. The facts show this theory has no basis to rest on. The big packers slaughtered only about 5,000,000 of the total 13,000,000 cattle, and about 1,000,000 of the 5,500,000 calves slaughtered last year; the large balance of 8,000,000 of cattle and 4,500,000 of calves were slaughtered singly or in small lots by farmers themselves and small butchers, as the necessities of population

and the production and distribution of cattle and the consumption of beef require. The big packers, therefore, as slaughterers of cattle, do not control two-fifths of our cattle hides and but little over one-fifth of our calf hides. And there are about 1,000,000 "fallen hides" secured in this country yearly with which the packers have nothing to do.

It thus appears that of the 19,500,000 hides annually produced only a possible 6,000,000—less than one-third—are controlled by packers by reason of their business. While on most of the calf and on all of the "fallen hides" there is no duty, all hides must be taken into account in demonstrating that the claim that the big packers have a monopoly on hides and their tanning is not true. As a matter of fact, the big packers regularly sell to the tanner trade about 50 per cent of the hides they take from animals they slaughter, retaining only a small per cent of the total hides of this country for tanning.

Without a duty such a monopoly could at least as easily be formed. Such a monopoly may be as promotive of honest prices as a monopoly composed of dealers in imported hides from the pampas and other vast plains of South America and other regions where the cattle cost nothing comparatively to raise, the land where they graze being generally open and without market value, and where the cattle are often killed alone for their hides, and where labor is cheaper than in any other part of the world.

Hides from these distant parts, like wool from the Argentine and the Cape of Good Hope, can be transported by steam or sail vessel to our Atlantic ports for less money than they could be transported to the same ports by rail from Columbus, Ohio.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEISSE. I move that the gentleman's time be extended.

Mr. KEIFER. It will take very little time for me to finish.

Mr. GARRETT. Mr. Chairman, I ask unanimous consent that the gentleman have time to conclude his remarks.

The CHAIRMAN. How long?

Mr. GARRETT. That he have time to conclude his remarks.

Mr. KEIFER. It will not take ten minutes.

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] asks unanimous consent that the time of the gentleman from Ohio be extended for ten minutes. Is there objection?

There was no objection.

Mr. KEIFER. It is also said that the bringing in of foreign hides does not affect the industry of cattle raising or the price of hides. If this were true, but it is not, it seems strange that principally the tanners of imported hides do not deal in domestic hides, and thereby encourage home production. Every foreign hide that comes in must take the place of a domestic one; and if the removal of the duty will let in, as is supposed, enough hides to supply the demand, then the hides of domestic animals would not be worth the cost of taking them off. To remove this duty will prove more disastrous to our people universally than any other thing we are likely to do by the passage of this bill.

Others will speak at length upon the effect removing the duty on hides will have on the price of boots and shoes to the wearer. In so far as this duty may be paid by the wearer of shoes, it would not amount to as much on a pair of \$4 shoes—on which the hide duty is only about 2 cents—as the advance price is likely to be on the meat of a single meal by reason of the supply of meat being lessened and its price increased by the removal of this duty.

If the tanners and shoe dealers who are weeping just now so copiously over the burdensome tax the shoe wearers are suffering from, why do they not give up some of the duty on leather and the manufactures thereof put on for their protection?

Douglas, the manufacturer of a \$3.50 pair of shoes, long ago said in effect that he had to add 50 cents to the retail price of each pair on account of the duty on hides—how philanthropic—only about 2 cents of such duty could possibly be in the leather of a pair of his \$3.50 shoes. This alone, it seems, warranted him in adding 50 cents to the price of a pair of shoes, the protective duty on the leather therein being about equal to one-fourth of its whole value. Also on the shoes.

Allow me, Mr. Chairman, to say here that I am surprised to find that the advocates of taking the duty off of cattle hides are driven to the exigency of claiming or pretending that there are duties on hides of all kinds, and on skins used in making various kinds of leather, all of which are on the free list save cattle hides; and in the calculation made by the distinguished gentleman from Massachusetts [Mr. GARDNER] he proceeded on the theory that all kinds of hides and skins from which the leather is made for all the things that are in a lady's shoe are taxable, and on the same basis that the tax is on leather, not hides. The 15 per cent ad valorem duty

on hides, raw or dry, is on the value of the hides at the time they were imported. And the 5, 15, and 30 per cent duty that is on leather is on it in the state it is in just before it is ready to be put into harness or shoes, and the one is very small and the other comparatively large. But there is no duty on most of the leather articles that go into ladies' shoes and much of the leather that goes into many of the others. If you will look at the schedule, you will see that skins and various kinds of hides that are used to "make leather," as we call it, are not taxable at all. There is only a duty on cattle hides, and it is so construed as to be very limited.

I here adopt the statements of Hon. Henry Bannon, of Ohio, found in an exhaustive speech made by him in the Fifty-ninth Congress on the subject of a duty on hides. He shows the inaccuracy of the calculations made here as to the amount of such duty entering into a pair of shoes and other things, and he gives the true rule for obtaining the amount of it:

AMOUNT OF TARIFF IN LEATHER MADE FROM CATTLE HIDES.

The method of computing the amount of the tariff on raw hides used in the manufacture of leather is as follows: One hundred pounds of dry hides will produce from 150 to 185 pounds of leather, and we can safely put it at an average of 175 pounds. At the present high prices of dry hides they are worth 20 cents per pound, and if the duty has increased the price 15 per cent such increase would be 3 cents per pound, or for the 100 pounds the duty would amount to \$3. This quantity of raw hide will produce 175 pounds of leather, and the duty in this quantity will, of course, be \$3. If the duty on 175 pounds of leather is \$3, on 1 pound of leather it is 1 2/3 cents. At normal prices this small amount is greatly reduced. When we apply this to any particular pair of boots or shoes we find that the tariff represented therein must necessarily be very small indeed. Take, for instance, the shoes of women and children. They are not made from cattle hides, but the leather in the uppers is made from sheepskin, goatskin, and, occasionally, calfskin. The only portion of their shoes that contain any cattle hide whatever are the soles and heels, and inasmuch as the weight of these is very light, because such soles are quite thin, it will be seen that the duty represented in these soles and heels is not appreciable.

In all the higher grades of men's and boys' shoes worn in this country—and they are the ones now commonly worn—the leather in the soles and heels is also the only portion bearing any tariff, because the uppers of this grade of shoes are made of kid, calf, kangaroo, or goat skins, or horsehides; and the way to determine the amount of the tariff in such shoes is simply to take the weight of the soles and heels and multiply that by the amount of 1 2/3 cents, and you have the result. It will readily be seen that it is so small it can not affect the retail price of shoes, because in no case does it exceed 2 cents per pair. The only boots and shoes made altogether from cattle hides are worn principally by the farmers, and in order to determine the amount of the tariff thereon multiply the weight of a pair of such boots or shoes by 1 2/3 cents. Even in this case the amount is too small to affect the retail price; but granting that it does, the farmer raises the cattle from which the hides are taken, and when he sells them he gets the advantage of the increased price. The shoe known as "Little's brogan" is worn largely by the farmer. It is made from cattle hides, and the weight of a pair of these shoes is 3 pounds; so the tariff represented in them can not exceed 5 cents.

Mr. Bannon is from a large shoe-manufacturing district and thoroughly posted in the business.

Now, I have heard something said to-day and heretofore about there not being sufficient hides in this country. If that be true, Mr. Chairman, I would encourage the breeding of cattle until I got enough of them, and this would also increase the quantity and reduce the price of meat at the same time.

A circular which has been sent here in the form of a bill nearly large enough to cover a barn door has at the head of it this:

No civilized country on the face of the earth breeds enough cattle to furnish sufficient leather for domestic use.

Where do the hides and leather come from? From barbaric countries, we may conclude. We are asked to legislate to promote barbarism and barbaric production. This is the limit in efforts to find a reason for free trade.

Mr. Chairman, the Republican party has had tasks enough assigned to it to undertake by a protective policy to take care of American industries and American labor against and in competition with civilized people and civilized nations, but now it is said the Republican party should not continue a duty on hides and thereby shut out competition coming from barbaric people in some distant and unknown lands. Free trade with savage tribes should be secured. Has it come to this? [Long-continued applause.]

But I must desist here.

WOOL, SUGAR, ETC.

The already great length of this speech compels me to omit a discussion of other items of the bill worthy of attention.

A passing reference to one or two must suffice. Wool, commonly classed as raw material, is in the main reasonably well protected by the duty fixed in the bill. It is substantially like that of the Dingley Act, save possibly in a few particulars, to which others here may call attention.

But, inasmuch as the free raw material advocates are abroad, with the purpose of putting wool on the free list, and some of our Republican brethren, for the same or other reasons, threaten to join them, I will be pardoned for a bare reference to the

necessity of a duty on wool. Like the leather dealers and manufacturers, the wool dealers and manufacturers are pleading loudly for free wool and high protection for American woolen goods. "Consistency, thou art a jewel!" They likewise plead for the consumer of woollens and only deplore his oppression on account of a duty on wool. If wool, like hides, must go on the free list, its manufactures should go there also.

The present duty on wool or hides is far from prohibitive. The world's production of wool in 1908, in round numbers, was 2,600,000,000 pounds; the production of wool in the same year in the United States was 311,000,000 pounds, and the consumption thereof was in excess of 600,000,000 pounds. It will be observed that the United States produces about one-eighth of the world's supply of wool, consumes about one-fourth of it, and imports an amount about equal to its home production. The wool imported comes mainly, like hides, from regions where sheep are bred on open, almost valueless unimproved lands, and labor is extremely cheap. American farmers and wool producers can not compete, with their high-priced lands, grain, and other feed, and the cost of American labor, with the wool producers of the Argentine Republic and the Cape of Good Hope.

Sugar is also protected in the bill, but the free traders here seek to place it, too, on the free list. It is an American product—both from cane and beets. We annually send abroad in gold, or its equivalent, about \$125,000,000 to buy sugar, much we buy being beet sugar. The existing and proposed duty on sugar is not prohibitive. It might be more nearly so.

I would not violate any Cuban treaty or other reciprocal arrangement for trade with her or any other country, and I would keep faith with our territorial and island possessions; but as far as consistent with these obligations, I would approach nearer and nearer to the prohibitory line to the supreme end that this country should produce its own cane and beet sugar, and, if possible, have some for export. By doing this it would not be necessary to export annually the \$125,000,000 in gold. Our climatic and soil conditions, covering a vast area of continental United States well adapted to beet culture, are such as to enable us soon to do this. Our principal drawback comes from the difference in the cost of labor, and that is being largely overcome by improved machinery used both in cultivating the beet and in making sugar therefrom.

It is said that Germany consumes of sugar about 17 pounds; Italy, 8 pounds; France, 15 pounds; England, 25 pounds; and the United States, 73 pounds per capita. This disparity in greed in its use should stimulate us to produce what we need at home, and a reasonable duty should be maintained on sugar to this end as well as for needful revenue.

One of the principal causes producing high prices of food is our great consumption of it in comparison with a like consumption in any other country of the world, the instance of sugar consumption being only a marked example.

This session of Congress will have kept the faith; redeemed the promises made by the Republican party on the faith of which the majority of the Members of this House was recently elected; will maintain public confidence; will have secured and promoted prosperity to the masses of our people; will have given assurance to them of continued employment at good American wages; will have encouraged capital to more generally embark in industrial enterprises, thereby enlarging, extending, and multiplying those we now have and establishing new and important ones; will have assured the agriculturists of this Union an enlarged near-by home market for all their products; will have kept the furnace fires lighted in shops and mills, and the wheels of industry whirling and the cars of transportation trundling behind steaming locomotives throughout the land; will have insured a surplus of farm and factory products for sale abroad; and will have generally secured continued prosperity to all our people by the enactment into law of this bill, with a few amendments thereto, thereby continuing a protective and revenue policy such as has in the last dozen years done more to promote the universal prosperity and happiness of our citizens and to extend American influence and blessings abroad than was ever vouchsafed by any other policy. [Applause.]

With our large developed and undeveloped area of lands; with our almost divine genius for discovery and invention; with our inexhaustible mineral and other available natural materials beneath and above the earth's surface; with our unparalleled industry, energy, and enterprise in all directions; with our unlimited ability for production of all things useful to mankind; with our millions of intelligent, independent, skilled, and unskilled laborers, able, ready, and anxious to toil for fair wages, let us continue to hold our banner of liberty and progress on high and to do business in our American Republic. [Loud applause.]

Mr. SLEMP. Mr. Chairman, as a southern Republican in hearty accord with the policies of my party, I desire to address myself to some practical observations on the pending tariff bill and the interests and issues involved in it, with special reference to its application to the South.

In so doing I wish to detail at some length and with some particularity what may seem to many the surprising industrial development which that section has of late attained, and to call attention to the radical change that has quietly and almost imperceptibly taken place in the sentiment of its people on the subject of protection as a prime principle of business and economic policy. In that connection I desire to set forth earnestly the propriety and necessity of a continuance of that policy, especially as to those industries which are identified with the production of raw materials. Incidentally I wish to show by a brief sketch that such a continuance will promote and confirm that militant sentiment which is now operating in the South in behalf of a broad protective policy, since it can not fail to quicken in the minds of the good people of the South a fuller appreciation of the historic and consistent relation which that policy bears to the South as a part of our common country, to its proudest memories and traditions, going back to the beginning of the Republic and extending over four decades thereafter, when the South took the lead in our national councils and in the conduct of our national policies, with the noble Commonwealth of Virginia in the very forefront of service, responsibility, and distinction.

EARLY SOUTHERN STATESMEN FOR PROTECTION.

Historically, the principle of protection to American industry may be said to have had its origin in the South, and the adoption of that principle as a measure of fundamental national policy was effected primarily through the instrumentality of statesmen from the South. Beginning with the first tariff law enacted by the First Congress at its first session, the initial basis for the practical conduct of our newly founded Government in the sense of a truly independent nation in fact, approved by President George Washington with zeal, gladness, and alacrity—significantly so—on July 4, 1789, the thirteenth anniversary of the paper Declaration of Independence, the fathers and founders of the Republic, both North and South, seem to have had no more disagreement as to the aptness and soundness of the principle of protection to American industry than they had as to the soundness of the principle of self-preservation.

The act of July 4, 1789, was entitled "An act for laying a duty on goods, wares, and merchandise imported into the United States," and the language of its preamble is pregnant with meaning for us:

Whereas it is necessary for the support of the Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandise imported, etc.

The Members of that First Congress, in House and Senate, who had been largely members of the Constitutional Convention of 1787, which framed the great guiding instrument under which we live, and President Washington, who had presided over its deliberations, may safely be assumed to have known what they were about when they formulated and signed the first revenue act under that Constitution. If there had been any possible question or scruple as to the propriety and constitutionality of a tariff levied for protection, it would have been there expressed and developed. But not a whisper, not a syllable, of protest was uttered or heard upon that point, and the reason and object of the act are boldly and simply stated—so simply that a child may read and understand:

For the support of the Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures.

SOUTHERN PRESIDENTS FOR PROTECTION.

Subsequently, from that time onward during the sixty fateful and formative years that followed that historic enactment, of the seven illustrious and duly-elected Presidents which the South contributed to the Union—Washington, Jefferson, Madison, and Monroe, all of Virginia; Jackson and Polk, of Tennessee; and Taylor, of Louisiana—all save Polk were earnest and consistent advocates of the policy of protection, and assisted to the full extent of their power in effectuating that policy as the law of the land.

PRESIDENT WASHINGTON.

Let me quote briefly from their opinions and observations on this specific subject. President George Washington, of Virginia, in his first annual message, speaking of our Nation as "a free people," said:

Their safety and interest require that they promote such manufactures as tend to render them independent of others for essentials, particularly military supplies.

In his seventh annual message he said:

Our agriculture, commerce, and manufactures prosper beyond example. Every part of the Union displays indications of rapid and various improvements, and with burdens so light as scarcely to be perceived, is it too much to say that our country exhibits a spectacle of national happiness never surpassed, if ever before equaled?

In his eighth and last annual message he said:

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

PRESIDENT JEFFERSON.

President Thomas Jefferson, of Virginia, our third President, the second chosen from the South, and regarded as the founder of the Democratic party, mentioned the following as one of the indispensable lines of policy by which we are to guide ourselves as a nation:

To protect the manufactures adapted to our circumstances.

In his sixth annual message he thus expressed his views as to the best method of disposing of the surplus then anticipated to arise under the original tariff act that had been enacted in 1789:

Shall we suppress the imposts and give the advantage to foreign over our domestic manufactures? On a few articles of more general and necessary use the suppression in due season will doubtless be right, but the great mass of the articles on which imposts are laid are foreign luxuries, purchased by those only who are rich enough to afford themselves the use of them.

Again he wrote:

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 dependence upon that nation, or to be clothed in skins and live like wild beasts in caves and dens. I am proud to say 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 his letter to Colonel Humphrey, January 20, 1809, he said:

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.

Again, in his letter to Mr. Leifer, January 21, 1809, he said:

I have lately inculcated the encouragement of manufactures to the extent of our consumption, at least.

Again, in a letter to Governor Jay, he said:

An equilibrium of agriculture, manufactures, and commerce is certainly become essential to our independence. Manufactures sufficient for our own consumption, of what we raise the raw materials, and no more; commerce sufficient to carry the surplus produce of agriculture, beyond our own consumption, to a market for exchanging for articles we can not raise, and no more. These are the true limits of manufactures and commerce. To go beyond them is to increase our dependence on foreign nations and our liability to war.

Mr. GARRETT. Would it be agreeable to the gentleman to submit to an interruption right there?

Mr. SLEMP. Yes, sir.

Mr. GARRETT. Do I understand the gentleman to say that Thomas Jefferson was a protectionist?

Mr. SLEMP. I am giving statements taken from the writings of Thomas Jefferson.

Mr. GARRETT. You do not mean to say that those statements indicate that he was a protectionist?

Mr. SLEMP. I do mean to say that many of his writings show that he was a protectionist, although he may not always have entertained such views. These are verbatim extracts taken from the writings of Thomas Jefferson.

Mr. GARRETT. Certainly, I know that is correct; but I do not think it is a fair construction.

Mr. SLEMP. It may now be a question of inference. But President Jackson so interpreted Jefferson's words and actions.

In 1817, after the close of the second war with Great Britain, in accepting an election to membership in a "Society for the Encouragement of Domestic Manufactures," Jefferson wrote:

The history of the last twenty years has been a significant lesson to 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.

President James Madison, our fourth President, and the third chosen from Virginia, recognized as "The Father of the Constitution," in a special message to Congress, May 23, 1809, said:

It will be worthy of the first 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 a special message of February 20, 1815, he said:

But there is no subject that can enter with greater force and merit into the deliberations of Congress than a 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 guardianship of Congress.

PRESIDENT MONROE.

President James Monroe, our fifth President, and the fourth President chosen from Virginia and the South, in his inaugural address, said:

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

Indeed, continuously in all his messages President Monroe recommended protection and the encouragement of American industries. In his special message of May 4, 1822, he said:

Duties and imports have always been light, not greater, perhaps, than would have been imposed for the encouragement of our manufactures had there been no occasion for the revenue arising from them; and taxes and excesses have never been laid except in cases of necessity, and repealed as soon as the necessity ceased.

In his seventh annual message he said:

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

PRESIDENT JACKSON.

President Andrew Jackson, of Tennessee, our seventh President and the fifth from the South, in his second annual message, in 1830, expressed in clear language his concurrence in the views of his predecessors thus:

Among the numerous causes of congratulation, the condition of our import revenues deserves special mention, inasmuch as it promises the means of extinguishing the public debt sooner than was anticipated and furnishes a strong illustration of the practical effects of the present tariff upon our commercial interests.

The object of the tariff is objected to by some as unconstitutional, and it is considered by almost all as defective in many of its parts.

The power to impose duties on imports originally belonged to the several States. The right to adjust those duties with a view to the encouragement of domestic branches of industry is so completely incidental to that power that it is difficult to suppose the existence of one without the other. The States have delegated their whole authority over imports to the General Government without limitation or restriction, saving the very inconsiderable reservation 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, and 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.

And he adds:

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.

This same objection to the enactment of a tariff for protection on the claim of its being unconstitutional had been answered unofficially but still more forcibly, indeed in a way that ought to have effectually disposed of it for all time to come, by ex-President Madison two years before, in 1828, then in his seventy-sixth year, enjoying the ripe wisdom and unrivaled experience of his active public life, after having served successively as a member of the Continental Congress, as a member of the Federal Constitutional Convention, as a Representative in Congress for four terms, as Secretary of State for eight years, and as President of the United States for eight years. No other man in all the world could possibly be picked out who was in a better position to say the final word on that subject, since it was Madison who, shortly after the close of the Revolution and before our present form of government was created, not only made the first suggestion of a stronger government for the regulation of trade and commerce, such as was developed under the Constitution, replacing the old Articles of Confederation, but it was he who largely helped to frame the Constitution and secure its adoption, who wrote the only contemporaneous commentary thereon, aided in the enactment of the first protective tariff act under it, while a Member of the First Congress, served in the Cabinet of President Jefferson during his satisfactory administration of that act, and later as President himself continued its effective administration; and lastly, it was he who approved and effectively administered the protective

tariff act which superseded it in 1812, doubling the rates of duty imposed by that first tariff act of 1789.

In his famous letter to Mr. Cabell, in 1828, Madison wrote:

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 the 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—the names then distinguishing those who had approved and those who had opposed the Constitution—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.

A further evidence in support of the constitutional power to protect and foster manufactures by regulation of trade, an evidence that ought of itself settle the question, is the uniform and practical sanction given to the power by the General Government for nearly forty years, with a concurrence or acquiescence of every state government throughout the same period, and, it may be added, through all the vicissitudes of party which marked the period. No novel construction, however ingeniously devised or however respectable and patriotic its patrons, can withstand the weight of such authorities and the unbroken current of so long and universal a practice. * * * And may it not be fairly left to the unbiased judgment of all men of experience and of intelligence to decide which is the most to be relied upon for a sound and safe test of the meaning of the Constitution—a uniform interpretation by all the successive authorities under it, commencing with its birth and continued for a long period through the tried state of political parties, or one warped, as often happens, by the eager pursuit of some favorite object, or carried away, possibly, by the powerful eloquence or captivating address of a few popular statesmen, themselves, perhaps, influenced by the same misleading causes?

Here, then, are succinctly stated the views of our early southern Presidents, all statesmen of the first order and accepted leaders of political thought throughout the Union for forty years, the period during which the protective-tariff law of 1789 and its immediate successors remained in force, and thus laid the initial basis for the prosperity that followed.

PRESIDENT TAYLOR.

Coming down to a later date, President Zachary Taylor, of Louisiana, our twelfth President, and the seventh duly elected from the South, born in Virginia and reared in Kentucky, in his inaugural address, delivered March 5, 1849, said:

It shall be my study to recommend such constitutional measures to Congress as may be necessary and proper to secure encouragement and protection to the great interests of agriculture, commerce, and manufactures.

Again, in his first and only annual message, he said:

I recommend a revision of the tariff and its adjustment on a basis which may augment the revenues. *I do not doubt the right or duty of Congress to encourage domestic industry, which is the great source of national as well as individual wealth and prosperity.* I look to the wisdom and patriotism of Congress for the adoption of a system which may place home labor at least on a sure and permanent footing, and by due encouragement of manufactures give a new and increased stimulus to agriculture and promote the development of our vast resources and the extension of our commerce. Believing that to the attainment of these ends, as well as to necessary augmentation of the revenue and the prevention of frauds, a system of specific duties is best adapted, I strongly recommend to Congress the adoption of that system, *fixing the duties at rates high enough to afford substantial and sufficient encouragement to our own industry and at the same time so adjusted as to insure stability.*

These statements of President Taylor are a candid exposition of the protective doctrine as held and inculcated by the Whig party, which had a large following in the South as well as in the North, and was no more to be characterized as a sectional party than was the Democratic party. Henry Clay, of Kentucky, the idolized Whig leader, was preeminently an ardent and enthusiastic protectionist and the ablest and most persuasive champion of home industries in his day. For more than a generation he was the foremost exponent of what he termed "the American system" of protection, whereunder he contended that the entire Nation should be profitably occupied in developing our limitless resources in all practicable lines, thus upbuilding on this continent a great and free people, self-centered and self-supporting, happy, intelligent, and prosperous, the like of which the world had never seen before.

EARLY SOUTHERN STATESMEN THOUGHT PROTECTION CONSTITUTIONAL AND SATISFACTORY.

In none of the expressions quoted of the earlier Presidents from the South do we find any distrust on their part of the principle of protection, no hint of dissatisfaction with its workings, no suggestion for a repeal of the tariff laws, and no intimation of a need for their modification except to give them a more "prompt and constant guardianship" and to assure "additional protection to those articles we are prepared to manufacture." Indeed, in Madison's elucidation we find a complete and perfect answer to that later school of statesmen in the South,

under the leadership of Mr. Calhoun, who developed the strange and divergent theory that tariff duties levied for purposes of protection, aside from mere revenue, were unconstitutional. Even Mr. Calhoun in the earlier days of his statesmanship was a vigorous protectionist. It was at a later date that, intent with a marvelous concentration upon the perpetuation and exploitation of slave labor—in the righteousness and fitness of which he implicitly believed—he invented and perfected with almost superhuman ingenuity that system of economic and political doctrine which embraced as cardinal factors inseparably bound together human slavery, state rights, nullification, secession, and free trade.

RISE AND FALL OF THE FREE-TRADE IDEA IN THE SOUTH.

As part of a system of policy founded and dependent upon involuntary slave labor, free trade was undoubtedly a sound principle as applied to the agricultural South, whose interest as such lay in cheap imports of goods manufactured abroad and paid for with the products of the plantation operated by slave labor. But as a policy for the whole United States, bound together in a coherent union, it was unsound and impracticable, and the growing apprehension of that fact gave rise to "the irrepressible conflict" of interest and policy between the North and the South which grew to its dreadful culmination in arms as the years progressed.

From the year 1830 to 1860, a period of thirty years, there was a gradual and progressive development of that doctrine in the South in almost exact ratio with the development of the twin theory of the right of secession or disunion. Both theories, it should be repeated, were inextricably interwoven with the increasing development of plantation-slave labor as contradistinguished from free labor in the manifold and diversified industries which now nourish our expanding civilization. From the moment when the philosophy of Mr. Calhoun gained ascendancy in the South the Democratic party as then constituted became more and more committed to the advocacy of a tariff for revenue only, not for protection, while in that section the support of the old protective doctrine of the fathers was remitted to the ranks of the Whigs until it became submerged and lost in the colossal civil conflict of 1861. So far, indeed, had the pendulum of southern thought swung at the beginning of that conflict in the direction of absolute free trade and implacable hostility to protection that the sons and grandsons of the early statesmen who helped to enact the first tariff law "for the encouragement and protection of manufactures" deliberately incorporated in the constitution of the southern confederacy a provision expressly prohibiting the imposition of any tax or tariff duty on foreign importations "to promote or foster any industry." (Sec. 8, par. 1, Const. Southern Confederacy.)

In the long titanic struggle that then ensued the theory of free trade, together with its underlying base in the Calhoun philosophy—the institution of slavery—was annihilated in the wreck and ruin of war, and the South on emerging from that unprecedented contest was stripped of all save honor, the record of unexampled valor in the field and heroism at home, but so crippled, spent, and exhausted that it could not at once enjoy the freedom from the benumbing incubus of slavery, of which it had been forcibly relieved.

It is not my purpose here to revive the memory of those harrowing five years of fratricidal strife, nor of the fifteen years of painful reconstruction that followed them. I simply refer to the cause and result of that huge tragedy in order to repeat the lesson that if ever a proud and mighty people suffered grievously beyond description in consequence of the pursuit of an erroneous economic theory, it was the good people of the Southland. It is equally far removed from my purpose to cast an aspersion upon the name and fame of Calhoun and the doctrinaires who sincerely but mistakenly carried out his theories. My object is solely to emphasize for the benefit of my fellow-citizens of the South and the country at large the edifying fact that whereas the teachings of Calhoun, one southern statesman, led to unspeakable disaster, ruin, and misery, the contrary teachings of Washington, Jefferson, Madison, Monroe, Jackson, and Taylor, all southern statesmen at least equally distinguished and equally sincere, as exemplified in their creative labors and their conduct of the Federal Government, and as followed by their Republican successors, have invariably led to success, happiness, wealth, and prosperity, and are still leading unerringly in that direction. [Applause.]

PROTECTION AN UNCHANGING PRINCIPLE.

A true and correct economic principle, such as that underlying the policy of a protective tariff to a country situated and constituted as is the United States, is abstractly and immutably true at all times. It is automatic in its action. It is uniform and impersonal in its application, like the principle of gravitation, or that mysterious law of physics that holds the planets

in their courses. It is impartial in its operation, like the sun and the rain, shining and falling upon the broad earth, with its hills and valleys and plains, without distinction of artificial boundary lines between townships, counties, and States. Once true, it is always unchangeably true, yesterday, to-day, and forever. Provided conditions remain the same, the lapse of time makes no fundamental difference. The passage of a day is as a thousand years, and a thousand years are as one day. With it—

An age shall fleet like earthly year;
Its years as moments shall endure.

The value of the policy of protection to domestic industry in all its forms was demonstrated in the South at the beginning of our history as a Nation, and its value during the past three decades, and especially to-day, I shall proceed presently to show. A protective tariff was beneficial in the days of Washington, of Adams, of Jefferson, of Madison, Monroe, Jackson, and Taylor. It has been beneficial under all Republican Presidents—and they have all been protectionists—from Abraham Lincoln to William H. Taft. [Applause.]

SOUTH RETURNING TO PROTECTION.

The full realization of the truth of this reflection is gradually dawning upon the progressive people of the South. Traditions of the olden time still linger, and prejudices begotten of suffering and loss are difficult to remove. But they are steadily wearing out and are being forgotten. And already it is growing clear to the people of the South that, in turning from the bitter memories of the past generation and adopting the approved economic principles of to-day they are in reality only getting back to the safe and beaten highway which their immediate fathers had left, but which their grandfathers and great-grandfathers had trodden. The sound and successful economic principles of this present hour are precisely those of the founders and builders of the Republic, as I have shown, and in following these we are simply availing of the heritage established and bequeathed to us and to our children's children from the beginning of our National Government.

Let the dead past bury its dead. Over the issues of the past let us draw the veil. While we of the South revere the memories of our gallant confederate soldiers—in the care of whose graves the North now magnanimously shares—whose valor was demonstrated upon and whose blood christened unnumbered battlefields, yet we are proud to-day to take our place among our sister States in the glorious Union, one and inseparable. We of the South have set and are setting our faces cheerfully and hopefully toward a brighter day, and the new industrial era that began in the South in 1880, under Republican economic policies derived from the wisdom of our forefathers, is growing more splendid and wonderful each year, evoking expressions of astonishment and delight from those who witness its visible manifestations.

This is our time of thrift, of commerce, of art, and of science,
And nature, our nursing mother, healeth the hurts of war.

SOUTH'S MARVELOUS GROWTH.

The growth of the South under protection has been marvelous, despite the opposition to it from most of its representatives, themselves distinct beneficiaries thereof. In all that indicates progress it has made giant strides. The present population of the South is estimated to be about 27,000,000. The area of the South is 850,000 square miles, of which 530,000 are agricultural land, 200,000 of which are improved. It is estimated that the value of the farm products this year will be one-fourth of the farm products of the entire country.

Its principal raw materials are cotton, iron ore, timber, and fuels. In 1907 it produced, in round numbers, 12,000,000 bales, or 6,000,000,000 pounds, of cotton; 6,000,000 tons of cotton seed; 6,000,000 tons of iron ore; 20,000,000,000 feet of lumber; and 95,000,000 tons of coal. There were manufactured during the same period 1,000,000,000 pounds of cotton, or one-sixth of the total; 4,000,000 tons of cotton seed, two-thirds of the total; 4,000,000 tons of pig iron, one-sixth of the total; and 9,000,000 tons of coke. According to Mr. H. von Schon, an eminent consulting engineer of Detroit, the cotton manufacturing industries of the South now represent one-third of the total in the United States. In 1900 the total was one-fifth; in 1880, one-sixteenth.

Mr. M. R. Campbell, geologist of the Geological Survey, prepared a map, which was published in May, 1908, showing that the known coal areas of the Southern States embrace a total of 165,166 square miles, the original contents of which were 532,438,000,000 short tons, of which 300,000,000,000 short tons are available and 1,800,000,000 have already been extracted.

The mileage of railroads in the South increased 92.1 per cent, from 36,209 miles in 1887 to 67,556 miles in 1907, or an increase of 33,347 miles, equal to the entire mileage of the country at the close of the civil war. It is estimated that this increase gives steady employment at good wages to an army of 166,735

men, whose families number fully 750,000 persons. Increase in value of adjacent property, \$5 an acre, has added \$2,137,408,000 to the wealth of southern landowners. In step with this railroad development, says Mr. W. J. Meaney, an expert statistician, the farms of the South have been rehabilitated, her rich mineral deposits opened, her forests tapped of their wealth, mills and factories have been put in operation, trade and commerce extended, the latest labor-saving and wealth-producing devices adopted. The manufactures of the South now exceed the agricultural products, and thus a complete change has been effected in the character of her industries.

The following statement, prepared by Mr. Meaney, shows the marvelous development of the South within the past thirty years:

	1880.	1890.	1900.	1908.
Manufacturing capital...	\$250,000,000	\$350,000,000	\$1,150,000,000	\$2,100,000,000
Value of manufactures...	450,000,000	900,000,000	1,450,000,000	2,600,000,000
Farm products.....	600,000,000	770,000,000	1,270,000,000	2,200,000,000
Exports.....	260,000,000	306,000,000	484,000,000	648,000,000

In a recent interview Secretary Wilson, of the Department of Agriculture, in a comprehensive statement on agricultural conditions in the South, said:

The business of agriculture has made wonderful progress throughout the whole United States in the last ten or twelve years. In this advance the South has richly shared. The turning point of better prices for farm products came about 1897, and since that time the financial condition of the farmer has steadily improved. The production of cotton increased 53 per cent from 1896 to 1908 and the value of the crop 133 per cent. An immense load of mortgage indebtedness has been lifted from southern plantations by this great advance in the value of cotton, and I see no reasons why the old conditions should ever return. The South has her feet solidly planted on an improved and improving agriculture, is sensible of past mistakes, and is greedily absorbing the new knowledge that science has placed before her.

In the words of President Taft, "The South has become rich, and only the surface of her wealth has been scratched. Her growth has exceeded that of the rest of the country, and she is now in every way sharing in its prosperity."

Hon. John Barrett, Director of the International Bureau of American Republics, in an article on the meaning of the Panama Canal to the South, said:

The South has within the past few years experienced a great awakening. Anyone making a trip through the regions below the Ohio River will have this truth emphasized in the most astonishing way when he sees the great improvements already accomplished or projected in every direction. The South has become one of the great factors in the growing strength of the Nation, and the natural resources have only begun to be appreciated. Already they are beginning to reach out for something besides local markets. The coal and iron are going all over the country. The output of the factories is sold farther and farther away from home, and these products must be exchanged for products originating elsewhere.

If we take the period from 1897 to 1907, we observe that the capital invested in southern manufacturing enterprises has actually doubled within that period; twice as many spindles of their ceaseless rounds, sending their products to all parts of the civilized world; twice as much homemade coke enters to make twice as much homemade pig iron, as was made ten years ago. Within that period the value of farm products, lumber products, and mineral products in the South has doubled, while the resources of our national banks have increased more than 100 per cent, and yet our development has only just begun. We need more railroads, we need more industries, we need a larger population, we need more home markets; in short, we need the diversified industries with the resultant good that would be brought about by the maintenance of truly protective principles. It is no wonder, therefore, that we have looked with deep concern upon any change in our tariff system or its application that might injuriously affect our material condition.

Mr. WEISSE. Will the gentleman yield for a question? It has been stated on the floor that the decline in the value of hides was on account of the tariff agitation during the last two years. I will make the question as short as I can and ask if it is not on account of the panic which existed, involving failures to the extent of \$679,000,000 in the last year, that has made the value of hides decline from 14 cents to 6 cents a pound—twice as much as they were worth in 1890?

Mr. SLEMP. That panic was world wide.

Mr. WEISSE. It is certainly not on account of agitation?

Mr. SLEMP. I do not think that it will be necessary for me to deal with that in a speech on an altogether different line.

Mr. WEISSE. You spoke about the prosperity of the country. I wanted to know if all this shutting down of factories and all the idle workmen were not on account of the panic and the Dingley bill?

Mr. SLEMP. No, sir. The panic, which was a money panic, doubtless caused some industrial depression, but the Dingley

law, in my judgment, had nothing whatever to do with it. The effects of the panic—thanks to the prompt remedial measures adopted both by the Secretary of the Treasury and by Congress—were soon dissipated in this country. That panic has been described as having been largely "a state of mind," and, as I said, it was universal. While we have recovered from it in part, full recovery, I think, has been delayed, not by the operation of the Dingley bill, but by agitation for a revision of it. The effects of the panic of 1907 are still painfully apparent abroad.

SOUTH'S DEMAND FOR PROTECTION.

But to resume: Coincidentally with this development, and as a most logical conclusion therefrom, has been a change in the attitude of the South toward protective principles. It realizes that it needs their application to its situation in order to give it the further industrial development which that policy has given the North and West. This is best exemplified by the statements of southern men in the hearings before the Ways and Means Committee. No Democratic legal doctrinaires appeared before the committee advising that protection as a policy was unconstitutional. Can it be possible that constitutional theory has yielded to candid reflections on the gradual enrichment of the South, in which each and all participate?

No sooner was the result of the recent presidential election announced than southern lumber interests, cotton interests, citrus interests, tobacco and peanut interests, barytes, mica, tannin, coal, and iron interests became active. Boards of trade, business men's organizations, chambers of commerce, fruit growers' and cotton growers' associations, lumbermen's clubs, and similar commercial bodies met and protested against the lowering of the tariff, and many asked for higher duties. My sympathy is with every one of these interests that have made such appeals, and I do not care to make many refinements of thought as to distinctions between a competitive and a prohibitive protective tariff when the life and existence of an American industry is at stake.

I will insert at the end of my remarks extracts from the hearings before the Committee on Ways and Means; also letters, resolutions, and so forth, showing a general demand throughout the South for protection.

The CHAIRMAN. Is there objection? The Chair hears none.

REPUBLICAN GAINS IN THE SOUTH.

Mr. SLEMP. This growing demand for protection in the South is reflected in the recent national political contest, in which the principal gains made by the Republican party were in the South. Examining the results of that contest, we observe that Republican gains were registered in eight Southern States and Democratic loss sustained in eight Democratic States. Three Republican Congressmen from North Carolina, two additional Republicans, and some from Missouri (one of whom was formerly a Democratic Representative) are here for the first time to advocate the cause of protection, not only for their own districts, but as a great American national policy.

DEMOCRATIC CRITICISM OF PAYNE BILL.

The demand for protection in the South is still further made evident from the fact that the Democratic leaders in the House instead of preparing a tariff bill on the basis of tariff for revenue only, omitting entirely the protective feature in keeping with the declarations of their Denver platform, have contented themselves with a perfunctory criticism of some few details of the present Payne bill. Had they presented such a bill the country, and particularly the South, could have known, through proposed changes in schedules and articles proposed to be taxed and those proposed to be admitted free, what is really meant by a tariff bill for revenue only. Would not it have been a part of political wisdom to present such a bill in response to the many requests coming from the South if the tariff-for-revenue-only theory be economically correct and all these demands for protection both a delusion and a snare, or is it safer for the Democrats to say that we are all, Democrats and Republicans alike, protectionists of different degrees of intensity, remembering that there are gradations even in heaven; and, following the line of cleavage indicated by the gentleman from Alabama [Mr. UNDERWOOD] in his competitive and prohibitive theory.

The Richmond News-Leader, a paper having a large circulation in Virginia and Democratic in faith, has this wholesome advice to give to the Democratic Members of this House:

ADVICE TO THE DEMOCRATS.

[From the Richmond News-Leader.]

The Democrats can gain nothing by standing back and hurling fierce and fine rhetoric at measures suggested by the Republicans. They should do one of two things. They should go to work heartily and earnestly to help the Republicans cure the defects in the tariff bill, as presented, and to make it acceptable to the country, or they should

construct a better bill and bring it in as a Democratic measure, representing the ability and principles of the Democratic party. If they do not intend to do either of these, the next best thing for them to do is to keep their mouths shut and let people who are not afraid to do business do it.

DEMOCRATS WITH "PROTECTIVE PROCLIVITIES" FOR LOCAL PRODUCTS.

I believe the true attitude of the southern Democratic Congressman, at least deep down in his heart, is responsive to the sentiment expressed by a distinguished Member of the House from Florida [Mr. LAMAR] when he said before the Ways and Means Committee:

I am a Democrat from a Democratic State with protective proclivities for Florida products.

I think there are some here from Virginia with protective proclivities for Virginia products—peanuts and tobacco, for example. Some from Louisiana for rice and sugar, and some from all over the South for lumber.

It does not require a great stretch of the imagination to suppose that, sooner or later, a broader vision will come to these gentlemen, and that they would have protection not alone for their state products, but would also apply this protection nationally and have protection for all American products. We no longer hear from the South that protection is robbery, as declared in a recent Democratic national platform, but we do hear about the inequitable distribution of the benefits of protection. Horned protectionists and robber barons may be stalking through the land with evil designs against all mankind, but since we have entertained a few of them in the South, others are cordially invited to follow. We do not feel quite so unfriendly to our northern neighbor who puts his money in a southern factory, gives employment to our laborers, and a home market for our farm products, as we did when, forty-five years ago, we were trying to keep him out of Richmond. President Taft aptly said, in Atlanta, January 18, 1909:

The man who is prosperous and successful forgets his traditional enmities and causes of bitterness and yields easily to the conciliatory advances of his neighbors.

THE SOUTHERN DEMOCRATIC CONGRESSMAN'S DILEMMA.

And when our good southern people themselves try the same experiment of building a factory—and many of them have done so—and a revision of the tariff is announced, forthwith they write their Congressman, usually a modern-day Democrat, and ask him for protection, I imagine they get a reply something like this: "You know I am a Democrat and have made speeches all my life against the protective tariff principle. But I must confess that my views have undergone some change, and I now have 'protection proclivities' for products in my own district. What you demand is contrary to our Democratic platform declaration, but is essential to us locally, as a business proposition. Without appearing to be inconsistent, which really I am not, I believe we can get the desired protection by a duty, apparently for revenue only, or one simply for competitive protection. I have never had opportunity publicly to favor this sort of protection, because, during campaigns when, in order to preserve the purity of our race, I have given exclusive attention to the 'negro question.'"

We realize their political dilemma, and while their inconsistencies may be amusing, yet I feel they ought to be pitied rather than censured. But why should the cry of our southern interests for help in the way of fostering protection be lost to the ear of the great Republican party because, forsooth, that call has had to come mainly through Democratic channels? The Republican party has a great opportunity to do a just and magnanimous act, the effect of which will be not only life-giving to these industries and uplifting to a great Nation, but the consequence of which will be far-reaching to the advancement of the benign policies of our party among these people.

Now, Mr. Chairman, addressing myself to the particular measure before the House and the country, permit me to say that the Ways and Means Committee has in general done its duty, and done it well. I for one am desirous of extending to them my own and of invoking for them from others a broad and generous review of their labors, a view, also, which will be free from provincial circumspection or individual interest. Everything that is protective in the bill has my heartiest approval, and what criticism I venture at all is that in many cases we have not secured the measure of protection actually needed by our industries, and to which they are entitled by every consideration of equity and fair dealing.

OPPOSED TO FREE IRON ORE, COAL, LUMBER, AND HIDES.

The tendency toward free raw materials, referred to by the gentleman from Indiana [Mr. CRUMPACKER] as iron ore, coal, lumber, and hides, I greatly deplore and most heartily disapprove. The whole theory of free raw materials is that the manufacturing interests shall be permitted to secure them here or abroad as cheaply as possible in order that they may be the better able to compete in the world's markets, and that in our

own country the ultimate consumer of the finished product may buy more cheaply.

It has been well said that one man's raw material is another man's finished product, and the motives seem to me purely selfish that would give to the manufacturers the home market of goods and not give the producers of raw material the home market of raw materials. Likewise, nothing can be more absurd than to predicate independence of goods upon dependence for materials of which to make them. The drawback principle, which allows a remission of duty on foreign raw material when that material, made into finished products by American labor, is exported, should be all the advantage that the American manufacturer should ask in regard to raw materials which we can or do produce. He can thus enter the markets of the world with all the advantages that foreign cheaper raw material can give him; but I enter my protest against giving them our home markets, with the producers of our raw materials in open competition with the cheaper labor of foreign countries. I submit that the man who extracts ore from the bowels of the earth is as much entitled to protection as the man who works it into pigs and into shapes above ground. This wise provision has been a part of the American system of protection, and it is Republican doctrine as well. It was preached in recent political campaigns by Republicans and enunciated in the Republican text-book for the congressional campaign of 1906, at which time many Members of this House were elected for the first time. I quote the following from that text-book:

When it is understood that a considerable more than half of the value of our products in manufacturing is made up of the value of so-called "raw material," and that fully two men are employed upon the preparation of that raw material where one man works in turning it into the finished product, it will be seen what a delusion is the free-trade cry for free raw material, or even cheap raw material. We have free cotton, and yet we buy \$50,000,000 worth of cotton goods from abroad. England has free raw material and cheap labor, and yet we have passed her in the possession of foreign markets. There is no example in all history where free or cheap raw material and cheap labor has any advantage whatever over our own system of protection to all our labor and all our industries. In every section of the country, fortunately for our people, the predominant party to-day is harmonious and united upon the central idea of maintaining a protective tariff. A mere handful, however, of the Republican party has been asking that the duty be removed or reduced upon certain materials entering into the products of their own locality. It is believed that this demand has been made more for political than economical results. We have heard perhaps more of free hides than of anything else, though some have asked for free lumber, free wool pulp, and free coal. It is not claimed by those who asked for free hides that consumers would get their boots and shoes for a single cent less in price. It is not promised that the laborers in that industry would get a cent more in wages. There is but one inference, then, and that is that if anyone gained any advantage it would go wholly into the pockets of the manufacturers, and yet it can readily be shown that even that could not be true, for the demand for their wares would fall off from the consumers, who would lose the benefit of the moderate tariff now imposed upon the material which they sell.

As a broad nation-wide protective principle, we should advocate the free importation of both raw and finished products, which we do not produce, and the protection of both raw and finished products which we can produce. This principle was carried out under the Dingley bill very effectively. We placed a duty on tin plate and allowed the raw product—blocked tin—to come in free of duty, because we mined no tin, and a duty on tin would neither help nor injure anyone; but we do mine \$60,000,000 worth of iron ore a year, and hence there was a duty on that product, as well as on the finished product of iron and steel. In order to build up a great domestic silk industry which employs 65,000 wage-earners and turns out an annual product valued at over \$100,000,000, and because we produce no raw silk at home, we allow \$60,000,000 worth of raw silk to enter our ports free; but we place a duty on every pound of imported wool which goes into the manufacture of our \$400,000,000 worth of woolen goods, and as a result of so doing, out of the \$232,000,000 of raw materials used in this country, but \$13,000,000 is imported wool. Cinnamon oil and peppermint oil are both raw materials, and while we allow cinnamon oil to come in free of duty, because we can not produce it ourselves, we tax peppermint oil 50 cents a pound in order to protect home producers in New York and Michigan.

This same principle, while in some respects doubtless has been a basis for consideration in the Payne bill, yet in other respects the principle has undoubtedly been violated. I am fully conscious that the Republican party is committed to tariff revision, and by many this is construed to mean a reduction in tariff rates. The underlying principle, however, of this reduction would not be to simply reduce the tariff rates in all cases for the sake of reduction, but only to reduce them in cases where the reduction can be borne by the industries affected, and in no case should the reduction destroy or cripple an American industry.

No better application of this idea can be had than in the case of the iron ore and pig iron schedules as arranged in the Payne bill.

I beg now to call attention, Mr. Chairman, to a letter I have received on this subject from Mr. Horace L. Haldeman, second vice-president of the Pulaski Iron Company, which sets out clearly and forcibly the effect of free iron ore and the reduction of duty on pig iron so far as our section is concerned.

I beg also to file as a part hereof a letter I have received from the Low Moor Iron Company of Virginia with reference to the same thing.

I wish also to file a letter from the Tug River Lumber Company to me of March 22, and one from the Oakes Lumber Company of March 22, with reference to the tariff on lumber.

I could also, no doubt as every other Congressman could do, file numbers of protests in regard to the various changes contemplated in the bill. I only file these, however, because they are illustrative of the kind received, and because they represent a policy that it seems to me ought to be carried out not only for the Southern States, but for the entire section of the country.

EVERY CONSUMER A PRODUCER AND EVERY PRODUCER A CONSUMER.

We hear much about the ultimate consumer. In our anxiety to benefit him let us not forget the ultimate producer. Every consumer is a producer and every producer a consumer. While we are answering the demands of one for cheaper goods, let us not destroy the market of the other. To sell at all, even cheaply, is predicated upon the ability to purchase. Let us guard, therefore, the interests of all American producers as well as all American consumers. Failure to recognize this principle in the Wilson bill was chiefly responsible for the period of industrial depression that followed its enactment. The features of the pending bill relating to free raw materials will, I hope, be open to amendment.

RAW MATERIALS SHOULD BEAR ONLY PROPORTIONATE REDUCTION.

Before leaving this branch of the subject, I will read an article appearing in the Lynchburg (Va.) News, editorial column, which expresses my own personal views, particularly with reference to the difficulty of the consumer in even participating in the ultimate cheapening of production through the operation of free raw materials:

FREE RAW MATERIALS—A PROTEST IN BEHALF OF COAL AND IRON INTERESTS OF VIRGINIA.

Should the Payne bill when finally enacted retain its present provisions in regard to free raw material, the result will be that various manufacturing interests will be enabled to produce at less cost than is now the case. With duty-free coal, timber, and iron ore, they will likely hold the key to the situation, in so far as the benefits of the new tariff bill are concerned, for it will be for them to say whether the saving they realize in the cost of production will be reflected in the price of the product when sold to the consumer. Are the American people willing to have these interests vested with such power? Are they prepared to approve legislation which in essential degree leaves it with one class of producers to determine to what extent, if any, the public shall enjoy the fruits of tariff reduction?

This question was made the subject of exhaustive discussion when the Wilson bill was pending, and the proposition involving free raw material was presented. At that time all southwest Virginia rang with protest. The coal, iron, and timber interests in that territory were regarded as being threatened solely in behalf of the manufacturers who used coal, iron ore, or timber in turning out their wares. Certain interests were to stand between the consumers and the raw material—on the one hand enjoying free trade in what they bought and on the other enjoying protection upon what they sold.

It strikes us that the Payne bill follows very closely these same inconsistent and indefensible lines and that those interested in the development of the country's resources, as well as the general public, have just right of complaint thereat. A fair tariff reduction on raw material, accompanied by corresponding tariff reductions upon the products into which raw material enters, would indicate a principle in which at least the element of justice resided; but that policy does not seem to find anything like a reasonable degree of recognition in the provisions of the Payne measure.

It seems to me that instead of removing the duty entirely from our raw materials we should simply permit them to share in the reduction proportionately and not take off the duty entirely.

FREE COAL AND IRON ORE.

The proponents of free coal propose to open the New England market, where there are 57,941 manufacturing establishments, to Canadian coal, in return for the market in the Province of Ontario, where there are only 6,543 manufacturing establishments. They propose to exchange a market where there are 5,592,017 people for a market where there are 2,182,947 people. The proponents of free iron ore, absolutely disregarding any difference in labor cost in this country and elsewhere, the principle on which this Payne bill is supposed to be framed, and disregarding any revenue to be derived from foreign importations,

base their reasons for admitting iron ore free on the ground that the present iron-ore importations are so very small as not to affect our markets, being at the present time only 2 per cent of the total. There is nothing to show that an importation of 20 per cent of our iron-ore consumption would not affect seriously, if not disastrously, many of our iron-ore industries. By similar fallacious reasoning they argue that hides are raw material, but wool is not; that coke is raw material, but zinc spelter is not. In urgent need of revenue they propose to lose \$3,000,000 on hides, \$400,000 on iron ore, \$1,000,000 on coal and coke, \$700,000 on lumber, and make up for it in other ways, such as a tax on teas, pepper, cocoa, chocolate, probably coffee, and on inheritances. I had rather see an additional tax placed on beer, and a stamp tax on proprietary medicines, telegrams, bonds, stock certificates, and the like. And this process would yield infinitely greater revenue without hurting a single industry.

It has been urged that the principle of free raw materials should be adopted in order to conserve our natural resources. As a national policy this is commendable. Yet it should not be done at the expense or destruction of American industries. Even this argument, however, is not applicable to hides. The hide is one of the farmer's finished products, capable of annual reproduction, and the loss occasioned by the removal of the duty would fall on him as the ultimate producer.

DIVERSIFIED INDUSTRIES OF SOUTHWEST VIRGINIA.

This provision for free raw materials has another aspect. The South is rich beyond measure in so-called "raw materials" and primary products. I represent a district, Mr. Chairman—the Ninth Virginia—that now produces practically all the coal that is mined in the State of Virginia, having an area of coal deposits alone estimated by the Geological Survey as approximating over 1,500 square miles, from which is fed the hungry mouths of thousands of coke ovens that dot the hillsides and valleys; that has within its limits seven iron furnaces, four barytes mills, several tanneries, several extract plants, one pulp mill, great deposits of iron ore, zinc, gypsum, barytes, limestone, and marble, and large bodies of standing timber—a splendid agricultural country, from which is shipped annually approximately seventy-five to one hundred thousand head of cattle, nearly 200,000 lambs, and many carloads of hogs, and, besides supplying home demands, large quantities of farm products. In no part of this country have we seen exemplified the effect of diversified industries any more than we have in this section of Virginia. The mills are literally located in close proximity to the farms. Near the coal and coke plants, near the iron furnaces, near the zinc furnaces are fertile valleys inhabited by a prosperous and contented people, who are thus afforded a home market for their agricultural products. Practically all the development in southwest Virginia has occurred since 1897, and I dare say there is no section in all the Southland that has developed more rapidly under the protection afforded by the Dingley tariff bill than this immediate section of Virginia.

In behalf of this enterprising and progressive section of the South, which illustrates the possibilities of southern development, I most earnestly appeal for a just measure of encouragement, and protection for our raw materials as well as for our manufactured products.

AN APPEAL FOR FAIR PLAY AND JUSTICE FOR THE SOUTH.

Will the North and the East and the West, now more happily advanced than the South in their manufacturing enterprises, but less favored as to raw materials, reverse their past policy and favor the withdrawal from the South of protection for those products of the mine, field, and forest, in which the South is most vitally interested and from which they themselves have grown rich? Having in a measure themselves passed the raw-material stage, while the South has not, will those sections abandon the ground they have hitherto maintained, when it was to their advantage so to do, and advocate now a policy that will injure and retard the activities of the South, operating in the self-same products upon which they themselves have enjoyed protection? We do not believe it. In asking that the rate on lumber, coal, iron ore, and hides, so-called "raw materials," be restored, or at least be only proportionately reduced, I have in mind what I conceive to be the interest of the whole country as well as of the South, for we have a country now one in all its parts. And I base this appeal upon the broad Americanism always to be found in the attitude of the Republican party upon an economic policy that has hitherto been recognized as one of our party tenets, upon the necessities of our situation, and upon the principles of eternal justice. [Prolonged applause.]

APPENDIX.

Letter of Mr. Horace L. Haldeman, second vice-president of the Pulaski Iron Company, in part as follows:

* * * Free iron ore means a loss of revenue to the Government, with no benefit to the consumer of pig iron, but a loss to labor, the mine owner, and transportation lines in this country. The only apparent benefit derived through free iron ore would be to the blast furnaces near tide water, which, owing to their situation, no longer have an ore or fuel supply near and are unable to compete during periods of depression with the blast furnaces that do have such facilities, with short hauls for the raw materials, and were for that reason erected at such points. The blast-furnace owners near tide admit, when pressed, that they do not purpose reducing the price of pig iron to the consumer to correspond with the duty saved on free ore, as in that case they would derive no benefit themselves; therefore, as the consumer of pig iron does not use iron ore, there would be no gain to him through free ore and a loss of revenue to the Government and trade of other regions of this country to support an artificial condition. The supply of iron ore in the United States is so great that the argument of the necessity for raw material does not enter into the question. The price of pig iron is governed not by the furnaces near tide, but by the competition of the furnaces in various other regions having the raw material near, among which are those of Virginia and Alabama, notwithstanding the high freight rates on pig iron of from \$3 to \$4.60 per ton.

The tide furnaces simply follow the others in price so long as they can; therefore the consumer of pig iron near tide, who neither buys nor mines iron ore, would derive no benefit either as to supply nor price of pig iron through free iron ore. About one-half of the product of the blast furnaces in Virginia is marketed in Pennsylvania, New York, and the New England States. As the value of the iron ore in the ground in Virginia only represents about 25 cents per ton, any reduction in cost would have to be at the expense of labor, which, as shown by the brief of Mr. Joseph G. Butler, jr., to the Ways and Means Committee of the House filed January 20, 1909, runs in Virginia from \$2.05 to \$2.30 per ton of ore.

The foreign ore imported into this country under existing duties amounted to 1,229,168 tons in 1907.

With reference to pig iron, I again quote from the letter of Mr. Haldeman:

The duty on pig iron should not be reduced below \$4 per ton, which is far from excessive. We do not believe that there is at present any region in this country that can place pig iron at tide at a less than actual cost of \$17 per ton. The best of foreign pig iron, including \$4 duty, can be delivered here at \$18 per ton, allowing a good profit to the producer, and, during seasons of industrial depression at much lower figures. It is claimed by reliable authority that German pig iron can now be delivered at New York, Boston, Philadelphia, or Baltimore without any loss to the producer at \$15.21 per ton, and English iron at \$15.98, including \$4 duty. The greatest competition we have to fear is from Germany, where industrial conditions are weak. The United States would be an attractive dumping ground for German surplus stock, even at prices which would yield less than the cost of production there.

If you will refer to the brief of Mr. Joseph G. Butler, jr., above mentioned, you will note that from the reports furnished him the cost of all labor to produce a ton of pig iron in Virginia, including that for the ore, fuel, and limestone entering into the same, but excluding that for transportation, ran from \$6.22 to \$9.42. Every ton of foreign iron that takes the place of Virginia iron means the labor alone of your State would lose that much, exclusive of the losses of the manufacturers and transportation companies.

A portion of the trade could be saved to our country if we went back to the wage scale of past years, but to do so at present would mean that the laborer could not decently support his family. When trade is prosperous foreign pig iron is freely imported. The present duty is sufficiently low to prevent excessive prices here, and the Government derives a duty of \$4 per ton.

The result will be that the only interest deriving any material benefit in the end from the reduction in the tariff below \$4 will be the foreign producers of pig iron, with the risk to us of financial disaster, which, if that should unfortunately occur, will enable the foreigner to later advance prices after killing our industries. The argument of Abraham Lincoln would here apply when he said:

"If I understand the tariff question, when we buy a ton of rails abroad we get the rails and the foreigner gets the money; but when we buy a ton of rails at home we get both the rails and the money."

The new tariff practically eliminates the duty on scrap iron, as it is reduced from \$4.50 to 50 cents per ton. This means that our country would become the dumping ground for scrap for the rest of the entire world.

The same general principle is involved in the coal schedule, which, under certain conditions likely to be accepted by the Canadian government, is to be placed on the free list. I beg, in reference thereto, and as an expression of my own views on this subject, to again quote from the letter of Mr. Haldeman:

The reciprocity clause for bituminous coal, eliminating the duty on same, will be injurious to the Virginians. This change is in the interest of western Pennsylvania coal operators who desire to reach Canadian points distant from British provincial coal mines. This policy would enable the latter to have free trade for coal in New England, where a very large tonnage is shipped from the Virginias and none from western Pennsylvania.

These Pennsylvania interests are also at this time endeavoring to force the Virginians' coals out of the Lake trade through the manipulation of large railway interests by an advance by our lines of freights from the Virginias to the Lakes to an excessive rate, the effect of which would be that we could not retain the trade, and the cost to the consumer would be increased. The railways are now considering the question and have intimated the advance would be made. The rates now paid are the highest that have ever been in existence, and there is no necessity for the advance, other than to force our coal out of this market in the same manner that it has already been forced out of some markets and attempted to be out of others.

It seems to us that the interests of Virginia now at stake are so vital that its Representatives in Congress should feel compelled to rise above partisanship.

We trust this country will not abandon a tariff policy that has made it the greatest and the envy of the world and return to policies that have always proven disastrous and which Europe is now, or contemplating, abandoning.

THE LOW MOOR IRON COMPANY OF VIRGINIA,
Low Moor, Va., March 22, 1909.

Hon. C. B. SLEMP,
House of Representatives, Washington, D. C.

DEAR SIR: I wish to thank you for H. R. 1438 and for your letter calling attention to same.

The Virginia furnaces are very much interested in the retention of the duties on pig iron and iron ore. In the brief submitted by Mr. Joseph C. Butler to the Ways and Means Committee, there were letters from three Virginia furnace companies, going into the question of costs, showing the necessity of protection for our eastern seaboard trade. One report was by the Virginia Iron, Coal and Coke Company, one by our own company, and one by a company "south of the Mason and Dixon line," which, I understand, was the Pulaski Company. I do not have a copy of Mr. Butler's brief or I would send it to you.

Although in the northern district and in Alabama there has been a great increase in the production of pig iron in the last ten years, I do not know of a single new furnace having been built in Virginia. This speaks for itself of the uncertainties of making pig iron in Virginia. In other words, it is proof that there is not sufficient profit in the business in Virginia to warrant additions to the number of furnaces which were built prior to ten years ago.

During the present depression fully eight-tenths of the Virginia pig iron has been sold in the eastern seaboard territory.

Virginia furnaces are located at such a distance from tidewater that it is not probable that they will be able to use imported ores if same are made free of duties. On the other hand, it would be a disadvantage in that the eastern Pennsylvania and New York State furnaces would be able to make cheaper pig iron with cheaper ore, and place the Virginia furnaces at a greater disadvantage than at present to compete in our present best market.

Further in this connection I would state that the Alabama furnaces are to-day delivering pig iron in Lynchburg at lower prices than we can make and deliver iron there.

As you are probably aware, the per diem paid laborers by the Virginia furnaces is as low as it should be, considering cost of living, and with an active demand for labor there would be a decided shortage in laborers unless the Virginia furnaces are kept in position to advance wages with any advance in the price of pig iron.

I have had experience in making pig iron in Ohio and Kentucky, and I can say truthfully that the Virginia furnaces contend with a great many more difficulties than those located in the above States. I do not know of any State which requires the continuance of a high-protective tariff more than Virginia.

Yours, truly,

E. C. MEANS, *General Manager.*

As to lumber, the following letters are illustrative of the situation:

TUG RIVER LUMBER COMPANY,
Bristol, Va.-Tenn., March 22, 1909.

Hon. C. B. SLEMP,
House of Representatives, Washington, D. C.

DEAR SIR: We beg to acknowledge receipt of your favor of the 17th instant. Any reduction whatever of the tariff on lumber will hurt the lumber business. It will affect principally hemlock and low-grade stock. Removing the duty on any portion of it at this time will work a great hardship on the owners of hemlock stumpage. For instance, take our tract of timber in Wise County, near Big Stone Gap, with which you are familiar. This tract is fully 50 per cent hemlock, and the stumpage stands us \$2 per thousand. We can make no profit whatever in the manufacture of hemlock to-day with a protective tariff of \$2 per thousand; removing the tariff will let in from foreign companies a great deal of this material, or lumber that can be substituted for hemlock, yellow pine, and low-grade oak and chestnut, and, in our opinion, it would have the effect of reducing the price of hemlock a great deal more than \$2 per thousand.

If nothing can be done but reduce the tariff on lumber, we think that it should be removed gradually; that is, at the rate of 25 cents per thousand each year, until the reduction agreed upon has been accomplished. We hope very much that you will use your efforts to prevent the reduction of the tariff on lumber. If, upon the other hand, this can not be accomplished, then, by all means, if it is possible, reduce the tariff on a gradual scale.

Yours, truly,

TUG RIVER LUMBER COMPANY.

OAKES LUMBER COMPANY (INCORPORATED),
Gladys, Va., March 22, 1909.

Hon. C. B. SLEMP,
House of Representatives, Washington, D. C.

DEAR MR. SLEMP: We have your letter of the 17th, asking for our views on the question of the proposed reduction of the tariff on sawed lumber.

In reply thereto we beg to state that the lumber situation with us and others similarly situated is this: The southern mills produce more lumber than we can find a local market for, so that in order to keep our mills running and dispose of our surplus product we must sell in the northern markets, the principal ones being Cleveland, Ohio, Pittsburgh, Pa., New York City, and the New England cities. As all of these points are not far from the Canadian border, a reduction of the tariff such as is proposed would open up competition with us in these markets from Canadian lumber interests, thus compelling us to sell in our local markets with cut-throat competition and ruinous prices.

The lumber business is one of the principal industries in this section, and if that business is destroyed, as we believe it will be by the proposed reduction in the tariff, it will mean great loss to those of us who have already invested largely in timber lands, as well as the loss of employment to many laborers who are engaged in handling and manufacturing lumber and lumber products in various ways.

Then, too, the farmers who own timber lands will be unable to dispose of them except at a great sacrifice, and as these people bear the

brunt of tariff duties more heavily in proportion to the benefits they receive than any other, it seems to us that they should have the burden equalized as far as possible by getting some measure of protection on what they have to sell.

In short, it seems to us that if we are to pay protection prices to northern manufacturers for what we buy of them, it is no more than fair that they should pay us protection prices for what they buy of us.

Trusting that you will be successful in your efforts in our behalf, we are, with best wishes,

Very truly, yours,

OAKES LUMBER COMPANY (INCORPORATED).
By W. T. OAKES, *Secretary-Treasurer.*

SOUTHERN DEMOCRATIC CONGRESSMEN URGE PROTECTION.

[Extracts from statements of Mr. William B. Lamar, a Representative from the State of Florida.]

I am a Democrat and represent a Democratic State, with protection proclivities for Florida products.

Under the influences of the Dingley tariff unquestionably the price of tobacco was raised in my district and in the southern part of Georgia, where they have grown a tremendous amount of domesticated Sumatra tobacco. Under that element of protection afforded our people many of those engaged in that business in my district and the vicinity have gotten rich.

I stand squarely on the ground that since the American people have not departed from the principle of protection to American industries, then, as a Representative from a State which raises an article which will be directly in competition with an article from Egypt, raised with Egyptian labor and skill and science, I simply want to say that so far as this article is concerned I want to vote against that Egyptian cotton so as to prevent its importation into this country. So long as that policy is to be continued I want a reasonable protection to the people of my district and I want them to get the advantages inuring to the people of the North and West through this protective policy.

Mr. GAINES. Suppose there should come out of this committee two bills, one containing the protection that you ask for now, and the other a bill for revenue only, which one would you support?

Mr. LAMAR. I would support the one granting protection to cotton. I had a bill before this committee to that effect. I will answer some questions propounded by my distinguished friend from Missouri, Mr. CLARK, and say that you should protect our citrus fruit. When the committee begins slashing the duty on steel or on zinc made in the State of Missouri, or when the committee begins slashing, either horizontally or perpendicularly, any other article, then it will be all right to hit an article grown in my State.

The doctrine of the Republican party has been that American industries can be expanded under a protective tariff, and that it will result in direct good to the producer and consumer; and I simply make an appeal for that treatment for this article and others grown in the States of Florida, Georgia, and North Carolina, which States have not at the present time sufficient margins between the costs of production and the prices as against foreign competition. They simply ask a sufficient amount to guarantee some profit over and above the cost of production as against the foreigner. If the minority of the committee are not in favor of this proposition, I should be pleased to have the majority consider it.

Mr. HILL. Has it ever been proposed to grow this sea-island cotton anywhere else in order to meet the demand?

Mr. LAMAR. I am told that they raise 5,000 bales of this cotton to-day in my State, and that they have not sufficient profit on the article to meet the cost of production.

[Extracts from statement of Hon. FRANK CLARK, a Representative in Congress from the Second Congressional District of the State of Florida.]

First, I submit, Mr. Chairman, without in anywise discussing or even infringing on the relative virtues of a "protective tariff" and a "tariff for revenue," that the recent election and other elections preceding it have, in my opinion, forever established as a part of our system of government the indirect scheme of taxation, viz, the levy and collection of customs duties on articles imported into this country from foreign lands. This being true, I am firmly of the opinion that this matter ought to be removed from the domain of partisan politics and hereafter treated as a business proposition, and a commission or other proper tribunal created to deal with it.

MEMORIAL NO. 2.

Memorial to the Congress of the United States, asking that a duty of at least 10 cents per pound be levied on all importations of Egyptian and other long-staple cotton brought into the United States as raw material.

Whereas the present price of long-staple or sea-island cotton is below the standard of profitable production and has so been for some years past, causing a large area of our State to be uncultivated and our farming interests to languish; and

Whereas the policy of protection to American interests, if to be continued, should embrace within its fostering care the tillers of the soil who are now and must ever be the mainstay of our republican form of government; and

Whereas the long-staple or sea-island cotton grown in this country is used exclusively in the manufacture of the finer fabrics, such as laces, etc., and a duty upon the Egyptian cotton and other foreign long-staple cotton would therefore be no burden upon the poor, but would only affect those well able to bear it, and at the same time would greatly encourage a large portion of our farming population; and

Whereas we believe that the levy of such a duty would materially aid in building up our factories engaged in the manufacture of the finer cotton fabrics, while at the same time protecting our farmers from the pauper labor of Egypt: Therefore be it

Resolved, That it is the sense of this legislature that a duty of 10 cents per pound on all Egyptian and other long-staple cotton imported into the United States should be levied by Congress.

Resolved further, That our Senators and Representatives in Congress are hereby earnestly requested to use all honorable means to accomplish this end: Be it further

Resolved, That the secretary of state is hereby requested to furnish each of our Senators and Representatives in Congress with a certified copy of this memorial.

The convention adopted certain resolutions, which are as follows: "In convention of the sea-island cotton growers of Georgia and Florida held at Lake City, Fla., this the 25th day of November, 1908, the growers of cotton finding, after years of experience, that Egyptian cotton without a tariff on it on account of the cheap labor of 8 or 10 cents per day required to produce said Egyptian cotton, is injuring the interest of the sea-island cotton growers by placing the value or selling price of his cotton below the cost of production, which at present is from 22½ to 24 per pound, and thereby jeopardizing the industry and output of the yield of sea-island cotton necessary for the world's consumption and needs: Therefore be it

"Resolved, That a committee of four from Georgia and four from Florida be elected to meet the Ways and Means Committee at Washington, December 1, and ask that a tariff of 10 cents per pound be placed on Egyptian cottons.

"Resolved further, That it is the sense of this convention that we want our American industries protected, and that we want the producer to share equally in such protection with the manufacturer.

"Resolved further, That Hon. Harvie Jordan, president of the Sea Island Cotton Association, and Hon. C. S. Barrett and Hon. R. P. Duckworth, of the Farmers' Educational and Cooperative Union, be requested to cooperate with any committee selected by this meeting."

Mr. CLARK (continuing). In addition, along this line, I beg permission to say, Mr. Chairman, that when I came here to Congress for the first time I came here through a long-drawn-out primary election contest, in which there were four other candidates, and in that contest from every stump I openly and publicly promised the people that, if chosen, I would use every legitimate and proper effort to secure the duty on cotton for which I am now before you contending. My election then by quite a large majority and in my return twice since then without opposition clearly establishes, in my opinion, the wishes of my constituents on this subject.

During the present year, in a hotly contested primary election for United States Senator from Florida, the Hon. DUNCAN U. FLETCHER was chosen by a large majority, and Mr. FLETCHER announced himself on this subject as favoring exactly what I stood for four years ago.

Having, I feel, established that the people of Florida desire the asking here made, I now invite your attention to existing conditions, upon which we base our insistence.

We are not asking any special favors, Mr. Chairman; we are not insisting upon any privileges being granted to us that are not granted to the remainder of the citizenship of this country, but we do believe that when we toil in the sun of a semitropical climate for twelve months in the year to produce a crop of cotton, and when everything we purchase for our own consumption, even if manufactured from the identical sea-island cotton which our sweat and toil has produced, we are forced to bear the burden of paying the price increased by the addition of a tariff, that we should at least be permitted to enter, with the article which we produce, the markets of our own country upon an equal footing with Egypt and the West Indies, conscious that we are asking nothing but that which our patriotic and republican fellow-citizens, with full knowledge of the facts, will gladly accord us; I submit to this committee the case of my constituents.

[Extract from statement of Hon. JOHN H. SMALL, a Representative from North Carolina.]

Mr. HILL. In case we have a protective tariff bill and peanuts are in it, does the gentleman from North Carolina expect to vote for the bill? He makes that the ground of his claim.

Mr. SMALL. If the gentleman thinks that is entirely appropriate in the line of my argument—

Mr. HILL. I did not until you made the argument just now that we were going to have it, and therefore you would like to have protection.

Mr. SMALL. Does not the gentleman think, in the framing of a protective tariff bill, that peanut growers should have their share of protection, to put them on an equality with others?

Mr. HILL. If they can prove the necessity for it by a difference in the cost of production abroad and the cost of production at home; that is shown largely, is it not, by the production here and by the comparative importations and exportations?

Mr. SMALL. I admit the truth of that proposition.

Mr. HILL. And I am going to vote for the bill when it is framed, made up under those conditions. Are you?

Mr. SMALL. I prefer not to answer that now. I am simply talking for peanuts, and asking the committee what is fair as to the peanut industry.

[Extract from statement of Hon. HARRY L. MAYNARD, a Representative in Congress from the State of Virginia.]

Mr. MAYNARD. I did not expect to say anything at all, but there were some questions put here that if the same questions were put to me I would like to give my views on. One gentleman was asking a witness what would be my position on a tariff bill when it was framed. I hope Mr. HILL will put the same question to me. I want to say here that I favor an increase in the duties on peanuts. As to the tariff bill, I have not a vote on the framing of the tariff bill, but after it is framed, and I know what is in it, then I will decide whether I am going to vote for it in its entirety or not. I never agree to vote for anything I do not know what I am voting for, but if we do get an increased protection for peanuts, I will vote for it.

[Extract from statement of Hon. FRANCIS R. LASSITER, a Representative in Congress from Virginia, on peanuts.]

Mr. DALZELL. What are you advocating?

Mr. LASSITER. I am advocating an increase in the duty on both shelled and unshelled.

Mr. DALZELL. How much?

Mr. LASSITER. Two cents on one and 3 cents on the other.

The CHAIRMAN. Do you want to have an increased duty of 2 cents on the unshelled?

Mr. LASSITER. And 3 cents on the other, for the reason, gentlemen of the committee, that this product has arrived at a point where our farmers can not produce them at a profit.

The CHAIRMAN. You advocate that as a protection against Japanese peanuts?

Mr. LASSITER. I suppose it would operate in a measure as a protective duty, but the Japanese can raise peanuts so much cheaper than

our people can raise them under modern conditions, since the negroes in the South have practically left the fields, that it is impossible to draw a comparison between the cheapness of the present labor in Japan and Spain and Africa with the labor of the white man of the South, which now produces these peanuts.

Mr. RANDELL. When the present bill went into effect, in 1898, imposing a duty of one-half a cent a pound, the importations increased from 77,000 right straight along by leaps and bounds to 10,000,000 pounds. Now, you say that interference on account of the difference in the quality of the peanut, if you put on 2 cents a pound, that would be absolutely prohibitive. Would you not say so?

Mr. LASSITER. I do not think so, because there is a difference in labor that did not exist twenty years ago and certainly did not exist ten years ago.

Mr. RANDELL. Does it not indicate that somewhere between half a cent and a cent would bring in the most revenue to the Government?

Mr. LASSITER. I think not. I intended to emphasize the fact that labor in places where these nuts are raised has increased from 30 to 35 cents for women to 75 cents for women and for men from 40 to 45 to 50 cents a day up to \$1.25 a day, and scarce at that, almost impossible to get.

[Extract from statement of Hon. STEPHEN M. SPARKMAN, a Representative in Congress from Florida.]

Mr. SPARKMAN. Mr. Chairman and gentlemen of the committee, being neither a grower nor a manufacturer of tobacco, I shall have very little to say on the subject now before the committee. My purpose in coming here is to say that, representing a district in which more clear Habana cigars are made than in any other district of the country—indeed, one city, that of Tampa, in which more clear Habana cigars are made than any other city or place in the world—I am here for the purpose of saying that the manufacturers of my district do not desire any change whatever made in the tobacco schedule. They are perfectly satisfied with it as it is, and, speaking for myself, I can not see that there is any advantage that could accrue either to the cigar industry of the country or to the Government by a change.

[Statement of Hon. H. L. GODWIN, a Representative from North Carolina.]

Upon the question of repealing the present duty on lumber, or placing it on the free list, I have given considerable study of late and made some rather searching investigations, both in person and by correspondence. After due consideration I am thoroughly convinced that the removal of the present duty of \$2 per thousand on rough lumber will work a serious hardship to the manufacturers of the South, because many of our mill men ship their entire output in the rough to various points in the Northern and Western States to be reworked into dressed stocks. From the very nature of the case this would produce more or less embarrassment to the business interests of practically every community throughout the South, for, according to the statistics of the Government and otherwise, the lumber business at this time stands at the head of the list. Retaining the present tariff of \$2 per thousand would in all probability shield our people from that embarrassment which I believe would otherwise be inevitable; and in view of the further fact that the present specific duty of \$2 per thousand amounts to less than an ad valorem tax of 12 per cent, which Democrats everywhere must see is on a parity with the fundamental principle of a tariff for revenue only.

My sense of duty to my own people, whose capital and labor are invested in milling and lumber properties, as well as thousands of employees with dependent families on their hands to take care of, force me to take my stand with those who believe the present tariff is none too high. I am a Democrat and believe in a tariff for revenue only, but as a North Carolinian, with a large lumber constituency, it seems to me it would be very poor policy on the part of the Democrats of the House to demand at the hands of a Republican Congress a tariff for revenue only on southern products while we are powerless to prevent them from supplying the principles of a high protective tariff on products in other sections of the country.

As I understand it, all of the machinery and appliances of every kind used in the manufacture of lumber are protected on an average of about 45 to 48 per cent, which is practically prohibitive, while lumber is protected less than 12 per cent, which is not prohibitive, and as an illustration of this fact more than 950,000,000 feet of Canadian lumber was imported into this country last year. Thus we have a live example of the fact that the present tariff of \$2 per thousand on rough lumber is a tariff for revenue only, and as the Democratic party has been known, from my earliest recollections to the present time, as a "tariff for revenue only" party, I, for one, propose to stand for the interests of my people in North Carolina and other Southern States as well. I have talked with many other Representatives from the South on the question, and I find a good many expressing views that coincide with my own, as outlined above. As a matter of fact, if duty to our constituents is the first consideration with a Representative in Congress, then I do not see any other alternative offered me but to support the present \$2 duty on foreign lumber.

If the present tariff on iron, steel, coal, cement, saws, files, belting, and all other machinery entering into the production of lumber were reduced to the present level with lumber, then I would say lumber should stand a proportional reduction in the tariff along with other things. But so long as other things are protected three, four, and five times as high as lumber, then I feel it my duty to my constituents at least to stand for the present tariff of \$2 per thousand on every foot of lumber imported into this country from Canada, Mexico, and elsewhere.

Again, I find that in my district not only are the lumber manufacturers asking for the retention of the present tariff on lumber, but I find likewise the bankers, and the cotton, fertilizer, naval stores, and other great manufacturing companies are protesting against any repeal or reduction of the present lumber tariff. As a matter of fact, I do not believe there are a dozen business men in my district, if they had it in their power to determine, would remove the present tariff on lumber. If there are that many, certainly they have not made known their wishes to me, for up to this time I have not had a single request from all my constituents demanding the repeal of the present tariff on lumber. On the contrary, I have hundreds of letters, also many telegrams, memorials, petitions, and other expressions of opinion, asking—and demanding in some instances—that I use my best efforts and

influence to prevent any repeal or reduction whatever in the present lumber schedule.

I am conscious of the fact that the last national Democratic convention adopted a platform with a plank in it demanding the repeal of the duty on lumber, logs, and forest products; but throughout that platform there were such demands for a general revision of the tariff downward, that many articles, together with lumber, would have been placed on the free list had we been fortunate enough to elect a Democratic House of Representatives. But we failed in this, and as the Republicans are in a majority in the House, we need not expect any reduction of the tariff; they may revise it, but they will never reduce it on articles of the North and West. For them to retain a high protective duty on products of other sections and remove the duty on products of the South would be grossly unfair to our section, and would be a serious blow to our industries, of which I am very much opposed, and I intend to vote and work against such unjust discrimination.

[Letter of Hon. F. M. SIMMONS, United States Senator from North Carolina.]

UNITED STATES SENATE,
Washington, D. C., February 9, 1909.

Mr. Z. W. WHITEHEAD,
Editor Southern Lumber Journal, Wilmington, N. C.

MY DEAR SIR: I have the honor to acknowledge receipt of your esteemed favor of recent date, containing copy of resolutions adopted by the Chamber of Commerce of the city of Wilmington in opposition to the removal of the duty upon lumber, and giving the reasons therefor.

During the last two or three weeks I have received a large number of communications from various manufacturers of lumber in and outside of North Carolina, all opposing the removal of the present duty on lumber. I have answered these promptly and frankly. None of the letters received by me has advocated a reduction of the present duty on lumber.

Replying to your letter and these resolutions, I repeat, with some additions, the substance of my answer to the correspondents above referred to as defining my position with respect to this question. The duty on steel, iron, cement, and most other structural and building materials that come in competition with lumber, some of which, in the form of machinery, enter largely into the cost of its manufacture, ranges under the present law from 25 to 60 per cent ad valorem, while the duty on lumber is only about 12 per cent. There is as much, yea, more reason, in my judgment, why there should be a duty upon lumber as upon the articles with which it necessarily competes and which enter so largely as an element in the cost of its manufacture.

The present duty upon lumber is upon a revenue basis; that is to say, that notwithstanding that duty lumber is imported into this country and the Government derives considerable revenue therefrom, while the duty upon iron, steel, etc., is protective almost to the point of prohibition; that is to say, that under that duty practically no iron or steel is imported into this country and the Government realizes no revenue from it. Doubtless there will be some slight reductions at the extra session of Congress of these highly protective or prohibitive duties; but even if that reduction is large, and there is not much probability that it will be, they will still be highly protective and largely in excess of that now upon lumber, the present duty upon lumber being only about one-fourth of the average rate of duty imposed by the Dingley Act.

If we are to have a tariff for protection, treating the duty upon lumber as a protective duty, it would seem unjust to protect one industry and not another, or to protect the industries of one section of the country and not those of another.

Again, by reason of the proximity to the large lumber-consuming markets of the North and by reason of water connection with the large lumber-consuming markets of the West, Canada has a decided advantage in transportation charges and rates over the southern lumber producers, which is a proper subject of consideration in connection with a tariff bill which will be confessedly constructed along high-protective lines.

These, together with other reasons, which I need not now recount, impel me to support a duty upon lumber; and if there is to be any duty upon it, it would seem that the present duty, certainly as compared with probable duties upon articles of the same general classification, is not excessive, the present duty upon lumber being, as before stated, only about one-fourth of the average duty imposed by the present tariff law.

I am not unmindful of the declaration of the Democratic platform adopted at Denver upon the general subject of the tariff. That platform declared if the Democrats were given power they would so revise the tariff as to put the whole system upon a revenue basis. The declaration in that platform with reference to the duty upon lumber must be construed in connection with this general promise with reference to the tariff. If we had been successful, we would, I assume, have revised the tariff along the lines indicated. Iron and steel and such other structural materials as either directly or indirectly compete with lumber, or as enter as an element of cost into its manufacture, would either have been put upon the free list or the duty upon them reduced to a revenue basis. But the election having eventuated against us, it is impossible for us to carry out our general declaration or promise with reference to the tariff, and therefore the conditions upon which our declaration or promise with reference to lumber was predicated do not exist and will not exist. A new tariff bill will be framed by the Republican party, and while there may be some slight reduction of duties it will be like the McKinley and Dingley tariffs—a highly protective measure. Did the Democrats mean to promise free lumber without any regard to the character of the general measure of which it was to be a part or the discrimination that would result if that measure covered with highly protective or prohibitive duties other articles in the same general classification? I think not. To give the declaration in question that construction would be holding to the letter of that promise while disregarding its spirit; at least that is my view of the matter, and with the lights before me I shall act upon that view.

I wish to say in conclusion that the resolutions you have sent me, both in their general statements with reference to the principles which

should control in the construction of tariff laws and in the analysis of that question as it affects lumber are exceedingly forceful and lucid and in the main coincide with my views.

Very truly, yours,

F. M. SIMMONS.

[Extracts from speech of Hon. J. E. RANDELL, Member of Congress from Louisiana, before the national tariff commission convention at Indianapolis, February 16, 1909.]

In discussing the southern farmers' interest in a tariff commission I assume that the aim of this convention is to secure a nonpartisan, business commission which will help to remove the tariff problem from party politics, and elevate it to the high plane of economic statesmanship where it properly belongs. It is most unfortunate that this great question which concerns so vitally the welfare of our Nation should ever have been a partisan one and policies and schedules should have been adopted in many cases for political effect rather than economic reasons.

Under the fiscal system of our Government from its earliest days customs or import duties have been one of the recognized means of raising revenue for paying national expenses. The imposition and collection of these duties were necessary to carry on the Government. They constituted a very material part of our annual bank receipts, and without them the Nation's wheels could not have turned unless we had devised and replaced them with some other system. Hence, all political parties have advocated a tariff in some form. The division of opinion came in the preparation of the tariff schedules, and the political fights have been long and bitter. It would be wise for our lawmakers to unite on some sensible, businesslike plan, just and fair to every section of the country, for providing money on which to run the Government, and political differences should not be allowed to enter into the financial question. Surely the mere raising of revenue is a commercial problem—not a political one—but along with the financial feature of tariff bills is the more serious one of protecting home industries, either directly or as incidents to the revenue, and on this problem comes the rub. If a tariff commission can be devised which will remove, even in part, this great business matter from the stormy sea of partisan politics, it will confer a boon on the Nation and all patriots should welcome it gladly.

The South feels a deep interest in the tariff. It has not secured financial returns from the protective features of the system equal to those sections of the Union largely engaged in manufacturing; nevertheless it has many industries which are affected, and is therefore glad to participate in this convention and do what it can to aid in solving the very important questions before it for discussion.

The tariff is well described as a "local issue," and a man's views thereon, be he Democrat or Republican, are very much influenced by his surroundings. Being a citizen of Louisiana, which has so many protected industries—sugar, rice, lumber, etc.—I can not help leaning somewhat to that side, and, in my opinion, the whole South is rapidly changing its ideas on this subject. Lincoln once said: "I don't know much about political economy, but I do know that when we purchase a ton of steel rails from Great Britain for \$100, we get the rails and Great Britain gets the money; and when we produce the rails from our own mines and in our own mills, we have both the money and the rails." Now, surely the latter condition is much better than the former, and it seems right and proper to assist in procuring and maintaining it by wise tariff enactments whenever possible. Partly as a result of such laws we have for years been producing our "own rails from our own mines and in our own mills," and innumerable factories of every kind and sort have sprung up and prospered in such manner as to make the United States the richest and most marvelous commercial nation on earth. Great abuses, however, have crept in. This is especially true of articles controlled by trusts, where the protective tariff is so high as to shut out foreign imports entirely; to promote combinations at home that prevent all local competition; and to permit the sale of our manufactures abroad much cheaper in many instances than in this country. These things are very wrong and bring into much disrepute the whole system. Many radical changes in our tariff laws are necessary, and we should all strive hard to separate the worthless chaff from the good wheat in our tariff basket.

The South was for many years a purely agricultural community, and as most of the direct benefits of the tariff go to manufacturers rather than to products of the soil the southern people leaned strongly to free trade. They wished to sell their cotton in the highest markets of the Old World and supply their needs untrammelled in the same markets. But since the civil war a vast change has taken place. In 1908, the United States manufactured, in round numbers, 3,840,000 bales of cotton, of which 2,119,000 bales, or considerably more than one-half, were used by the southern cotton mills. Compare this with 1860, when of a total for our Union of 845,000 bales the factories of Dixie consumed only 117,700, or less than one-seventh.

The revenue in 1907 from imports on articles of cotton manufacture was \$38,999,267—one of the best of our revenue producers—and from the revenue point a reasonable tariff on them seems warranted. But to the southerner there are other strong reasons for retaining this duty. He believes there is much benefit to him in having the cotton factory adjacent to the cotton farm. Transportation charges and fees of middlemen would be saved thereby; the producer would receive better prices for his raw cotton, and the factory employees would become heavy consumers of the diversified crops of the farm, which can not be raised with profit now because the markets are too far. The southerner is convinced that his superior advantages will ultimately cause practically all the cotton factories to go South. He starts with an initial advantage of fully \$2 a bale on transportation from the field to the factory; he has the cheapest and best power on earth—electricity from his living waters—and his labor is cheaper because of his mild climate, short winters, and rich food supply of the adjacent farms. He confidently expects in the future a surer and more rapid growth in cotton manufacturing than even the phenomenal increase of the past, which, as I showed above, grew from 117,700 bales in 1860 to 2,119,000 in 1908. He would gladly welcome to Dixie these cotton factories and factories of every kind, for he has learned the benefits of diversified industries, and become a firm believer in the wealth-producing qualities of articles finished and ready for consumption as compared with the low price of the crude materials of mine, forest, and farm. He still loves agriculture, and cotton is still his king, but manufactures are daily receiving

more and more of his allegiance and the sway of "King Cotton" may be in danger ere long.

There can be no direct tariff in favor of the cotton grower because we are heavy exporters of cotton rather than importers, but I submit that if the present protective tariffs are to be maintained there should be a reasonable duty on long-staple cotton in order to protect our sea island and other long-staple varieties against the importations from Egypt and other countries, which amounted in 1907 to 198,924 bales, and threatens to destroy the sea-island cotton industry.

Another large revenue producer of the southern farm is tobacco, which brought an income duty in 1907 of \$26,125,037. The tobacco crop of the Union that year was valued at \$76,234,000, of which the South grew \$51,639,000 worth, or two-thirds thereof, and I am sure the southern tobacco growers would not relish any reduction in this schedule.

Cane sugar and molasses are exclusively southern products, confined principally to Louisiana, and beet sugar is a very important industry in the North and West. Sugar is incomparably our largest producer of customs revenue, yielding in 1907 the sum of \$60,284,059, about one-fifth of our total import duties, which amounted that year to \$332,233,363. Even the most confirmed free trader would not interfere with the sugar schedule because of the large revenue it produces. It is conceded that neither the cane nor the beet sugar industries could exist without protection, for cane sugar is made in Cuba and Java for less than one-half of its cost in Louisiana, and beet sugar costs much less in Germany and other European countries than here. Our annual consumption of sugar is about 3,000,000 tons. We made in 1907 about 350,000 tons of cane sugar and 490,000 tons of beet sugar; about 500,000 tons came in free from Porto Rico and Hawaii; Cuba sent us 1,300,000 tons at 80 per cent of the regular rate (\$1.68 per 100 pounds for No. 16 Dutch standard, or 96 per cent pure); and the remainder, some 400,000 tons, came from Germany, France, South America, South Africa, and a small amount from the Philippines and Java.

Rice is produced in large quantities in Louisiana and Texas, their combined yield being 574,791,000 pounds in 1908, and with proper encouragement the industry will spread rapidly, as there are many sections in the South where conditions for rice culture are favorable. We imported in 1907 principally from China and Japan 209,603,180 pounds of rice, on which the duty was \$1,254,297.

If time permitted, I might discuss the citrus fruits and vegetables of our Gulf coast, which have to compete with those of the Tropics; our peanut and cotton-seed oil, that are extensively used to adulterate foreign olive oil, which is admitted free of duty to the great injury of these southern oils; our rapidly growing cattle and sheep industries, and the importance to many Southerners of the duty on hides and wool; but a mere suggestion must suffice.

I can not refrain, however, from saying a few words about lumber, though a little foreign to my subject. The South leads the Union to-day in the production of lumber, her yield in 1907 being about nineteen and a quarter billion feet, as compared with forty and a quarter billion feet for all the States combined. In round numbers, we are producing one-half of the lumber cut of the Nation, and Louisiana is second only to Washington in the volume of her output.

I am a strong believer in the conservation of all our national resources, especially our splendid forests, and would like to see them safeguarded in every way by national and state laws, but I doubt the wisdom of any change in our lumber schedule. We of the South have vast quantities of low-grade material, which can not compete with cheap Canadian lumber if admitted free, and the removal of the duty will cause much of our low-grade stuff to waste, and result in more rapid destruction of the forests than if the entire output could be manufactured with profit. I can not believe the removal of this duty will help to conserve our forests, and I feel sure it will seriously injure one of the greatest industries of the South, whose annual product is worth fully \$300,000,000.

Mr. Chairman and gentlemen of the convention, the South bids you godspeed in your efforts, and earnestly hope you can devise some wise, comprehensive plan for the best settlement of the tariff, one of the greatest of our national problems, a plan that will cure it of its present serious defects and make it a business and economic system that will oppress none of the people, but benefit all alike.

FACTS ABOUT THE SOUTH.

I am indebted to Mr. Richard H. Edmonds, editor of the Manufacturers' Record, of Baltimore, Md., for the following statistical information extracted from his exhaustive and illuminating review of "Facts about the South."

Bird's-eye statistics of southern progress.

	1880.	1890.	1900.	1906.
Capital in cotton mills.....	\$21,000,000	\$60,000,000	\$112,837,000	\$250,000,000
Number of spindles.....	667,000	1,712,000	6,267,000	9,760,000
Cotton bales used.....	225,000	546,000	1,597,000	2,374,000
Value of cotton crop, excluding seed.....	\$318,096,000	\$390,000,000	\$363,773,000	\$641,720,000
Pig iron made, tons.....	397,000	2,600,000	2,604,000	3,467,000
Coal mined, tons.....	6,000,000	21,200,000	49,048,000	84,111,000
Lumber products, value.....	\$39,000,000	\$90,700,000	\$188,114,000	\$300,000,000
Capital in manufacturing.....	\$257,000,000	\$659,000,000	\$1,133,000,000	\$2,000,000,000
Value of manufactures.....	\$457,000,000	\$917,589,000	\$1,463,643,000	\$2,500,000,000
Value of exports.....	\$261,000,000	\$306,000,000	\$484,644,000	\$642,032,000
Railroad mileage.....	20,600	42,900	52,600	61,000
Farm products, value.....	\$660,000,000	\$773,000,000	\$1,271,654,000	\$2,000,000,000
Property, assessed value.....	\$2,051,175,000	\$4,510,925,000	\$5,457,553,000	\$8,025,000,000
Capital in cotton-oil mills.....	\$3,800,000	\$12,800,000	\$34,450,000	\$90,000,000
Number of cotton-oil mills.....	45	119	369	830
Phosphate mined, tons.....	211,377	510,499	1,490,000	1,970,000
Coke production, tons.....	397,776	2,535,470	5,799,000	9,000,000
Petroleum, barrels.....	179,000	498,632	17,094,000	32,000,000

Southern agricultural progress in twenty years.

State.	Farm values.		Value of farm products.	
	1880.	1900.	1880.	1900.
Alabama.....	\$106,531,307	\$179,399,882	\$56,872,994	\$91,387,409
Arkansas.....	99,359,577	181,416,091	43,796,261	79,649,490
District of Columbia.....	3,792,601	11,585,376	514,441	870,247
Florida.....	27,902,481	53,929,064	7,439,392	18,399,104
Georgia.....	143,158,308	228,371,637	67,028,929	104,894,476
Kentucky.....	358,703,832	471,045,856	63,830,155	123,296,785
Louisiana.....	76,770,547	198,539,906	42,883,522	72,667,302
Maryland.....	187,157,206	204,645,407	28,839,281	43,823,419
Mississippi.....	122,016,268	204,221,027	63,701,844	102,492,283
North Carolina.....	164,286,737	233,884,696	51,729,611	89,809,638
South Carolina.....	84,079,702	158,591,159	41,108,112	68,266,912
Tennessee.....	250,436,170	341,202,025	62,076,311	106,166,440
Texas.....	256,084,364	962,476,273	65,204,329	239,823,244
Virginia.....	247,476,536	323,515,977	45,726,221	86,548,545
West Virginia.....	153,588,725	208,907,349	19,360,049	44,768,979
Total South.....	2,290,364,321	8,951,631,632	600,131,452	1,271,634,273
Total United States.....	12,180,501,538	30,439,901,164	2,212,540,927	4,717,069,973

NOTE.—In comparisons in this table of figures for 1880 and 1900, those for Alaska and Hawaii are not included in the general totals for the United States.

Southern manufacturing progress, 1880-1900.

State.	Capital.		Value of products.	
	1880.	1900.	1880.	1900.
Alabama.....	\$9,668,008	\$70,370,081	\$13,565,504	\$80,741,449
Arkansas.....	2,958,130	35,960,640	6,756,159	45,197,731
District of Columbia.....	5,552,526	41,961,245	11,882,316	47,667,622
Florida.....	3,210,680	33,107,477	5,546,448	36,810,243
Georgia.....	20,672,410	89,789,656	36,440,948	103,654,527
Kentucky.....	45,813,039	104,070,791	75,488,377	154,166,365
Louisiana.....	11,462,468	113,084,294	24,205,383	121,181,683
Maryland.....	58,742,384	163,147,200	106,789,563	242,532,990
Mississippi.....	4,727,600	35,807,419	7,518,302	40,431,886
North Carolina.....	13,045,639	76,503,894	20,095,037	94,919,663
South Carolina.....	11,205,894	67,356,465	16,738,008	58,748,731
Tennessee.....	20,092,845	71,814,038	37,074,886	108,144,565
Texas.....	9,245,561	90,433,882	20,719,928	119,414,982
Virginia.....	26,968,990	103,670,988	51,780,992	132,172,910
West Virginia.....	13,883,390	55,904,233	22,867,126	74,888,330
Total South.....	257,244,564	1,153,002,368	457,454,777	1,463,643,177
Total United States.....	2,790,272,606	9,831,486,500	5,369,579,191	13,010,036,514

Twenty years of lumbering.

State.	Establishments.		Capital.		Value of products.	
	1880.	1900.	1880.	1900.	1880.	1900.
Alabama.....	354	1,111	\$1,545,655	\$13,020,183	\$2,649,634	\$12,867,561
Arkansas.....	319	1,199	1,067,840	21,727,710	1,786,848	23,959,983
Florida.....	135	416	2,219,550	14,937,693	3,069,291	10,848,466
Georgia.....	655	1,254	3,101,452	11,802,716	4,875,310	13,704,323
Kentucky.....	670	1,280	2,290,558	9,805,404	4,064,361	13,774,911
Louisiana.....	175	432	909,850	20,068,044	1,764,644	17,468,513
Maryland.....	309	367	1,237,694	2,622,928	1,813,332	2,650,082
Mississippi.....	295	844	922,585	17,337,538	1,920,335	15,656,110
North Carolina.....	776	1,770	1,743,217	15,385,097	2,672,796	14,862,593
South Carolina.....	430	729	1,056,265	5,187,727	2,031,507	5,207,184
Tennessee.....	755	1,732	2,004,503	12,900,595	3,744,905	18,127,784
Texas.....	324	637	1,660,952	19,161,265	3,673,449	16,299,473
Virginia.....	907	1,841	2,122,925	9,299,046	3,434,163	12,137,177
West Virginia.....	472	950	1,068,920	10,421,570	2,431,857	10,612,837
Total South.....	6,626	14,062	23,546,076	181,702,626	39,930,432	188,114,524
Total United States.....	25,708	33,065	181,186,122	611,611,524	233,268,729	566,832,984

Pig-iron production.

State.	1880.	1890.	1900.	1906.
	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>
Maryland.....	61,437	147,821	290,073	388,709
Virginia.....	29,934	292,779	490,617	483,525
North Carolina.....				
Georgia.....	29,821	41,726	39,134	92,590
Texas.....				
Alabama.....	77,190	816,911	1,184,337	1,674,848
West Virginia.....	70,338	129,438	166,758	304,534
Kentucky.....	57,708	47,861	71,562	98,127
Tennessee.....	70,873	267,626	362,190	426,874
Total.....	397,301	1,744,162	2,604,671	3,467,216

The production of pig iron in this section has increased from 397,301 tons of 2,240 pounds in 1880 to 1,744,162 tons in 1890, to 2,604,671 tons in 1900, and to 3,467,216 tons in 1906.

In coal mining much progress has been made, but still greater is ahead of the South. In 1880 this section mined 6,049,471 tons; by 1890 this had increased to 21,214,233 tons; in 1900 to 49,048,059 tons; and in 1906 to 84,000,000 tons, or twice the total production of bituminous coal in the entire country as late as 1880. Between 1887 and 1896 the 10 coal States of the South produced a total of 236,494,017 tons of 2,000 pounds each, and between 1897 and 1906 nearly twice as much, or 571,629,336 tons. It is conservative to say that in the next ten years this section will produce 1,000,000,000 to 1,250,000,000 tons, or an average of from 100,000,000 to 125,000,000 tons a year. As a matter of fact, the figures will doubtless exceed this.

The coal output.

State.	1880.	1890.	1900.	1906.
	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>
Maryland.....	2,228,917	3,231,185	4,024,688	5,014,995
Virginia.....	45,896	2,250,000	2,353,754	4,500,000
West Virginia.....	1,839,845	5,424,904	22,647,207	42,500,000
Georgia.....	154,644	225,000	333,291	342,469
Alabama.....	323,972	4,200,000	8,394,275	12,851,775
Tennessee.....	495,131	2,900,000	3,569,562	6,200,000
Arkansas.....	14,778	500,000	1,447,945	1,875,569
Texas.....	946,288	300,000	968,373	1,300,000
Kentucky.....	946,288	2,483,144	5,328,964	9,526,425
Total.....	6,049,471	21,214,233	49,048,059	84,111,233

True value of real and personal property.

	1860.	1880.	1890.	1900.	* 1906.
South.....	\$6,286,214,108	\$7,505,000,000	\$11,150,532,304	\$13,863,073,149	\$20,500,000,000
Rest of country.....	9,873,401,960	36,137,000,000	53,886,558,893	74,654,233,626	96,500,000,000
United States.....	16,159,616,068	43,642,000,000	65,037,091,197	88,517,306,775	117,000,000,000

* Estimated.

The assessed value of real and personal property in the South in 1906 was \$8,025,050,496, or \$2,824,859,678 more than the assessed value of 1860. The increase in assessed value in the six years between 1900 and 1906, \$2,567,497,463, was greater than the increase of twenty years between 1880 and 1900.

Assessed values of southern property.

State.	1860.	1880.	1890.	1900.	1906.
Alabama.....	\$432,198,762	\$139,077,328	\$263,776,624	\$270,408,432	\$373,468,462
Arkansas.....	180,211,330	90,511,653	174,737,755	201,908,783	*321,700,000
District of Columbia.....	41,084,945	99,401,787	148,649,596	190,968,987	268,131,287
Florida.....	68,929,685	31,157,846	91,983,466	96,683,954	142,018,871
Georgia.....	618,232,387	251,424,651	415,828,945	433,323,691	624,465,472
Kentucky.....	528,212,693	370,743,384	547,596,788	640,688,240	808,041,918
Louisiana.....	435,787,255	177,093,549	234,350,791	276,659,407	459,271,270
Maryland.....	297,135,238	459,187,408	482,184,824	616,719,782	738,762,161
Mississippi.....	509,472,912	115,130,651	165,847,334	215,765,947	366,799,080
North Carolina.....	292,297,692	169,916,709	216,872,374	306,579,715	480,799,456
South Carolina.....	489,319,128	134,162,834	150,602,451	176,422,288	249,534,422
Tennessee.....	382,495,200	238,939,364	382,758,188	396,363,566	474,416,837
Texas.....	257,792,335	311,470,736	782,111,883	914,007,634	1,221,159,869
Virginia.....	657,021,336	318,331,441	415,249,107	480,425,025	629,641,533
West Virginia.....	144,622,757	188,964,707	240,634,680	240,634,680	857,839,853
Total.....	5,200,190,818	3,051,175,098	4,659,514,833	5,457,553,031	8,025,050,496

* Estimated.

The true value of southern property is now more than \$20,000,000,000, nearly \$5,000,000,000 greater than the true value of all the property in the country in 1860, and the increase in value since 1900 has been at the rate of \$3,000,000 a day.

The South to-day by comparison.

	Rest of country in 1880.	Southern States in 1906.
Population.....	33,855,000	25,900,000
Cotton mills:		
Capital invested.....	\$198,000,000	\$250,000,000
Number of spindles.....	9,985,000	9,760,000
Bales used.....	1,345,000	2,374,000
Pig iron made..... tons.	3,898,000	3,467,000
Bituminous coal mined..... do.	\$5,900,000	\$4,111,000
Coke made..... do.	2,940,000	9,000,000
Petroleum..... barrels.	26,107,000	\$2,000,000
Lumber products.....	\$194,000,000	\$300,000,000
Manufactures:		
Capital invested.....	\$2,533,000,000	\$2,000,000,000
Products.....	\$4,912,000,000	\$2,500,000,000
Exports.....	\$74,000,000	\$42,032,000
Railroads..... mileage.	71,000	64,000
Farm products.....	\$1,550,000,000	\$2,000,000,000
Property, assessed value.....	\$14,060,000,000	\$8,025,050,000

Increase in railroad mileage.

State.	1880.	1886.	1890.	1896.	1900.	1906.
Alabama.....	1,843	2,105	3,422	3,676	4,197	4,746
Arkansas.....	859	1,586	2,203	2,518	3,109	4,499
Florida.....	518	1,506	2,490	3,103	3,256	4,088
Georgia.....	2,459	3,328	4,601	5,286	5,730	6,641
Kentucky.....	1,530	2,763	2,942	3,067	3,094	3,405
Louisiana.....	652	1,660	1,740	2,252	3,801	4,292
Maryland.....	1,040	1,246	1,391	1,342	1,364	1,496
Mississippi.....	1,127	645	2,471	2,553	2,934	3,836
North Carolina.....	1,486	1,834	3,128	3,398	3,733	4,196
South Carolina.....	1,427	1,723	2,289	2,624	2,919	3,133
Tennessee.....	1,843	2,805	2,767	3,136	3,185	3,668
Texas.....	3,244	6,504	8,710	9,489	9,992	12,689
Virginia.....	1,893	3,006	3,360	3,605	3,795	4,082
West Virginia.....	691	681	1,433	2,084	2,485	3,264
Total.....	20,612	31,392	42,947	48,133	52,594	64,035
United States, excluding South.....	71,684	102,214	113,751	134,467	141,727	155,965

Such progress here reviewed, which has been most rapid during the past ten years in agriculture, mining, lumbering, manufacturing, trade, and commerce, has naturally been reflected in an increase in the wealth of the South.

The South's demand for protection is shown in the hearings before the Ways and Means Committee and by appeals to Congress through commercial bodies and representative business men and citizens. The following are samples:

FLORIDA WANTS PROTECTION FOR SEA-ISLAND COTTON, WRAPPER TOBACCO, RED CEDAR, CITRUS FRUITS, AND LUMBER.

[Extract from statement of Mr. John W. Hatcher, of Lake City, Fla.]

The true conditions of the country have been that we have raised our cotton with our family, with free labor, as we might say. In other words, you see, it is raised by a very cheap labor; but you go at it from a business standpoint and you find you can not raise it. I am a failure. I have had to quit it, almost. I have tried it; I have bought it; I have raised it; I have produced it; I have sold it; and I have lost the better part of my life trying to get a living out of it.

So I would like to give you the figures, and I will endeavor to be conservative, because I do not want to overestimate anything. I simply want to give you the real facts as I know them from my experience.

Mr. HATCHER. The reason, Captain, that we appeal to you here for this protection is because we feel like our labor is competing with a foreign labor—putting up cotton side by side without duty—that we can not exist and raise it under our present price of labor. It is impossible for us to compete with the other fellow if the Egyptian cotton is worth within a cent or about a cent a pound what ours is worth.

Mr. GRIGGS. Won't you answer my question? My question was, Do you not think you had better go to work and lower the cost of production?

Mr. HATCHER. I think it is a good idea, but it is hard to do.

[Extract from statement of the supervising expert of the Jefferson County (Fla.) Sumatra Tobacco Company.]

MONTICELLO, FLA., December 30, 1908.

Millions of dollars are now invested in the business of growing wrapper tobacco in northern Florida; millions more are needed and will be invested to develop this industry to the point and position it merits in the world's market. The larger portion of the present investment in the growing of shade tobacco is in the hands of farmers, and from the small beginning of several years ago has gradually developed under the protective duty. The lowering or removal of this duty would stop all further efforts to build up this very important industry, which has brought portions of our country from unprofitable conditions (with the absence of all social and intellectual advantages) into their present thrifty state, with great promise, under further protection, of still greater advancement.

[Extracts from statement of Joshua C. Chase, of Jacksonville, Fla., relative to citrus fruits and pineapples.]

WEDNESDAY, November 18, 1908.

Mr. CHASE. Mr. Chairman and gentlemen of the committee, before beginning I would like to know whether it would be the pleasure of the chairman to hear me on citrus fruits, and then follow it with pineapples and vegetables in their natural state?

Mr. DALZELL. Take your own course, Mr. Chase.

Mr. CHASE. Thank you.

Mr. UNDERWOOD. You are from California, Mr. Chase?

Mr. CHASE. No; I am from Florida.

I would like to open my remarks by reading a telegram that I received this morning from the Jacksonville Board of Trade:

JACKSONVILLE, FLA., November 17, 1908.

J. C. CHASE,
Care of Hotel Raleigh, Washington, D. C.

At special meeting board trade held to-day following resolutions unanimously adopted:

"Whereas the Committee on Ways and Means of the National Congress is now considering a revision of the tariff; and

"Whereas the Florida fruit and vegetable growers fear that the tariff on pineapples and citrus fruits may be abolished or reduced: Therefore be it

Resolved, That the Jacksonville Board of Trade heartily indorses the efforts of the Florida Fruit and Vegetable Growers' Protective Association to see that, if any changes are made at all, the tariff be increased. Be it also

Resolved, That we delegate Mr. J. C. Chase, a member of this board, to represent us at the meeting of the Committee on Ways and Means and convey to them the views of this the largest commercial organization in the South."

H. H. RICHARDSON,
Secretary Board of Trade.

The Florida Fruit and Vegetable Growers' Protective Association comprises in its membership fully 75 per cent of the orange and pineapple growers and a large percentage of the vegetable producers. I was requested to appear before your honorable body to present in a concise form, for your consideration, facts and figures surrounding these Florida industries, representing estimated values as follows: Vegetable and garden products, \$4,420,392; fruit crops, \$7,773,500.

Mr. UNDERWOOD. You had a telegram from the Board of Trade at Jacksonville?

Mr. CHASE. Yes, sir.

Mr. UNDERWOOD. Stating that they desire to maintain the present rate of protection, or increase it, on citrus fruits?

Mr. CHASE. Yes; citrus fruits, pineapples, and vegetables; they enumerate everything in the telegram.

Mr. UNDERWOOD. Is the sentiment of the Board of Trade at Jacksonville in favor of a protective tariff throughout the industries of the United States?

Mr. CHASE. I should judge so from that message.

Mr. UNDERWOOD. Well, I want to know whether those people that you represent stand for the general principle of protection or only for protection on the article you mentioned?

Mr. CHASE. Well, I think that they feel that as long as they have some articles that should be protected they should get the protection.

Mr. UNDERWOOD. Is their sentiment in favor of the general policy of protection, or do they stand for a policy of tariff for revenue?

Mr. CHASE. Well, now, you know I am a grower and a shipper, and I am not in political touch with the people. But I know they are business men, that they look at this question in a business way, and would prefer seeing protection on their industries that need it.

Mr. UNDERWOOD. Well, do they want protection on other great industries of this country, such as wool, iron, and sugar, or do they want a tariff for revenue?

Mr. CHASE. Well, as coming from the solid South, and knowing that some others in the solid South are favored on wool, and some other industries, I suppose Florida, as long as she has not any wool, would like very much to have her citrus fruits protected. They look at it on the same basis as they do on others.

Mr. UNDERWOOD. I am satisfied of that, but I was trying to find out whether you favored protection on citrus fruits, and yet expect Congress to write a revenue bill in other directions.

Mr. CHASE. I think it is more of a give-and-take proposition. If their interests are protected, they are perfectly willing to support a fair bill that would protect all parts of the country, and conserve the American market for American products as long as there is no injustice to the consumers.

Mr. UNDERWOOD. Is that the sentiment of the Board of Trade of Jacksonville?

Mr. CHASE. Yes, sir.

Mr. UNDERWOOD. I wanted to find out what it was.

Mr. CHASE. That is it.

Mr. BOUTELL. That is practically the sentiment of all the people of Florida, is it not?

Mr. CHASE. Yes, sir; that is, all the thinking people.

Mr. UNDERWOOD. I wanted to find out the special status of Florida on this question, was the reason I asked you these questions.

Mr. CHASE. Well, I think they are gradually being reformed. They feel that way now, or they never would have sent me that telegram, I am quite sure.

JOSEPH DIXON CRUCIBLE COMPANY, CRYSTAL RIVER, FLA., ASKS RETENTION OF PRESENT DUTY ON LEAD PENCILS.

CRYSTAL RIVER, FLA., November 21, 1908.

HON. SERENO E. PAYNE,
Chairman Ways and Means Committee, Washington, D. C.

DEAR SIR: We understand that the tariff will shortly come up for discussion, and we would request of you not to make any change in Schedule N, paragraph 456, for the following reasons, viz:

1. Since the last tariff went into effect the Dixon Company has invested a great deal of money in the purchase of cedar lands, and we represent a great number of farmers in this city in the purchase and sale of timber. This timber is used almost exclusively in the manufacture of lead pencils. The Dixon Company owns a large mill here in Crystal River and have a financial investment in other mills, as well as taking the output of still other cedar mills.

2. The Dixon Company is now engaged in the growing of red-cedar timber for lead pencils, and in the purchase and sale of same, and in the manufacture of boards ready for the manufacture of pencils.

While we speak for ourselves in this specific matter, yet we speak for many others as well, and we would ask you to bear in mind that in the tariff question nearly all the southern people are high protectionists and do not wish any change in the tariff.

3. If the tariff on the above paragraph is reduced, many of the cedar mills will have to shut down, as lead pencils made out of cheaper and poorer wood would then be imported from foreign countries, to the great detriment of southern farmers engaged in this industry.

4. Aside from the mill industry, the timber land on which this cedar is grown has more than doubled in value, and we can see no reason

why the farmers and others who are owners of this land should suffer by reason of a reduction in the tariff. The farmers, especially, have to depend almost entirely for the sale of this product on those who manufacture lead pencils.

Respectfully,

JOSEPH DIXON CRUCIBLE COMPANY,
By C. E. HERRICK, Manager.

Letters similar to the above were received from the following: Houston & Liggett, by W. G. Liggett, Houston, Tex.; Hudson Lumber Company, by J. A. Elledge, manager, Springfield, Mo.

STATEMENT OF MR. J. L. M'FARLIN, QUINCY, FLA.

Mr. MCFARLIN. I am president of the Florida and Georgia Leaf Tobacco Association and a member of the firm of Kraus-McFarlin Company, of Chicago, growers and packers of Florida tobacco.

I appeared before the Ways and Means Committee at the time that the Philippine tariff was discussed. At that time you were fully informed as to the manner in which we grow tobacco—that is, under the shade, which is made by suspending cloths 9 feet above the ground or by weaving slats between wire, and the tobacco is grown artificially. There are at the present time at least 5,000 acres of this shade tobacco grown in Florida and Georgia. It represents capital of at least \$7,000,000 invested in barns for curing and shade apparatus erected alone. Taking the cost of the lands, teams, and farm implements necessary for the production of this tobacco, with packing houses to finish the article for the market, there is invested in Florida and Georgia over \$20,000,000, and this gives employment to twenty or thirty thousand people directly in the tobacco business.

This great industry started in 1906 and has had the encouragement and assistance of the Government through the Agricultural Department. With the present condition of the country any change in the tariff would be disastrous to Florida and Georgia, and not alone to those States but to Texas and to Alabama. The Agricultural Department has encouraged the industry, showing to the people the advantage of such an investment, and without the present tariff there would be a great loss to all who are interested in this industry. I do not go into any statement of figures; you gentlemen can easily obtain them.

I view the matter from a selfish standpoint and also from the general standpoint, and for the life of me I do not see how a reduction of the tariff will benefit anyone in the United States. On the other hand, it will almost ruin the industry in Florida, Georgia, and Connecticut, and will be of no advantage to anyone.

Mr. BOUTELL. What is the name of the Chicago firm with which you are connected?

Mr. MCFARLIN. The Kraus-McFarlin Company.

Mr. BOUTELL. You yourself are a citizen of Florida?

Mr. MCFARLIN. Yes, sir; and I am president of the Georgia and Florida Tobacco Association.

Mr. BOUTELL. You said that you spoke not only from a selfish standpoint but from a general standpoint against any reduction in the tariff. I take it that the maintenance of the present duty would meet with the general approval of the people of Florida?

Mr. MCFARLIN. Yes, sir.

STATEMENT OF MR. W. M. CORRY, OF QUINCY, FLA.

Mr. CORRY. I have been a resident of Florida for twenty-one years. I was sent there by Mr. Duval, of the Florida Central and Peninsular Railroad, to develop the possibilities of the tobacco industry in Florida, and in 1887, after a very careful and thorough canvass of the State, we found 362 acres of tobacco actually being cultivated in Florida. The farmers did not have the means to put up barns and erect buildings and go into the business extensively, and yet the possibilities of Florida tobacco appealed to us. So the industry was practically started in 1887, and was gradually developed until we had the McKinley tariff of \$2 per pound. Afterwards it was lowered to \$1.50 under the Wilson bill, and the business languished at that time.

Then the shade-tobacco industry was begun in 1896, and the Dingley tariff came back to \$1.85, and that was a great encouragement to the people to develop the business, to erect shades, and to go into it on a very large scale. The individual farmers in Florida, not having money to improve and develop their lands, could only start at first with perhaps half an acre, and then an acre, and then 2 acres; but gradually the shading of the land has developed until we have to-day over 5,000 acres of land under shade.

The duty of \$1.85 per pound stimulated the production and has encouraged the farmers to improve their lands, to build barns and put up sheds, and to go into the business very extensively.

Now, to-day we ask that the duty be permitted to remain as it is; that agitation be prevented, and under the present rate of duty we believe the business can expand still further.

The money that has been made out of tobacco has gone back to swell the acreage. We have over 5,000 acres there to-day, with fine barns and good shade structures and good dwelling houses for the employees. A great deal of this land is irrigated, and pumping stations are established, and all the way through we have had the aid and advice and cooperation of the Agricultural Department; and to some of you gentlemen here who are responsible for the Dingley tariff we certainly owe a great debt of gratitude, and we believe if the present rates are maintained and no change takes place we can develop a very large business down there. We can hold a great deal of the money in this country that now goes to Holland.

[Telegram.]

JACKSONVILLE, FLA., February 3, 1909.

HON. SERENO PAYNE,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.:

The Jacksonville Clearing Association, by unanimous resolution, wish to enter protest against the removal of the tariff on lumber, believing that such action would seriously affect the business interests of the South, and especially the lumber interests.

THOMAS P. DENHAM,
President Jacksonville Clearing Association.

GEORGIA WANTS PROTECTION FOR LUMBER, RED CEDAR, AND KAOLIN.
[The Georgia-Florida Sawmill Association submits resolution objecting to change in duty on lumber.]
[Telegram.]

Hon. SERENO E. PAYNE,
Chairman Ways and Means Committee,
Washington, D. C.:
TIFTON, GA., January 7.

The regular meeting of the Georgia-Florida Sawmill Association, held in Jacksonville, Fla., the 5th instant, adopted the following:

"Whereas the press dispatches from Washington forecasting the action of the Ways and Means Committee on the various tariff schedules recite the fact that lumber is being named as one of the commodities to go on the free list; and

"Whereas such action would mean serious and widespread demoralization to all business interests, in that further depression of lumber prices would permanently cripple many of the sawmill and other woodworking industries, and at the same time affect disastrously the wage-earning power of an army of day laborers: Therefore be it

"Resolved, That the Georgia-Florida Sawmill Association, in convention assembled, representing 1,400 sawmills and woodworking industries, do most earnestly protest against any change in the present tariff on lumber.

"Resolved further, That the president of this association be, and he is hereby, instructed to transmit a copy of this preamble and resolution to Hon. SERENO E. PAYNE, chairman of the Ways and Means Committee, at Washington, by wire.

"H. H. TIFT, President.
"E. C. PARRELL, Secretary."

MEMORIAL OF THE GEORGIA KAOLIN COMPANY,
MACON, GA., November 28, 1908.

Members of the Tariff Commission, Washington, D. C.

SIRS: Your committee having announced its readiness to receive on the 23d instant memorials from those interested in the proposed tariff legislation as it may affect imported earths, etc., the undersigned, representing their various enterprises located in the State of Georgia, respectfully submit the following statement, with their petition that the duties on imported clays be increased, circumstances and conditions having so combined that the present duty affords very little, if any, protection to the industry in which they are interested.

The duty upon imported clays was at one time \$5 per ton of 2,240 pounds, and this was reduced to the present rate of \$2.50 per 2,240 pounds. Since this reduction the competition of trunk lines and ocean steamers has combined to place the miners and refiners of clays located in the interior parts of the country at a decided disadvantage as compared with the foreign miners, whose plants are really all located convenient to shipping points in England.

In conclusion, your memorialists beg to state with all the emphasis of which they are capable, that the deposits of domestic clays of different character located between the Hudson and Mississippi rivers on the Atlantic coast are of sufficient abundance and of such qualities as to answer every necessary requirement of every trade and manufacturer in the country, and that their general use is only a question of time, provided those whose enterprise leads them to develop these deposits are assured a fair working profit; and we beg further to state that there is no combination, pooling arrangement, or trust management of any of these existing enterprises, each of which is working independently.

AMERICAN CLAY COMPANY,
P. W. MARTIN, President.
ATLANTA MINING AND CLAY COMPANY,
YOUNG A. GRESHAM, General Manager.
THE GEORGIA KAOLIN COMPANY,
By CECIL MORGAN, General Manager.

LEAD PENCILS AND PENHOLDERS.

O. F. CHICHESTER, FREDERICA, GA., REQUESTS THAT PRESENT DUTY BE RETAINED.

FREDERICA, GA., November 21, 1908.

Hon. SERENO E. PAYNE,
Washington, D. C.

DEAR SIR: I am the owner of Little St. Simons Island, in this State, and in view of the new tariff desire to state that I have invested a large amount of money in acquiring this island for the purpose of cutting the cedar timber.

I would respectfully request that no change be made in the tariff on lead pencils and penholders; and I have an important contract with one of the large pencil manufacturers to deliver them this cedar, which it would be impossible to carry out for any fair remuneration if pencils could be imported from Germany. In making this request I represent other farmers who own land containing pencil cedar, out of which slats are made in the mills for pencils.

I hope that you will protect us in order to enable us to start a mill and thus employ a good deal of labor which is now idle, as there are no manufacturing industries in this neighborhood.

Yours, respectfully, O. F. CHICHESTER.

STATEMENT OF MR. H. H. TIFT, OF TIFTON, GA.

Mr. TIFT. Mr. Chairman, I am here in response to your invitation to appear before this committee, and I am here, sirs, at your service.

The CHAIRMAN. One of the members of the committee asked to have you invited to come here on the subject of lumber, or timber, or both.

Mr. BOUPELL. Judge GRIGGS, of Georgia, gave his name to the committee.

The CHAIRMAN. And Judge GRIGGS seems to be out of town.

Mr. TIFT. I regret very much that the judge is not here this morning, for I was in hopes of meeting him here.

The CHAIRMAN. The question is whether the duty should be kept upon lumber. I do not know which side of that proposition you are on, but—

Mr. TIFT. I am in favor of maintaining the present duty on lumber.

The CHAIRMAN. Now, there is another question, although I do not know whether it bears very strongly on this question; I never thought it did in my endeavors to adjust the tariff; but it is a curious circumstance, and I would like to know why you people in the South are always here asking for the highest rates of duty, and yet all of

the time voting for the lowest rates of duty. Can you explain that little inconsistency among your people?

Mr. TIFT. Mr. Chairman, for myself I want to say that I did not vote that way.

The CHAIRMAN. Well, I am glad to find one; but why is it that most of your people vote that way, and yet they come here and ask for the very highest protection? There is no section in the whole United States asking for as high protection as you people of the South, and why is it that you vote the other way?

Mr. TIFT. Mr. Chairman, the record shows that Mr. Taft got something over 40,000 votes in Georgia.

The CHAIRMAN. Forty thousand—well, he ought to have had an overwhelming majority, considering the number of your people who are asking for protection.

Mr. TIFT. Mr. Chairman, there was no campaign made in Georgia for Mr. Taft, and it is my firm belief that if there had been and the people had been educated—we have to educate our people, you know—

[Telegram.]

SAVANNAH, GA., February 2, 1909.

Hon. SERENO E. PAYNE,
Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.:

At a meeting of this association, representing the entire banking interests of Savannah, Ga., held on January 28, it was unanimously voted to protest against the removal of the tariff on lumber, believing that such removal would injuriously affect the lumber and other business interests of the South.

F. D. BLOODWORTH,
President Savannah Clearing Association.

RESOLUTIONS ADOPTED BY THE SAVANNAH BOARD OF TRADE JANUARY 5, 1909.

Resolved, That our Senators and Representatives in Congress be, and are hereby, requested to use their best efforts to prevent the unjust discrimination against the lumber trade which would result from removing or still further reducing the present low tariff on lumber.

Resolved, That they be, and are hereby, requested to call attention to the following facts in this connection:

1. That the present tariff on lumber is only 11 per cent, while the tariff on other heavy building material with which lumber comes in competition ranges from 32 to 45 per cent, and that the present duty of 11 per cent on lumber is therefore strictly a tariff for revenue only. This disparity becomes even more striking when the extremely heavy duty on the articles necessarily used in the manufacture of lumber is considered.

2. That practically one-half of the total lumber output of the United States comes from the South, and that its volume is so great that much injury must inevitably result to allied industries, as well as to the lumber trade, if the tariff is removed or lowered.

3. That the parts of the United States that consume rather than produce lumber will not be materially benefited, as past experience has shown that the foreign timber owners, importers, and middlemen, rather than the consumers, are the only ones that profit by such changes.

4. That conservation of the forests will not be promoted, as tariff removal or reduction will affect almost exclusively the lower grades which are manufactured from the tops and slabs of the trees, so that practically the same number of trees will be cut down, the only difference being that those portions which can no longer be marketed at a profit will be left to decay and meanwhile increase the fire hazard to the young growing timber.

5. That the net result of removal or further reduction of the tariff on lumber will be to help foreign labor and the foreign manufacturer at the expense of our own manufacturers and domestic labor without benefiting consumers anywhere in the United States, and to cause waste instead of conservation of our forest resources.

KENTUCKY WANTS PROTECTION FOR HEMP.

[Extract from statement of Mr. Hamilton Scott, of Lexington, Ky.]

Mr. SCOTT. Mr. Chairman and gentlemen, I am here in the interest of the American hemp growers. Most of the product is grown in central Kentucky, but not all of it. I am, like most Kentuckians, very modest in my demands. We simply ask that the duty on raw materials be left as it is. You may wonder why we ask a duty at all on raw materials. We are simply interested in the duty on raw materials for this reason: If you remove the duty, say, on flax, then a cheaper grade of flax, called "Russian flax tow," will be introduced into the market, and it will mean practically the wiping out of the American hemp industry. There is now being introduced into the United States and being sold in competition with us what is known as "flax tow," and this product is not local at all. It is being introduced into Indiana, Minnesota, Michigan, Nebraska, and California very successfully. What has retarded the industry heretofore has been more the want of a machine for separating the fiber from the lint. We think now that there are three or four machines that will accomplish that purpose. There is no reason in the world why American hemp should not be doubled—yes, any quantity of it grown in the United States—with a moderate protection. We do not think it unreasonable to ask that the duty be retained.

LOUISIANA WANTS PROTECTION FOR RICE, SUGAR, AND LUMBER.

Representative BROUSSARD, Democrat, of Louisiana, member of the Committee on Ways and Means, voted in favor of the Payne tariff bill in the committee.

WELSH, LA., November 14, 1908.

H. G. CHALKLEY,
Lake Charles, La.

DEAR SIR: I am very glad to know that you are to be one of the committee to go to Washington and appear before the Committee on Ways and Means, and make a showing why the present tariff on our staple crop—rice—should not be reduced in the proposed new tariff bill. Your position as manager of large canal interests, as well as land interests, especially qualify you to act in this matter, and I sincerely hope for your success.

In reference to the expense of making a rice crop, I herewith give a detailed statement of such expense, and from an experience of twenty years in rice farming, both on canal and well irrigating, feel that it is conservative in every item.

	Per acre.
Cost of plowing	\$1.25
Cost of preparing the land for seeding	1.50
Cost of seeding, on basis of \$4.50 per barrel for seed	2.25
Cost of drilling and dragging	1.00
Cost of fertilizer	1.00
Cost of cutting	1.50
Cost of shocking	.50
Cost of twine	.60
Machine hire for thrashing	.80
Labor for thrashing	3.20
Sacks for thrashing	.80
Hauling rice to warehouse	1.20
Warehouse charges	.80
Irrigating, average, either well or canal	5.00
	21.40

The average yield per acre in this locality will not exceed 7½ bags per acre.

Very truly,

L. E. ROBINSON.

We, the undersigned rice farmers of Welsh, most of us with long personal experience in growing rice, have carefully read the above statement as to the cost of making a crop of rice, and certify that it is conservative and well within the actual cost of making a crop, with many instances and seasons when the expense is much above.

- G. W. PATTERSON (300 acres).
- PATTERSON BROS. (300 acres).
- Per E. R. PATTERSON, *Manager*.
- PAUL W. DANIELS (1,200 acres).
- E. M. CLARK (5,000 acres).
- A. F. DAY (300 acres).
- W. T. HUTCHISON (1,500 acres).
- F. A. ARCENAUX (900 acres).
- H. E. WESSON.
- A. T. JONES (500 acres).
- G. M. HAMMIL (200 acres).

[Extract from statement of the Southern Cypress Manufacturers' Association, New Orleans, La.]

RESOLUTIONS ADOPTED BY THE SOUTHERN CYPRESS MANUFACTURERS' ASSOCIATION AT SAVANNAH, GA., NOVEMBER 24, 1908.

Whereas the present duty on lumber of \$2 per thousand amounts to an ad valorem tariff of about 12 per cent, in comparison with 40 per cent on iron and steel, 32 per cent on cement, and 45 per cent on building stone, all of which enter largely into competition with lumber for construction purposes; and

Whereas this 12 per cent ad valorem tariff on lumber is already so much lower than all other articles coming into competition with it that the amount in reality amounts only to a tariff for revenue: Therefore be it

Resolved by the Southern Cypress Manufacturers in convention assembled. That, as business men, we here and now register our most solemn protest against any appeal or modification of the lumber schedule in Dingley tariff, on the ground that it is already reduced to the basis of a revenue tariff, and therefore needs no further revision.

Resolved (2). That our Senators and Representatives in Congress be, and are hereby, requested to use all reasonable means to prevent any repeal of the present lumber tariff, and thereby conserve the best interests of their constituents at home, who are bearing their full share of the burden of taxation and other responsibilities.

Resolved (3). That we renew our pledge and support to the Forestry Department and call upon the officers of that department to cooperate with us in not only reforesting our cut-over lands, but at the same time to further cooperate with us in the enhancement of our timber after it is grown, by the enactment at this time of such legislation as will protect our present as well as prospective holdings from the cheap lumber of Canada and other foreign countries, as produced by Hindoo, Chinese, and Japanese labor, from stumpage costing 50 cents to \$1 per thousand, in comparison with \$2.50 to \$4 and \$5 per thousand in the United States, where labor costs from \$1.25 to \$2.25 per day, as against 80 cents to \$1.20 per day for foreign labor.

Resolved (4). That our governors in the Southern States, who compose in part the American Conservation Congress, be, and they are hereby, urgently requested to investigate for themselves and to use their good offices in our behalf at the approaching meeting of that body in Washington next month, to prevent this threatened injustice to the South's second greatest industry, since the South now produces practically one-half of all the lumber produced annually in the United States.

NEW ORLEANS ORGANIZATION REQUESTS RETENTION OF TARIFF.

NEW ORLEANS, LA., January 21, 1909.

HON. SERENO E. PAYNE,
Chairman Ways and Means Committee,
Washington, D. C.

The New Orleans Progressive Union, representing business interests and professions of all political parties, earnestly requests the retention of the present tariff on lumber. The yellow-pine industry is one of the most important in the South, and delivers the greatest tonnage to our common carriers. We are convinced that a reduction in the tariff would exert the most injurious effect not only upon this industry but the business and financial interests of the entire South.

PHILIP WERLEIT, *President.*

NEW ORLEANS, LA., January 20, 1909.

HON. SERENO E. PAYNE,
Chairman Ways and Means Committee,
Washington, D. C.

Believing that the yellow-pine manufacture is one of the most important industries of the Southern States, affording the greatest tonnage to our railroads, we earnestly recommend the retention of the present tariff on lumber. Under present conditions we do not believe the industry can stand reduction of tariff, and a reduction would injuriously affect business and financial interests of the South.

GERMAN AMERICAN NATIONAL BANK.
W. R. IRBY, *President.*

NOTE.—Telegrams similar to above were sent by all the banks in New Orleans.

NORTH CAROLINA WANTS PROTECTION FOR TOWELS, YARNS, MICA, AND LUMBER.

[Extract from statement of J. W. Cannon, Concord, N. C.]

We have recently built at Kannapolis, N. C., one of the largest towel mills in this country for manufacturing towels, and we very much desire that the tariff on all foreign towels be made so that it will allow the American industry to expand and manufacture all the goods used in this line that are now imported; and with the tariff high enough to keep out the foreign goods it would aid the American manufacturers to bring up their goods to the highest state of perfection, and also expand the industry so that all these goods would be manufactured in the United States, thereby giving more work for the American operatives and also a greater demand for cotton that enters into the construction of these towels.

Most respectfully, yours,

J. W. CANNON, *President,*
Cannon Manufacturing Company, Concord, N. C.; Cannon Manufacturing Company, Kannapolis, N. C., towels, sheetings, the celebrated Cannon cloth; Gibson Manufacturing Company, Concord, N. C., madras, blankets, etc.; Cabarrus Cotton Mills, Concord, N. C., brown sheetings and domestics; Franklin Cotton Mills, Concord, N. C., weaving yarns; Patterson Manufacturing Company, China Grove, N. C.; Patterson Manufacturing Company, Kannapolis, N. C., brown sheetings and crashes; Kesler Manufacturing Company, Salisbury, N. C., brown sheetings and crashes; Wiscasset Mills Company, Albemarle, N. C., hosiery yarns and weaving yarns and hosiery; Efrid Manufacturing Company, Albemarle, N. C., hosiery yarns and sewing twines; Tuscarora Cotton Mills, Mount Pleasant, N. C., hosiery yarns.

[Extract from statement of Mr. R. M. Miller, jr., of Charlotte, N. C.]

Mr. MILLER. I simply want to say that I am a new spinner of fine yarns. I am attempting to spin fine yarns in the South, and in order to do so I find that we need some protection from the old country. I went over the schedule paragraph as prepared by Mr. Weld, and it has my approval and indorsement. I believe that I am one of the first ones to attempt high-grade spinning in the South, and having said that, I do not know that I have anything more to say.

[Extract from statement of C. W. Burleson & Son, Plumtree, N. C., who wish present duty on mica retained.]

PLUMTREE, N. C., December 10, 1908.

WAYS AND MEANS COMMITTEE,
Washington, D. C.

GENTLEMEN: We write to say that if the tariff is lowered or taken off of mica, great harm will be done the poor class of people in western North Carolina and other southern sections that produce mica.

We trust you will use your influence to have the tariff on mica retained at its present mark.

In most cases the producers of mica are of the poorer class, while those consuming it are in most cases the money class, and for this reason, if for no other, we trust the tariff may be retained.

Yours, truly,

C. W. BURLESON & SON.

[Extract from statements of the Asheville Mica Company, Asheville, N. C.]

We trust, therefore, you will give full consideration to the plea we have made in the interest of the American miner for protection, both as against the Canadian amber product, as well as the product of India.

Yours, respectfully,

ASHEVILLE MICA COMPANY.
GREAT SOUTHERN MICA COMPANY.
W. VANCE BROWN.
B. C. GRINDSTAFF.

ASHEVILLE, N. C., November 21, 1908.

WILLIAM K. PAYNE,
Clerk Committee on Ways and Means,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter of the 17th received during my absence. I would like to be heard on the subject of mica on November 25. My permanent address is Asheville, N. C., and the Raleigh House, in Washington, my temporary address. I represent the Asheville Mica Company, being one of the partners. I wish to advocate the retention of the duty on mica, and believe that ten minutes will be long enough time to state what I desire.

I inclose herewith a copy of a brief which I wish to be filed with the committee.

Thanking you, I am,
Yours, truly,

W. VANCE BROWN.

CHAMBER OF COMMERCE,
Newbern, N. C., February 27, 1909.

HON. C. B. SLEMP,
House of Representatives, Washington, D. C.

DEAR SIR: Herewith you will find copy of resolutions passed by the Newberne (N. C.) Chamber of Commerce, which you will note are directed against the repeal of the present tariff on foreign lumber, and which are submitted for your consideration.

As this is a question of vital importance to our section of the country, where the lumber industry is our principal means of support, we beg of you to use your influence to the end that the present tariff be maintained.

The loss to this community by reduction of this tariff would be incalculable. We have had a desperate struggle in our section for the past year and a half on account of the terrible panic; crops have been a failure for the past three years, and if we are to have our principal industry, that upon which we lean principally for support, crippled and paralyzed to the point of bankruptcy we will be very greatly embarrassed indeed.

Your earnest consideration of this great and momentous question is respectfully urged.

Yours, very truly,

CHAMBER OF COMMERCE,
W. G. BOYD, *Secretary.*

CHAMBER OF COMMERCE,
Newbern, N. C., February 15, 1909.

Whereas lumber and forest products throughout this State and throughout the South furnish the basis of credit and sinews of war for many other lines of commerce and trade; and

Whereas we are advised that the Congress of the United States is to-day considering the repeal of the present tariff on lumber, and as such action would mean embarrassment to southern mills producing medium and low trade stocks, for the reason that with the tariff removed Canada would supply American markets, first on account of the advantages she would have over other mills in the South through lower freight rates to all eastern and Lake state ports, and, secondly, because of the low price of stumpage in that country and the difference in the scale of wages in Canada and the United States; and

Whereas the present duty amounts only to an ad valorem tax of 12 per cent as compared with 40 per cent on all commodities entering into competition with lumber: Therefore be it

Resolved by the Chamber of Commerce of the city of Newbern, N. C., in special session. That as an organization, designed to aid capital in finding remunerative investments in our midst, regular employment, and a general expansion of our trade and commerce, we here and now do register our protest against any repeal or reduction in the present tariff on lumber, and call upon our Senators and Representatives in Congress to exercise their best efforts to protect our people and section against such an injustice and discrimination as the repeal of the tariff on lumber would work, and prevent such legislation at all hazards.

Resolved further. That the president and secretary of this organization be, and they are hereby, instructed to send a copy of these resolutions to our Senators and Representatives in Congress from North Carolina and other Southern States.

THE WILMINGTON CHAMBER OF COMMERCE,
Wilmington, N. C., February 4, 1909.

Hon. CAMPBELL SLEMP,
House of Representatives, Washington, D. C.

MY DEAR SIR: I beg to inclose herewith copy of resolution passed by the Wilmington Chamber of Commerce, to which I invite your thoughtful attention.

I have no personal interest whatever in the lumber industry, but the resolution in question was drafted and offered by myself as a legitimate expression of the views of disinterested business interests. Personally, I am a free trader in theory, but a revenue-tariff man from necessity, and I can conceive of no case coming more clearly within the purview of this principle than the lumber schedule, when considered in connection with all the facts set out in the resolution.

I am sure that you can support the resolution with perfect consistency and with unanswerable logic from your political view point.

Yours, very truly,

J. A. TAYLOR, *President.*

In view of the approaching revision of the tariff, and disclaiming any purpose to consider partisan political questions, it is within the legitimate province of commercial organizations to consider changes in the law which affect commercial interests. Both of the present political parties of the country, and all the political parties of the past, have adhered to the policy of laying a duty on imports as a revenue measure, and it is, therefore, the settled policy of this country, by whatever political party administered, to raise a large part of the revenue through tax on imports. The present exigencies of the revenues do not permit of a reduction of income from customs source unless some other form of taxation, either direct or excise, is laid, and for this the public mind is not prepared. Under such a situation it is obvious that the proposed revision of the tariff will be more nominal than real, but, notwithstanding, there is a strong intimation from authoritative sources that the duty on lumber will be entirely removed, and inasmuch as the South produces one-half of the lumber supply of the country, and as the duty on lumber is now only \$2 per thousand, or about 12 per cent ad valorem, and is in fact as well as in theory a revenue tariff, it would be essentially inequitable to remove the tariff on lumber while leaving undisturbed practically all other schedules. The situation can be analyzed as follows:

First. The need for revenue does not warrant the placing on the free list of revenue-producing articles unless some other form of taxation is to be substituted, which public sentiment is against.

Second. The duty on lumber being only about 12 per cent and being in fact on a revenue basis, there is no justification for disturbing this schedule on the ground of excessive rate. While the duty on lumber is only 12 per cent, the duty on articles that enter largely into the construction of sawmill plants, such as iron and steel, cement and building stone, are 40 per cent, 32 per cent, and 45 per cent, respectively, and there is no likelihood that these schedules will be materially reduced or reduced at all. Moreover, while the average duty on iron and steel is 40 per cent, the duty on such articles as saws and the like are as great as from 65 per cent to 75 per cent, so that to cut these schedules in two would still leave a rate on these articles of 30 per cent above the rate on lumber.

Third. The markets for southern lumber, and especially the low grades, such as are produced from the short leafpine, are principally in the Northern States, which, being remote, subject shipments to a high freight rate; and to remove the duty from lumber would, because of the proximity of Canada to these northern markets, introduce ruinous competition with southern mills.

Fourth. To remove the duty from lumber would force southern mills to the manufacture of higher grades of goods, thus at once rapidly depleting the long-leaf timber supply and leaving unutilized the cheaper grades, which, unless used promptly, would in many cases mean a total loss of this property.

Fifth. There is perhaps no article in the tariff schedules which touches so numerous an interest as that of lumber. Every farm in the cotton belt of the Atlantic States and of the Gulf is directly affected. This view of the matter is distinguished from the character of ownership in such schedules as steel, ore, coal, etc., in which interests are largely concentrated; and where the disturbance of a condition affects so large an area and so numerous interests, the public well-being forbids the dislocation unless a serious evil is to be remedied thereby.

In consideration of the foregoing statement of facts and conditions, it is—

Resolved by the Wilmington Chamber of Commerce:

First. That in view of the preamble herein set out there is no justification for removing or changing the present duty on lumber.

Second. That a copy of this resolution be forwarded to our Senators and Representatives in Congress, with the request that they use their influence to defeat any change in the lumber rate.

Third. That we believe that in making this request of our Senators and Representatives we are asking nothing of them that they can not conscientiously grant and, in granting, render a service alike to the public revenues and legitimate industry.

SOUTH CAROLINA WANTS PROTECTION FOR CLAYS.

AUGUSTA, GA., November 20, 1908.

Hon. SERENO PAYNE,
Chairman Ways and Means Committee, Washington, D. C.

DEAR SIR: For nearly twenty years I have been interested in the clay business at Langley, S. C., and on account of the very low duty and the fact that they bring English clays in as ballast, it has virtually put us out of business.

We understand that these clays are washed clays of Cornwall, England, which can be manufactured very cheap, and it is very hard indeed for us to compete with these clays, considering the amount of earth that is removed, the high price of labor, and the higher freight rates that we are forced to pay. It reduces our profits on these goods to a minimum, and for the last few years our company has been unable to make a dividend on account of the low prices which was brought about by competition of these English clays.

Such being the case, I beg to ask that you will not reduce the tariff on the English clays, but will raise same at least \$1 per ton. Thanking you for your assistance in this matter, I remain,

Yours, truly,

THE T. G. LAMAR KAOLIN COMPANY, OF LANGLEY, S. C.
By J. S. NIXON, *Secretary and Treasurer.*

TENNESSEE WANTS PROTECTION FOR LUMBER, BARYTES, AND TANNING EXTRACTS.

[Extract from statement of H. E. Graves, Bristol, Tenn.]

Germany and Nova Scotia have just about put all the mills and mines of Virginia, Tennessee, and Kentucky out of business. There is no possible chance for us to compete with the foreigners and their cheap labor and who are getting a rate by water to New York and Philadelphia of less than one-half of any rail rate we can get. I am frank to say to you that if we can get a duty placed upon foreign barytes and its products it would mean millions of dollars to east Tennessee and southwest Virginia, both sections having large and valuable deposits of the finest barytes on the American Continent, but can not be worked, owing to the tremendous amount of foreign material coming to our shores without duty.

[Extract from statement of J. M. Greer, Knoxville, Tenn., advocating retention of present duties on timber and lumber.]

With all due deference to the opinion of the politicians to the contrary, I will say that the South needs, should have, and the people want protection for their timber and lumber. Excepting cotton, it is the largest asset they have to-day.

PRECIPITATED CARBONATE OF BARYTA.

WILLIAM D. GILMAN COMPANY,
Sweetwater, Tenn., November 25, 1908.

To the honorable Committee on Ways and Means.

GENTLEMEN: We have been engaged in the manufacture of precipitated carbonate of baryta, as well as mining crude barytes, native sulphate. On November 16, 1901, the Board of General Appraisers held that the precipitated carbonate of baryta was dutiable at the rate of 25 per cent ad valorem as a chemical compound under the provisions of paragraph 3 of the act of July 24, 1897, which requires that all chemical compounds not specifically provided for in this act shall be assessed 25 per cent ad valorem. Soon suit was brought by Gabriel & Schall in the southern district of New York, the court reversed the decision of the board (T. D. 24331), holding that the said article was free of duty under paragraph 489 of said act, and we were compelled to discontinue the manufacture of precipitated carbonate of baryta, as we could not meet the price of German goods coming in free of duty. Our factory stood idle from May, 1902, until July, 1907, when the Treasury Department instructed (see T. D. 27525) the collector of customs at New York to assess duty again upon precipitated carbonate of baryta at the rate of 25 per cent ad valorem under paragraph 3 of the act of July 24, 1897. We at once resumed the manufacture, but Gabriel & Schall again protested, and on March 31 the board very unwillingly sustained the protest on the doctrine of "stare decisis," stating at the same time: "As an original proposition our conclusion would have been different." (See No. 18633, Lunt, General Appraiser, Mar. 31, 1908.) The Treasury Department up to last May (4th) was still levying duty on precipitated carbonate of baryta. We are still running our plant, but we find it quite impossible to meet the German goods on account of the importers largely evading the duty by undervaluation. We ask that your honorable committee recommend a duty of \$10 per ton on the precipitated carbonate of baryta, the same rate as is now in force on the precipitated sulphate of baryta or blanc fixe. Also, that you give us protection on crude barytes of \$5 per ton instead of 75 cents, the present duty. We assure you that German crude barytes ore is laid down in New York and Philadelphia, including the duty of 75 cents, for \$6 to \$7 per ton, while the freight alone from our mines is \$5.25 per ton. The Germans sell their ore for a good price in their home market and use us for a dumping ground for their surplus ore.

We are producing chemicals never before made in the United States, and the Germans are selling in this market at a lower price than they do at home in order to try to run us out. We only ask this duty in order to force them to sell at the fair market price, and do not ask any more than enough to protect our investment of \$200,000, so that we can manufacture our goods at a fair profit and furnish a supply to our home trade. Most paint manufacturers and color makers who have appeared before your honorable committee have, I see, expressed themselves as desirous of seeing the barytes industry enjoy the same protection which has enabled other lines of manufacturing business to be developed in this country. The writer has for the past twenty years devoted his time to the study of this business and is in a position to manufacture all the compounds of baryta which are at this time imported, and this to the advantage of many lines of business which make constant use of them. I can not make these goods (except at a loss) without the duty asked for, and will have to quit, leaving many men idle and at a great loss to ourselves. Nay, more, we can not sell our crude ore in New

York and Philadelphia, which are our largest markets, without more duty. In five years the German imports of ore have risen from 7,000 tons to 20,544. The last is about 25 per cent of the amount used in this country. I wish that it was in my power to impress on you gentlemen that the statement here made is the truth and not dictated by a desire to get an unusual or unfair profit. If you will give us a fair and reasonable protection here asked for, we will develop a business which will give employment to many thousand farmers, teamsters, and workmen, and be a growing benefit to several sections of our country. Respectfully submitted,

WILLIAM D. GILMAN COMPANY,
By W. D. GILMAN, Vice-President.

EXHIBIT A.

Barytes factories in United States: Missouri 4, Illinois 1, Kentucky 3, North Carolina 1, Virginia 4, Tennessee 3, New York 1; total, 17 factories.

NOTE.—The New York factory is the smallest, and is owned by a company in Canada using ore from their mine; do not think it has been successful.

Amount paid for labor by miners and shippers of barytes: 1905, \$148,803; 1906, \$160,367; 1907, \$291,777.

This shows a growing business with a healthy increase. The \$9,621 tons mined in 1907 was 75 per cent of the amount used in the United States that year.

We have ample ore to supply all the home trade and our quality is equal to the best imported. The duty asked for will work no hardship to any user, but will tend, by giving a steady market, to open up new mines and enlarge the output of old ones. Competition will in time result in lower prices.

In 1907 there were imported into the United States barium compounds valued at \$357,117. At least two factories are being put into position to manufacture these goods if protected by duty.

HON. NATHAN W. HALE, M. C., SUBMITS LETTER OF C. E. LUCKY, OF KNOXVILLE, TENN., RELATIVE TO TANNING EXTRACTS.

KNOXVILLE, TENN., December 14, 1908.

HON. NATHAN W. HALE, M. C.,
Washington, D. C.

MY DEAR SIR: A very important question affecting the tannic acid people will come before the Committee on Ways and Means this week, probably Wednesday or Thursday, which, as you know, is holding daily sessions, hearing different persons upon the tariff scale. They will take up the tannic acid question, as I understand, about Wednesday or Thursday of this week.

Within the last ten years there has been two or three million dollars invested in tannic acid plants in east Tennessee. There is a plant at Newport; a plant here at Knoxville, run by the two Obernes (both of whom voted for you); a plant at Tellico Plains, Monroe County; and a plant at Bristol, Tenn. All of these plants are vitally interested in the protection given tannic acid and other leather-manufacturing acids. The Dingley tariff only levies an import of one-half cent per pound on foreign extracts, seven-eighths cent per pound upon bark extracts, and five-eighths cent per pound upon other wood extracts. The importation of what is called "quebracho extract," subject to a duty of only one-half cent per pound, is now threatening and endangering all the tannic acid plants in Tennessee, North Carolina, Virginia, and West Virginia. This quebracho is from a tree grown in South America and is much richer in tanning qualities than either the chestnut or chestnut oak, and unless this duty of one-half cent per pound can be raised to 1 cent per pound every tannic acid plant in this State will be endangered, and it is now seriously affecting all of them. Germany gives her tannic acid people a protective duty of 1½ cents per pound, while, as before stated, ours have a protection of only one-half cent per pound.

You could not do anything that would strengthen you more in east Tennessee than to help these tannic acid people, who will be in Washington Wednesday or Thursday. The manufacture of tannic acid is almost all done south of the Ohio, and these southern people are wanting protection, which, I fear, the Democrats will not help them get. I hope you can help them before the Ways and Means Committee this week.

Yours, very truly,

C. E. LUCKY.

CYRIL F. HERFORD, TELlico PLAINS, TENN., ASKS FOR INCREASED PROTECTION FOR TANNINS.

TELlico PLAINS, TENN., December 18, 1908.

HON. SERENO E. PAYNE,
Chairman Ways and Means Committee,
Washington, D. C.

SIR: I have been requested by the Tellico Extract Company, of this place, who manufacture tannic acid from native chestnut, to address a letter to you as to the question of what influence the industry has had on this particular section, etc. It may be proper to state that I am peculiarly conversant with the proposition, as my company has sold to this local factory some 20,000 acres of such stumpage as is used by them, and I personally was instrumental in their introduction to this section. Having already sold them the stumpage, we are personally not as much interested, from the pecuniary point of view, as if we were still trying to sell to them, but until the advent of this concern (with a very large investment) the situation as regards labor and use for this wood was that any kind of rough labor could be hired for from 75 cents to \$1.25 per day, and to-day the same labor is in full demand at \$1.50 minimum. The chief use for a great many old tracts of mountain lands, which have been cut over for saw stumpage, has been and is for chestnut by the cord for extract, and this is the same all over the mountains of eastern Tennessee. Nearly every small farmer and landowner has some small or scrub chestnut, which to-day has a market in addition to the uncut chestnut tracts, and while we are in favor of conservation of timber resources, yet to a practical owner the position of the extract business using chestnut is by no means the same as that of the owner of saw stumpage or large timber.

The chestnut grows up and reproduces itself once in every few years for extract purposes, and to-day the extract company are re-cutting on lands which they cut over five years ago, with about the same result.

We regard it as very important that sufficient protection should be afforded the users of this wood, particularly in competition with foreign producers, and the fact that most of these mountains have

their value as producers mainly from chestnut and other timbers, and that most of the rough population here are to-day employed in various capacities in cutting, hauling, and getting out the wood, is a very practical question to our section.

Again, the same point of view is applicable to all other immediate sections where timber grows under the same conditions, and it must be remembered that the chestnut used and paid for is cut down to a very small size, as low as 4 inches. This of itself will explain why so many farmers are dependent to a large extent on this industry who are not owners of large timbers.

As regards the hemlock-bark part of the extract business, the argument is still stronger, as this bark would, when the trees are cut down for saw timber, go to waste unless peeled and used as a by-product for extract, and in this way is a direct saving of resources.

When the Tellico Extract Company first proposed coming in this section the only employment was from sawmills and small mountain farms.

These mills cut only the large timber and very little chestnut. It was therefore apparent that a small owner could not look for more value from his mountain lands when the cream of his large saw timber was cut.

The completion of this plant and other kindred extract plants changed this situation by taking the small chestnut down to 4 inches and giving employment in its delivery to the manufacturing point to numbers of hands.

This situation is apparently one that recurs once every five years, as it seems the average growth of small chestnut attains its size for this purpose every five years, and to anyone conversant with the mountain situation it is apparent that there are many lands that are either too steep or too poor to grow anything except such growths.

It is not necessary to multiply instances of these facts, but it is insisted that destructive competition in this industry would automatically shut off the means of employment and living, to say nothing of improved conditions, from thousands of poor people living in these hills, and with this statement of fact the foregoing is respectfully submitted.

Yours, truly,

CYRIL F. HERFORD.

LUMBERMEN'S CLUB OF MEMPHIS, TENN.,

January 16, 1909.

HON. C. BASCOM SLEMP, Washington, D. C.

DEAR SIR: Inclosed herewith I hand you copy of resolutions regarding the proposed reduction in tariff on lumber adopted at the last meeting of our club on January 2.

For your information, I beg to advise that the Lumbermen's Club of Memphis, Tenn., comprises a membership of 172, all of whom are representative manufacturers and dealers in hard-wood lumber in Memphis and vicinity. This membership represents in the aggregate a vast investment and an enormous volume of business, being the largest local organization of its kind in the country.

The inclosed resolutions present, I believe, the unanimous sentiment of this club toward the proposed change in tariff on lumber.

I recommend this matter to your most careful consideration.

Respectfully, yours,

J. W. McCLURE,
Secretary and Treasurer.

RESOLUTIONS ADOPTED BY THE LUMBERMEN'S CLUB OF MEMPHIS.

Whereas the members of the Lumbermen's Club of Memphis have been advised of an effort to reduce the tariff on lumber:

Whereas the past year having been one of great hardships and unremunerative to all lumber manufacturers, any reduction is bound to increase these hardships:

Whereas 50 per cent of the lumber produced in this territory is of low-grade character, and any further hardship imposed will be offset by permitting at least 30 per cent of this low-grade lumber to remain on the land, to the great detriment of labor, merchants, and communities in general:

Whereas the average per cent of duties on all commodities imported is 42 per cent, while on lumber it averages 15 per cent:

Resolved by the Lumbermen's Club of Memphis: That the secretary of this club be instructed to convey to the chairman of the committees of Congress and its Members its opposition to any alteration in the present tariff, believing that this works no hardship to the consumers of lumber.

Resolved, That copies of this resolution be forwarded to all Members of Congress whose districts are producers of lumber.

JOHN T. WILLIAMS & SON,

Bristol, Tenn., January 2, 1909.

HON. C. BASCOM SLEMP,

Committee on Accounts, House of Representatives,
Washington, D. C.

DEAR SIR: I have delayed answering your letter of December 17, further than the acknowledgment of its receipt, owing to the fact that our Mr. John T. Williams, the senior member of our firm, is in New York, and I wished to refer the matter to him before making a definite reply.

You speak in this letter of the "barytes interests," and, as you probably know, this business might be divided, broadly, into two classes—one the mining and manufacture of what is known as "manufactured barytes" or "ground barytes" and the other the manufacture of the various "barium salts." We are practically the only people manufacturing barium salts in this country. Ground barytes, or, as it is called, "manufactured barytes," we also make, and this is also made largely in St. Louis and in several places through North Carolina and southwestern Virginia. With us the manufacture of the ground barytes has been almost entirely discontinued, in consequence of the fact that the German product is brought into the United States at so low a price. The other manufacturers in St. Louis and at the different points in North Carolina and Virginia have also felt the effect of this competition from abroad and have taken up the question of a duty on this material very earnestly, hoping to get the Ways and Means Committee to recommend a duty of \$5 per ton on the crude ore and \$12 per ton on the ground ore or manufactured article. The duty on these two at present is 75 cents per ton on the crude ore and \$5.25 per ton on the ground or manufactured barytes. We were asked some time ago to join with the manufacturers in St. Louis in a petition to have this higher duty imposed, and also a duty of \$25 per ton on all barium salts.

We have not taken this action with them, as at about this time we received your letter and, appreciating the interest that you have taken in this matter, preferred to take it up direct with you. We do not believe

that a duty of \$5 per ton on the crude ore and \$12 per ton on the ground barytes would be at all excessive, and it would tend to give the bulk of the business to the home manufacturers and would very materially increase the amount of ore produced in Missouri, Virginia, Tennessee, North Carolina, and Georgia. The cost of producing this ore is almost entirely labor, and if the above duties were imposed, instead of this industry languishing, at it does at the present time, we believe that it would start up the production of barytes and there would be a great deal of activity in the districts mentioned above in consequence of the shutting off of some of the foreign competition. You will understand, of course, that in order to get the crude ore or manufactured product to the market, which is largely in the Eastern States, at such points as Boston, New York City, Philadelphia, Baltimore, etc., the product has to stand a railway freight of from \$4 to \$6 per ton, while the foreign product is landed at these various ports with only the water transportation, and this is a low item of cost, as it is largely brought over for the purpose of ballast.

BARIUM SALTS.

Of these there are several made, as follows: Chloride of barium, blanc fixe, carbonate of barium, binoxide of barium, and lithopone.

Lithopone is a combination of 70 per cent of barium sulphate and 30 per cent of zinc sulphide.

The duty on the foregoing barium salts is as follows:

Chloride of barium, 25 per cent ad valorem; blanc fixe, $\frac{1}{2}$ cent per pound; binoxide of barium, 25 per cent ad valorem; lithopone, $1\frac{1}{2}$ cents per pound.

On the carbonate of barium we are not certain as to the correct duty. We have not produced any carbonate, but are contemplating the production of the same. At the present time we believe there is a suit between the Government and some of the importers as to the correct amount of duty on the carbonate. The importers, we believe, claim that the correct duty on the precipitated carbonate of barium should be the same as on the crude ore, which is called "witherite," and which is also a carbonate of barium, but not suitable for the same purposes as the precipitated.

As we mentioned above, the St. Louis manufacturers asked us to join them in a petition asking for \$25 per ton on all barium salts. We do not consider that such a duty is necessary, nor that it would be wise to ask Congress for such an increase. We do believe, however, that the duty on blanc fixe, chloride of barium, and carbonate of barium should be 1 cent per pound and on the binoxide 40 per cent ad valorem; while the duty on lithopone of $1\frac{1}{2}$ cents per pound we consider to be ample. No binoxide of barium is manufactured in this country at the present time, and unless the duty is increased it will not be manufactured here. The cost of this, as well as of the other barium salts, is largely in the labor item, which, of course, in Germany and England is much cheaper than here. In regard to the carbonate of barium precipitated, we believe that the duty should be the same as on the chloride of barium and blanc fixe, and that all of these should be raised to 1 cent per pound. This would encourage the manufacture of these articles here, but the duty on the crude carbonate of barium, or "witherite," we should say would be ample at \$12 per ton. This latter ore is not produced in the United States in any appreciable quantity, and where it has been found it has been difficult of access and occurs in small quantities, so that it will not be handled in this country unless it is protected against the German product, which is mined cheaply near the seacoast and brought over here as ballast at a very low rate of freight.

In reference to your inquiry as to the extent of the deposits in southwest Virginia, I do not know exactly what kind of an estimate you would like to have on this. There are deposits of barytes all along the line of the Norfolk and Western Railway from Bristol to Pulaski, which were worked several years ago, but which are not now worked, principally owing to the fact that the deposits are small, and the labor cost, at the present price of ore, renders it prohibitive to work this section. There are quite extensive deposits on the Clinch Valley division of the Norfolk and Western from Tazewell to Norton, which have been worked by the Clinch Valley Barytes Company, located at Honaker, Va., and by the Tristate Mining and Manufacturing Company at Richlands, Va. There are also extensive deposits at, or near, Roanoke of low-grade ore, and there are quite extensive deposits located along the line of the new Tidewater Railroad, and, while we have investigated these, they are so located that at the present price of ore they can not be worked to advantage, being 3 to 4 miles from the railroad, which makes the item of hauling prohibitive at the present prices. There is no question that a large tonnage of ore could be mined through southwest Virginia if the conditions of the business were improved by a higher tariff.

We appreciate greatly the interest that you have shown in this matter, and I have written to the other manufacturers in southwest Virginia, notably the Clinch Valley Barytes Company at Honaker and the Tristate Mining and Manufacturing Company at Richlands, and to a number of property owners in regard to this same matter, but so far without reply from them, and assume that you may have taken the matter up direct with the other manufacturers.

Should you wish to take this matter up any further, or to have a clearer understanding than I may have given you in this letter of the conditions as they now exist, our Mr. Williams, sr., would be pleased to meet you at Washington to go over the matters with you. I would like to know also when this subject will come up again before the Ways and Means Committee, and if you would care to prepare a brief to submit to this committee, Mr. Williams would be glad to take the matter up in any way that you saw fit, or if you could submit a brief to him he would be pleased to go over it and make any suggestions that would seem to fit the case better from his practical knowledge of the subject.

As I assume that the time is short in which anything could be done, I would suggest that, if these suggestions appeal to you, you communicate direct with Mr. John T. Williams, sr., at 114-118 Liberty street, New York City.

Again assuring you of our appreciation of the interest you have taken in this matter,

Very truly,

JOHN T. WILLIAMS & SON.
JOHN T. WILLIAMS, Jr.

TEXAS WANTS PROTECTION FOR WOOL, COTTON, RICE, AND HIDES.

[Extract from statement of John G. Cawfield, Stockdale, Tex.]

If the cotton raisers living in Messrs. GARNER'S and SLAYDEN'S congressional districts would call their attention to their deplorable condition, they would defend them with the same zeal that they have shown for producers of horses, mules, cattle, and sheep. They heretofore

have shown that they intend to represent their constituents as best they could. They said if we are bound to have a protective tariff and it is a good thing we want our people to have all the benefit there is to be got out of it. Congressmen of other districts by their action seem to say we represent a principle regardless of the interest of our constituents or State. This article is offered for the consideration of the public and criticism of those so disposed. These are the views not of a trained writer, but one whom adversity has forced to think—a farmer.

[Extract from statements of Prosser & Le Min, of Sanderson, Tex., who think American woolgrowers are entitled to protection.]

We beg to submit the following statement in regard to the capital invested necessary to produce wool, for the purpose of showing that for raising wool (our finished product) there is as much capital invested in the "plant" in proportion to the product as the manufacturer invests in his plant. Moreover, we took hold of a waterless desert that had never been used, and that had paid no lease and very little taxes to the State and can never be used but for raising live stock, so believe we are entitled to protection for our industry.

Capital invested in sheep ranch in Terrell County, west Texas, 40 miles northeast of Rio Grande.

For 20,000 acres patented land, with improvements consisting of five 600-foot wells and reservoirs, buildings, shearing plant, corrals, etc. (with 40,000 acres land leased, mostly from the State)-----	\$50,000
14,000 head merino sheep, with wagons, horses, etc., necessary to run same-----	50,000
Total invested-----	100,000

[From tariff hearings.]

PIERCE, TEX., November 13, 1908.

Mr. S. LOCKE BREAUX,

New Orleans, La.

MY DEAR SIR: Replying to your favor of 10th instant, regarding the cost of making a rice crop or crops, I beg to give you the following, which, as you are fully aware, is compiled from a thorough system of bookkeeping. Some eight years ago I planted the first crop in this section, close to the town of Bay City. From that year until the present time I have increased my acreage, until at present I have in about 4,000 acres. Taking as a guide the past four years and on a land valuation of \$40 per acre, which is conservative seeing that land is changing hands round here at from \$40 to \$50 cash, I hand you the undermentioned figures which I hope will be of service to you:

	Per acre.
Interest at 8 per cent on \$40 land-----	\$3.20
Cost of breaking land-----	2.00
Cost of preparing and seeding-----	2.00
Cost of seed-----	1.50
Cost of water rent-----	6.00
Cost of levee hand-----	1.00
Cost of cutting-----	2.00
Cost of shocking-----	.75
Cost of twine-----	.25
Cost of sacks-----	1.00
Cost of thrashing-----	3.50
Cost of hauling-----	1.00
Cost of warehouse rent for one month-----	.55
Total-----	24.75

The land during the past five years has averaged barely 9 sacks to the acre per annum, the average having been cut down by the loss of last year's crop. Owing to bad harvest weather last year we only made 5 sacks per acre. Of course I think it quite probable that a man will lose one crop in four, owing to bad weather, storms, etc., and I count myself lucky in not having more rice.

In the last four years I have disposed of my crop at prices varying from \$2 to \$4 per barrel, but in every case I have had to hold my rice for several months before I got my price. My selling price, less warehouse charges, for four years averages \$3.20. Roughly speaking, the profits have been \$4 per acre per annum, and, with the interest on land, which in my case is a revenue, leaves an income of about \$7.20 per acre. I have just completed a large pumping plant to water about 10,000 acres of my own land, but, to be candid with you, if the tariff is in any way reduced I will never turn a wheel.

Yours, very truly,

A. P. BORDEN.

[Extract from brief of argument against putting cattle hides on the free list, by S. H. Cowan, representing the Cattle Raisers' Association of Texas.]

The Cattle Raisers' Association of Texas is composed of cattle raisers throughout the Southwest, in Texas and the trans-Missouri States and Territories.

We oppose placing hides on the free list. We demand equality of opportunity.

VIRGINIA WANTS PROTECTION FOR PEANUTS, TOBACCO, BRIAR ROOT, PIG IRON, IRON ORE, GYPSUM, BARYTES, LUMBER, AND COAL.

[Extracts from statements of Mr. J. P. Holland, of Franklin, Southampton County, Va.]

Mr. HOLLAND. Colonel Day was asked if he was a protectionist. I am one of those fellows that has objected to protection, but I am converted, not altogether on the theory that protection is right, but that protection is here to stay; that pig iron and all the other products of all the other parts of the United States are protected, and that their labor is protected, and that this labor is as sacred and has as much right to be protected as your labor, or our labor, or any other labor.

[Extract from statements of Mr. E. J. Raiford, Conley, Va.]

We want to have 2 cents placed on the foreign nuts, so we will be able to get a living profit and induce our boys to stay on the farm and help to develop our lands and build up home industry. I believe the revenue on foreign nuts will be just as much, and our own country will be built up more.

[Extracts from statements of Mr. Day, of Virginia.]

Mr. UNDERWOOD. I wanted to ask you to look at it from the standpoint of this committee, where there is some revenue expected out of the proposition. If we make the duty higher, where would the revenue come from?

Mr. DAY. I am not interested in the revenue. We want protection.

Mr. UNDERWOOD. You want protection, even if we do not get any revenue?

Mr. DAY. Yes, sir.

Mr. UNDERWOOD. If we apply that proposition right along the line, to every manufacturing business, we will probably have to build a Chinese wall around the United States and levy whatever tax might be necessary.

Mr. DAY. The importation of peanuts is very small, and the revenue would be very small; but the effect on the peanut farmer is very great.

Mr. DALZELL. Do you believe in a tariff for protection?

Mr. DAY. I want protection on peanuts. [Laughter.]

Mr. DALZELL. Do you believe in a tariff for the protection of anything else?

Mr. DAY. Well, yes; I must say I do.

Mr. DALZELL. You do?

Mr. DAY. Yes.

Mr. DALZELL. Then you are a protectionist?

Mr. DAY. No; I am not. [Laughter.]

Mr. DALZELL. To what extent are you a protectionist?

Mr. DAY. I believe that certain industries of the country ought to be protected.

Mr. DALZELL. What are they?

Mr. DAY. I think Virginia tobacco is one.

Mr. DALZELL. And you think Virginia peanuts is another?

Mr. DAY. Peanuts is another.

Mr. DALZELL. Anything else? Do you believe that any of the growers outside of Virginia ought to be protected? [Laughter.]

Mr. DAY. There are a good many things that grow outside of Virginia that are protected. [Laughter.]

Mr. DALZELL. But I ask you if you think that anything that grows outside of Virginia ought to be protected?

Mr. DAY. Why, yes; I reckon so. I can not tell what they are, though. [Laughter.]

Mr. DALZELL. What are they?

Mr. DAY. I can not tell what they are. [Laughter.]

Mr. DALZELL. But you think that an advance of 400 per cent and 300 per cent in protection for peanuts is a reasonable request to make of this committee?

Mr. DAY. I do.

Mr. DALZELL. That is all.

Mr. CLARK. If you will state what it is you want, I will ask you a few questions.

Mr. DAY. All right, sir.

Mr. CLARK. That is, if nobody else wants to ask them.

The CHAIRMAN. Proceed, Mr. Day.

Mr. CLARK. What is it you want, Mr. Day?

Mr. DAY. We want the tariff on peanuts put at 2 cents a pound.

Mr. CLARK. What for?

Mr. DAY. For the sake of protection.

SEPTEMBER 25, 1908.

Hon. C. BASCOM SLEMP,
Big Stone Gap, Va.

DEAR SIR: At the coming session of Congress I believe it would be worth your time and of value to your constituents to look into the matter of pipe blocks for making "French briar-root pipes." Formerly there was a large business in southwest Virginia and east Tennessee in the getting out and shipping of ivy roots for these pipe blocks, and one or two small plants in the same territory for cutting the roots into pipe blocks. The chief item of revenue was to the local people in the mountains in getting out, hauling, and selling these ivy roots. When the Wilson tariff bill was passed, as the writer is advised, these pipe blocks were put upon the free list, and since that they have been coming in from foreign countries cheaper than our people could get them out of the mountains, haul them to the railroad, and ship them. If there is an infant industry in the United States which needs a little protection and which would benefit the workman and farmer, it is this pipe-block business.

I would suggest that it would be well for you to discuss this question with Mr. W. P. BROWNLOW, as it affects his district as well as yours.

Yours, very truly,

W. E. MINGEA.

[Extract from statement of Mr. A. B. Carrington, of Danville, Va.]

Mr. CARRINGTON. At a recent meeting of the Tobacco Association of Danville the following preamble and resolutions were unanimously adopted:

"Whereas the importation of Turkish tobacco into this country has increased enormously in the last ten years and is being manufactured and sold in cigarettes in direct competition with the tobacco raised in Virginia and North and South Carolina; and

"Whereas the importation tax on Turkish tobaccos is so low that it does not appreciably affect the price at which they are sold in direct competition with Virginia and North and South Carolina tobacco; and

"Whereas the Turkish Government does not allow American tobacco to be imported into the Empire of Turkey, absolutely excluding same from her markets: Be it therefore

"Resolved, That a committee be appointed by the association to present these facts before the Ways and Means Committee of the House of Representatives, now in session at Washington, requesting them to increase the tax on Turkish tobacco imported into this country to the same duty now charged by this Government on the importation of Sumatra wrapper leaf."

[Henry E. McHarg, of the Virginia Iron, Coal, and Coke Company, asks retention of present duty on pig iron.]

NEW YORK, N. Y., November 30, 1908.

Hon. SERENO E. PAYNE,
Chairman, Washington, D. C.

MY DEAR SIR: In the published reports of the newspapers of the proceedings before your committee it has seemed to me steel and iron as affected by the existing duties have for the most part been considered as one subject, whereas, to my mind, the latter is upon a very different basis from the former, and it will be my endeavor in as concise a manner

as possible to give you, knowing full well your laborious duties, the reason why from my standpoint the present duty on pig iron should not be changed, and I would be glad to appear before your committee at any time after this week and to verify any statements made herein, or to answer any further questions the committee may desire.

This company owns nine blast furnaces—seven in the State of Virginia and two at Middlesboro, Ky. It owns and leases a large acreage of iron-ore lands, mostly in the State of Virginia, but some few of the properties are in Tennessee, Kentucky, and Georgia. It also owns approximately 950 coke ovens situated at Inman and Toms Creek, Va., and some 30,000 acres of coal lands in Virginia, and 80,000 or 90,000 acres of coal lands in Kentucky, these latter being mostly at long distances from the railroad, and all being undeveloped. We practically sell no coke, it being made and used in our furnaces in producing pig iron.

On February 6, 1901, I was appointed one of the receivers of the company by the United States court at Harrisonburg, Va. On January 1, 1903, all debts having been paid, the property was restored to the stockholders and I became president. The company has never paid any cash dividends to its stockholders. When our furnaces, ore mines, coke ovens, and coal mines are in active operation we employ from five to six thousand men, and figured on the basis of four persons to a laborer, furnish food, clothing, and a living for from 20,000 to 25,000 people. From July, 1906, to July, 1907, this company made 202,453 tons of pig iron, 394,791 tons of coke, and mined 1,166,445 tons of coal, and during this year—I have not the official figures at hand—I believe it to be very conservative when I make the statement that we paid out for labor alone between \$2,000,000 and \$3,000,000.

We use no foreign ores, and practically our entire consumption is furnished by mines in three States—Virginia, Tennessee, and Georgia—in the past, probably 95 per cent Virginia alone. With few exceptions our ores are washed; in some cases it takes 20 cars of material in its natural state to produce 1 car of iron ore that will assay 45 to 50 per cent metallic iron, and our cost for making pig iron for the period named, from July 1, 1906, to July 1, 1907, was \$14.11.

At Roanoke, where we have two furnaces, is our nearest point to tide water and to points in New England, where 40 to 50 per cent of our iron finds a market. Our average railroad rate to New England points is \$4 per ton; from Radford and Pulaski, which are 60 to 75 miles farther west on the Norfolk and Western road, our rate is 25 cents additional, and from Max Meadows and Bristol, which are, respectively, about 100 to 125 miles farther west from Roanoke, the rate is 50 cents additional. At each of these places we have one furnace, and considering the additional distance and additional haul, the above rates are fully justified; in fact, although our all-rail rate to New England, in which way 95 per cent of our shipments are made, averages about \$4 per ton. It is practically a haul of 800 miles, which gives the railroad but 5 mills per ton per mile, and is as low as the business can be expected to be handled.

Let us look now to the foreign market for iron. The New York papers give the quotation as 49s. 6d.; this is practically \$12. It is well known that it is a habit for vessels bound to the West from England, Belgium, Germany, and France, bound for Boston, New York, Philadelphia, and Baltimore to come largely in ballast, the rate by Cunard Line being lately quoted \$1.22 per ton from Liverpool to New York. They will take iron or any other heavy commodity as freight for whatever rate they can obtain, for outside of the handling whatever sum they receive is all gain. They can, therefore, put English iron down at our ocean ports, irrespective of the \$4 duty, at about \$14 a ton, a price less than our cost prices for the year referred to at our furnaces in Virginia. This is the basis of my argument: That it is unfair, under conditions which prevail owing to subsidies bound by some foreign nations to their mercantile marine, and the known bulky nature of our exports to England, Belgium, Germany, and France, creating as it does a large proportion of empty cargo room in vessels bound to the States from above countries, and that therefore the rate on freight shipments bound west bears no proportion to the actual cost of carrying the same, but simply results in an unfair competition, which in the case of pig iron needs fully the present duty of \$4 per ton to place our manufacturers on an equal footing.

Our company has from \$10,000,000 to \$15,000,000 invested in furnaces, ore mines, coke ovens, and coal lands; we give a living to 20,000 or 25,000 people when our plants are in active operation, and have from the different agitations lost money in the past eighteen months in common with the majority of our fellow-citizens. After the presidential election we enjoyed for two weeks the best market for iron since April, 1907, since which time these hearings began and newspapers reported the same, sales have stopped, and a relapse is once more in full force. It is hardly necessary to remind your committee that the wages paid in our furnaces are double those of England, Belgium, Germany, and France for common labor. That our maritime laws very justly reserve to American bottoms the coastwise trade, which precludes our shipment by water north from Norfolk, except at rates as measured by distances six or seven times greater than England or Norwegian tramp ships will bring it from foreign ports. There can never be a combination of pig-iron producers; they are too many in number and their location and condition surrounding them are so widely different, and because iron is the basis of steel. Should the interest of those that have their money invested in the production of the former be punished for the sins of the latter, which in some lines of production are controlled by a few companies and individuals of large means?

As long as present hard times and depression exist in England, Belgium, and Germany, and prices of iron remain there as at present, I believe any reduction of duty on pig iron will compel us to close our entire operations, with the exception of our coal mines, throwing necessarily a large number of worthy American workmen out of employment.

After Mr. McKinley's election in 1896, the ten years following gave this country, its business men, its farmers, and its laborers, such prosperity and wages as the most optimistic would hardly have conceived. Let well enough alone. Certainly any lowering of duty on pig iron will be an unjust discrimination against those citizens who have their money invested in furnaces and ore lands in our own country and who employ a large force of employees mining and manufacturing the same.

Very truly, yours,

HENRY K. MCHARG.

P. S.—Since the above I have received from a large importing firm the following statement:

"In 1906 and 1907 we chartered nine steamers with pig iron from Middlesboro, England, and to New York, Philadelphia, and Baltimore, and the highest rate paid was 6 shillings and 9 pence—the lowest 6 shillings. Ocean freights are lower now than they were then."

ALEXANDRIA, VA., November 20, 1908.

CHAIRMAN WAYS AND MEANS COMMITTEE,
United States Congress, Washington, D. C.

DEAR SIR: I desire to request, on behalf of myself and others interested with me in the production and shipment of baryta in eastern Tennessee, that there be a tariff of \$5 per ton placed upon baryta imported from other countries. This is made necessary in order to operate our mines at a fair and reasonable profit. We have the finest grade of ore, and have been compelled to produce this ore and deliver same in market at a loss in consequence of foreign competition. By reason of this competition we have not been able to ship any ore to market for the past two years.

Very truly, yours,

J. F. DOHERTY.

[Extract of statement of George E. Roberts relative to gypsum.]

Mr. ROBERTS. I would like to say in addition and in conclusion, referring to this mill in Virginia that has been built within the competitive territory reached by foreign plaster: The plaster manufactured from foreign rocks goes all along this coast and back for some distance, and the Virginia gypsum comes in direct competition with it. That industry has been put there within the last year, a building and a little community of several hundred people where there was absolutely nothing before, and the removal of the duty on gypsum would very seriously imperil that enterprise and others like it along the coast that have been established under the policy adopted in 1897.

THE MEADOWS STOCK FARM,
Abingdon, Va., March 5, 1909.

Hon. C. BASCOM SLEMP.

DEAR SIR: I am sending you a paper from the Plaster Manufacturing Association, giving a tariff showing of conditions connected with the plaster business of the United States at this time. It speaks for itself, and representing our district, in which lies the only gypsum or plaster deposit in Virginia, it is respectfully submitted for your consideration. With cheaper labor and all-water transportation, it should seem apparent that the present tariff of 50 cents per ton affords but little protection to the home manufacturers in competition with Canada.

Yours, very truly,

FRANK S. ROBERTSON,
President Buena Vista Plaster Company.BOARD OF TRADE AND BUSINESS MEN'S
ASSOCIATION OF NORFOLK, VA.,
January 30, 1909.Hon. C. BASCOM SLEMP, M. C.
House of Representatives, Washington, D. C.

SIR: The attached resolutions, which are self-explanatory, are submitted to you for your kindly consideration.

Yours, very truly,

JOS. A. HALL, Secretary.

Whereas the question of placing lumber on the free list is now being considered by the honorable Ways and Means Committee; and

Whereas the Board of Trade and Business Men's Association of Norfolk, Va., feels a keen interest in an industry which is of such import to this section: Therefore be it

Resolved by the board of directors of the Board of Trade and Business Men's Association (in special meeting assembled) this 29th day of January, 1909, That our Senators and Representatives in Congress be, and are hereby, requested to use their best efforts to prevent the unjust discrimination against the lumber trade which would result from removing or still further reducing the present low tariff on lumber.

Resolved further, That they be, and are hereby, requested to call attention to the following facts in this connection:

First. That the present tariff on lumber is only 11 per cent, while the tariff on other heavy building material, with which lumber comes in competition, ranges from 32 to 45 per cent, and the present duty of 11 per cent is strictly a tariff for revenue only. This disparity becomes even more striking when the extremely heavy duty on the articles necessarily used in the manufacture of lumber is considered.

Second. That practically one-half of the total lumber output of the United States comes from the South; and from this market alone there is handled more than 600,000,000 feet annually, by far the largest amount handled by any other city on the Atlantic seaboard; and with these facts in view, the injury to the allied industries, as well as to the lumber trade, if the tariff is removed or lowered, would be disastrous to this entire section.

Third. That the parts of the United States that consume rather than produce lumber will not be materially benefited, as past experience has shown that the foreign lumber owners, importers, and middlemen, rather than the consumers, are the only ones that will profit by such changes.

Fourth. That conservation of the forests will not be promoted, as tariff removal or reduction will affect almost exclusively the lower grades, which are manufactured from the tops and slabs of the trees, so that practically the same number of trees will be cut down, the only difference being that those portions that can no longer be marketed at a profit will be left to decay and meanwhile increase the fire hazard to the young growing timber.

Fifth. That the net result of the removal or further reduction of the tariff on lumber will be to help foreign labor and the foreign manufacturer at the expense of our own local manufacturers and domestic labor, without benefiting consumers anywhere in the United States, and to cause waste instead of conservation of our forest resources.

AKERS LUMBER COMPANY (INCORPORATED),
Lynchburg, Va., February 11, 1909.

Hon. CAMPBELL SLEMP, Washington, D. C.

DEAR SIR: Referring to the lumber tariff now being agitated by Congress, beg to say that if the tariff is removed it will seriously affect the lumber industry of the entire South, and we earnestly recommend that the present tariff be retained. Lumber is probably the greatest industry of the Southern States, affording the greatest tonnage to the railroads and giving employment to a large number of persons. We don't think the removal or reduction of the present tariff would benefit anybody but the Canadian manufacturers and timber holders.

The latter, we understand, constitute the rank and file of the National Forest Conservation League, which is spreading broadcast over the United States reasons why the duty on lumber should be removed.

We understand the present duty of \$2 per thousand on lumber amounts to only an ad valorem tariff of about 12 per cent, in comparison with 40 per cent on iron and steel, 32 per cent on cement, and 45 per cent on building stone, all of which enters largely into competition with lumber for construction purposes, and as this 12 per cent ad valorem tariff on lumber is so much lower than all other articles coming into competition with it in reality it amounts only to a tariff for revenue.

If the tariff is removed, Canada and her provinces will monopolize the lumber trade in the Northern, New England, and Middle States, thus depriving the lumbermen of Virginia, North Carolina, and South Carolina of their best markets.

We trust it will be your pleasure to cooperate with us to the extent of using your influence to prevent any modification whatsoever of the lumber schedule of the present Dingley tariff.

Very truly, yours,

AKERS LUMBER COMPANY.

STONEGATE COKE AND COAL COMPANY,
Philadelphia, Pa., March 22, 1909.Hon. C. B. SLEMP,
Room 290, House of Representatives,
Washington, D. C.

MY DEAR MR. SLEMP: If the provisions of paragraph 424 of the proposed tariff bill are enacted by Congress, Nova Scotia coals will unquestionably drive a large tonnage of Virginia and West Virginia coal from the North Atlantic seaboard. It is problematical how far south Nova Scotia coals will go. I believe that Virginia, West Virginia, and Pennsylvania will be more seriously affected if the duty is removed from bituminous coal than will any other coal-producing States. Pennsylvania and probably West Virginia will find an increased market for coal in Canada, via the Lakes, should the reciprocity feature of the proposed bill become operative. Because of its geographical situation, Virginia will be unable to profit by the lake coal trade with Canada, and it will be a direct and heavy loser by reason of reciprocity with Canada. I therefore believe it to be vitally important to the coal interests of Virginia that the present tariff on coal be maintained.

Very truly, yours,

D. B. WENTZ, President.

Mr. SLEMP. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and Mr. McMORRAN having taken the chair as Speaker pro tempore, Mr. OLMSTED, 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. 1438, the tariff bill, and had come to no resolution thereon.

Mr. SLEMP. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 6 o'clock and 14 minutes p. m.) the House adjourned until 10 o'clock a. m. on Monday next.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 5467) to establish a freshwater mussel hatchery on the banks of the Clinch River, in the State of Tennessee—to the Committee on the Merchant Marine and Fisheries.

By Mr. FOSTER of Illinois: A bill (H. R. 5468) to amend an act entitled "An act to regulate commerce," approved February 4, 1887—to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of Georgia: A bill (H. R. 5469) fixing the pay of Senators and Representatives in Congress—to the Committee on Appropriations.

By Mr. COUDREY: A bill (H. R. 5470) regulating advertisements in interstate commerce or within the District of Columbia or Territories or dependencies of the United States, and prohibiting and providing penalties for such as are objectionable, pernicious, false, fraudulent, or misleading—to the Committee on the District of Columbia.

By Mr. SULZER: A bill (H. R. 5471) to create in the War and Navy departments, respectively, a roll to be known as the Volunteer officers' retired list, to authorize placing thereon with pay surviving officers who served in the Volunteer Army, Navy, or Marine Corps of the United States in the civil war, and who are not now on the retired list, and for other purposes—to the Committee on Military Affairs.

By Mr. BURKE of South Dakota: A bill (H. R. 5472) to allow certain persons who have made second homestead entries the right to commute—to the Committee on the Public Lands.

By Mr. HENRY of Connecticut: A bill (H. R. 5473) providing for a low common postal tariff on the local business of the free rural mail routes and for the reduction of the Treas-

ary deficit by placing the rural mail service on a paying basis—to the Committee on the Post-Office and Post-Roads.

Also (by request), a bill (H. R. 5474) to increase the national revenues by the reduction of the postal tariff on general merchandise and the consequent increase of postal business—to the Committee on the Post-Office and Post-Roads.

By Mr. MURDOCK: A bill (H. R. 5475) to secure the repayment of all money owing to the United States, repayment of which has been pledged—to the Committee on Ways and Means.

By Mr. WOODYARD: A bill (H. R. 5476) to authorize the Parkersburg Bridge Company to construct a bridge across the Ohio River connecting Parkersburg, W. Va., with Belpre, Ohio—to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5477) granting pensions to teamsters of the war of the rebellion, from 1861 to 1865, inclusive—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5478) granting an honorable discharge to the Independent State Scouts, or Guards, of West Virginia—to the Committee on Military Affairs.

By Mr. SIMMONS: A bill (H. R. 5695) to further protect the public health and imposing additional duties upon the Public Health and Marine-Hospital Service—to the Committee on Interstate and Foreign Commerce.

By Mr. HARRISON: A bill (H. R. 5696) making the 12th day of October in each year a legal holiday—to the Committee on the Judiciary.

By Mr. LAMB: A bill (H. R. 5697) providing for a military highway between the city of Yorktown, Va., and Jamestown, Va., via Williamsburg, Va.—to the Committee on Military Affairs.

Also, a bill (H. R. 5698) to authorize citizens of the District of Columbia to vote on an excise law—to the Committee on the District of Columbia.

By Mr. BURLESON: A bill (H. R. 5699) to provide for the erection of a public building at Lockhart, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5700) to provide for the erection of a public building at Taylor, Tex.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5701) to provide for the erection of a public building at Austin, Tex.—to the Committee on Public Buildings and Grounds.

By Mr. LAMB: Joint resolution (H. J. Res. 39) directing a suitable shaft to be placed at the grave of John Tyler—to the Committee on the Library.

Also, joint resolution (H. J. Res. 40) directing a suitable shaft to be placed at the grave of George Wythe—to the Committee on the Library.

By the SPEAKER: Memorial of the legislature of Hawaii, praying that it may have the power to legislate concerning the public lands of Hawaii—to the Committee on the Territories.

Also, memorial of the legislature of South Dakota, praying for legislation to provide for the sinking of experimental artesian wells on arid lands—to the Committee on Irrigation of Arid Lands.

Also, memorial of the legislature of South Dakota, praying for the reduction of the duty on lumber—to the Committee on Ways and Means.

Also, memorial of the legislature of South Dakota, praying for the establishment of a national park in the White River region—to the Committee on the Public Lands.

Also, memorial of the assembly of Arizona, protesting against the annexation of any part of the Territory to the State of Utah—to the Committee on the Territories.

Also, memorial of the legislature of South Dakota, praying for the cession of certain lands for the benefit of certain schools for Indians—to the Committee on Indian Affairs.

Also, memorial of the legislature of Minnesota, praying for national aid in the improvement of highways—to the Committee on Agriculture.

Also, memorial of the legislature of South Dakota, praying for the establishment of hospitals for the examination of persons intending to immigrate to America—to the Committee on Immigration and Naturalization.

Also, memorial of the legislature of Arizona, praying for an investigation with a view to improve the Colorado River for navigation—to the Committee on Rivers and Harbors.

Also, memorial of the legislature of Colorado, praying for an amendment to the Constitution to provide for the election of Senators by the people—to the Committee on Election of President, Vice-President, and Representatives in Congress.

Also, memorial of the legislature of Colorado, praying for legislation for the creation of a bureau of mines—to the Committee on Mines and Mining.

By Mr. FULLER: Memorial of the legislature of Wyoming, in relation to the provisions of the United States reclamation act—to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. ALEXANDER of New York: A bill (H. R. 5479) granting a pension to James Lee—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5480) granting an increase of pension to Martin Dell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5481) granting an increase of pension to John Wichterman—to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 5482) granting a pension to Daniel Weimer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5483) granting an increase of pension to Samuel Dine—to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 5484) for the relief of Josiah Williams—to the Committee on War Claims.

By Mr. CARTER: A bill (H. R. 5485) for the relief of Sabini Jones—to the Committee on Claims.

By Mr. CLINE: A bill (H. R. 5486) granting an increase of pension to George W. Sanders—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5487) granting an increase of pension to Leslie H. Kellogg—to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 5488) granting a pension to Richard Nelson—to the Committee on Pensions.

By Mr. COUDREY: A bill (H. R. 5489) granting an increase of pension to Oscar Messick—to the Committee on Invalid Pensions.

By Mr. COX of Indiana: A bill (H. R. 5490) granting an increase of pension to Peter Hoover—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5491) granting an increase of pension to Thomas J. Nolan—to the Committee on Invalid Pensions.

By Mr. DE ARMOND: A bill (H. R. 5492) granting a pension to Jacob L. Simmons—to the Committee on Invalid Pensions.

By Mr. FOSTER of Illinois: A bill (H. R. 5493) granting an increase of pension to Edward Furrow—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5494) granting an increase of pension to Edward Price—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5495) granting an increase of pension to Robert J. Andrews—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5496) granting an increase of pension to Alonzo L. Reed—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5497) granting an increase of pension to Christian Schonert—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5498) granting an increase of pension to Felix M. Wheat—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5499) granting an increase of pension to William Cook—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5500) granting an increase of pension to James A. Ashmore—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5501) granting an increase of pension to John T. McGaughey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5502) granting an increase of pension to John H. Speer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5503) granting an increase of pension to John Wingert—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5504) granting an increase of pension to Samuel B. Bowman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5505) granting an increase of pension to Thomas Hingson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5506) granting an increase of pension to John Gross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5507) granting an increase of pension to Bryant Higgins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5508) granting an increase of pension to Edmond W. Spear—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5509) granting an increase of pension to David Bowers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5510) granting an increase of pension to B. M. Laur—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5511) granting an increase of pension to John T. Mills—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5512) granting an increase of pension to James Fagan—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5513) granting an increase of pension to Simon P. Boyer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5514) granting an increase of pension to George M. Vincill—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5515) granting an increase of pension to Elisha R. Williams—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5516) granting an increase of pension to Henry Riley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5517) granting an increase of pension to Joseph M. Ashcraft—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5518) granting an increase of pension to John H. Steele—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5519) granting an increase of pension to Joseph Tewell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5520) granting an increase of pension to Daniel Brashier—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5521) granting an increase of pension to Henry V. Stewart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5522) granting a pension to E. B. McMullen—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5523) granting a pension to Jacob Kuntz—to the Committee on Pensions.

Also, a bill (H. R. 5524) granting a pension to W. A. Long—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5525) granting a pension to Sarah Groves—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5526) granting a pension to Auguste Eiserman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5527) granting a pension to Harriet Kitchell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5528) granting a pension to George W. Irvin—to the Committee on Pensions.

Also, a bill (H. R. 5529) granting a pension to W. A. Dobbins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5530) granting a pension to Mary I. Baugh—to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 5531) granting an increase of pension to Charles McCallister—to the Committee on Invalid Pensions.

By Mr. GORDON: A bill (H. R. 5532) to correct the military record of William H. Seward—to the Committee on Military Affairs.

By Mr. HAMILTON: A bill (H. R. 5533) for the relief of Timothy Ellsworth—to the Committee on Military Affairs.

By Mr. HAYES: A bill (H. R. 5534) granting an increase of pension to Martha J. Hill—to the Committee on Invalid Pensions.

By Mr. HIGGINS: A bill (H. R. 5535) granting an increase of pension to George H. Young—to the Committee on Invalid Pensions.

By Mr. HOUSTON: A bill (H. R. 5536) for the relief of A. G. Duncan—to the Committee on War Claims.

Also, a bill (H. R. 5537) for the relief of James Gothard—to the Committee on War Claims.

Also, a bill (H. R. 5538) for the relief of Dr. J. J. Crunk, of Marshall County, Tenn.—to the Committee on War Claims.

Also, a bill (H. R. 5539) for the relief of the Cumberland Presbyterian Church, of Tullahoma, Tenn.—to the Committee on War Claims.

Also, a bill (H. R. 5540) for the relief of S. M. Gentry—to the Committee on War Claims.

Also, a bill (H. R. 5541) for the relief of Joseph B. Johnson—to the Committee on War Claims.

Also, a bill (H. R. 5542) for the relief of Hiram B. Crowell and William H. Jones—to the Committee on Claims.

Also, a bill (H. R. 5543) for the relief of the legal heirs of Mrs. George M. Goodwin—to the Committee on War Claims.

Also, a bill (H. R. 5544) for the relief of heirs or estate of W. T. Garrett, deceased—to the Committee on War Claims.

By Mr. HOWARD: A bill (H. R. 5545) for the relief of Mrs. Elizabeth A. C. Galloway—to the Committee on War Claims.

By Mr. HOWELL of Utah: A bill (H. R. 5546) for the relief of Marion B. Patterson—to the Committee on Claims.

Also, a bill (H. R. 5547) for the relief of Marion B. Patterson—to the Committee on Claims.

By Mr. LOUD: A bill (H. R. 5548) for the relief of Sarah Spaulding—to the Committee on Private Land Claims.

By Mr. LOVERING: A bill (H. R. 5549) granting an increase of pension to John Brown—to the Committee on Invalid Pensions.

By Mr. MARTIN of Colorado: A bill (H. R. 5550) for the relief of Acencion Lucero, widow of Gabriel Lucero, deceased—to the Committee on Claims.

Also, a bill (H. R. 5551) for the relief of Felipe de Jesus Cantee—to the Committee on Claims.

Also, a bill (H. R. 5552) for the relief of the heirs of Kit Carson, deceased—to the Committee on Claims.

By Mr. MORRISON: A bill (H. R. 5553) granting a pension to William R. Pryor—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5554) granting an increase of pension to Isaac M. Martz—to the Committee on Invalid Pensions.

By Mr. OLMSTED: A bill (H. R. 5555) granting an increase of pension to Nathan Yingst—to the Committee on Invalid Pensions.

By Mr. REID: A bill (H. R. 5556) granting an increase of pension to Noah Hayes—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5557) granting an increase of pension to Mary A. Ault—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5558) granting a pension to Udora E. Moore—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5559) granting a pension to James M. King—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5560) granting a pension to James H. Sykes—to the Committee on Pensions.

Also, a bill (H. R. 5561) granting a pension to William A. Pollard—to the Committee on Pensions.

By Mr. RICHARDSON: A bill (H. R. 5562) for the relief of Mrs. Bathsheba Gordon—to the Committee on War Claims.

Also, a bill (H. R. 5563) for the relief of Salina E. Lauderdale—to the Committee on War Claims.

Also, a bill (H. R. 5564) for the relief of Elisha Stogsdill—to the Committee on War Claims.

Also, a bill (H. R. 5565) for the relief of Mary J. Bailey—to the Committee on War Claims.

Also, a bill (H. R. 5566) for the relief of R. D. Crosthwaite, administrator—to the Committee on War Claims.

Also, a bill (H. R. 5567) for the relief of Henry C. Haynes—to the Committee on Military Affairs.

Also, a bill (H. R. 5568) for the relief of Martha J. Sibley—to the Committee on War Claims.

Also, a bill (H. R. 5569) for the relief of James Eli Schrimsher—to the Committee on War Claims.

Also, a bill (H. R. 5570) for the relief of John T. Graves—to the Committee on War Claims.

Also, a bill (H. R. 5571) for the relief of Mrs. Nancy Coffey—to the Committee on War Claims.

Also, a bill (H. R. 5572) for the relief of John Thomas Owen—to the Committee on Military Affairs.

Also, a bill (H. R. 5573) for the relief of William M. Hilliard—to the Committee on War Claims.

Also, a bill (H. R. 5574) for the relief of Mrs. H. H. Cribbs—to the Committee on War Claims.

Also, a bill (H. R. 5575) for the relief of George M. Harraway—to the Committee on War Claims.

Also, a bill (H. R. 5576) for the relief of B. G. Chandler—to the Committee on War Claims.

Also, a bill (H. R. 5577) for the relief of Nancy M. Weaver—to the Committee on War Claims.

Also, a bill (H. R. 5578) for the relief of B. F. Hembree—to the Committee on War Claims.

Also, a bill (H. R. 5579) for the relief of Boling King—to the Committee on War Claims.

Also, a bill (H. R. 5580) for the relief of Alfred O. Williamson—to the Committee on War Claims.

Also, a bill (H. R. 5581) for the relief of James G. Porter—to the Committee on War Claims.

Also, a bill (H. R. 5582) for the relief of Littleton McCloud and Bill Mull—to the Committee on War Claims.

Also, a bill (H. R. 5583) for the relief of Mary Tullis—to the Committee on War Claims.

Also, a bill (H. R. 5584) for the relief of James Henry and Porter Henry—to the Committee on War Claims.

Also, a bill (H. R. 5585) for the relief of William C. Bragg—to the Committee on War Claims.

Also, a bill (H. R. 5586) for the relief of John C. Thomas—to the Committee on War Claims.

Also, a bill (H. R. 5587) for the relief of Stephen Fanning—to the Committee on War Claims.

Also, a bill (H. R. 5588) for the relief of Amanda M. Warren, of Lauderdale County, Ala.—to the Committee on War Claims.

Also, a bill (H. R. 5589) for the relief of Mrs. W. E. Trousdale—to the Committee on War Claims.

Also, a bill (H. R. 5590) for the relief of Houston L. Bell—to the Committee on War Claims.

Also, a bill (H. R. 5591) for the relief of Mary B. Dancy—to the Committee on War Claims.

Also, a bill (H. R. 5592) for the relief of Mrs. E. L. Raney—to the Committee on War Claims.

Also, a bill (H. R. 5593) for the relief of John T. Lehman—to the Committee on War Claims.

Also, a bill (H. R. 5594) for the relief of John Smaw—to the Committee on War Claims.

Also, a bill (H. R. 5595) for the relief of Anderson Malon—to the Committee on Military Affairs.

Also, a bill (H. R. 5596) for the relief of John W. McAfee—to the Committee on War Claims.

Also, a bill (H. R. 5597) for the relief of Xantippe Jackson—to the Committee on War Claims.

Also, a bill (H. R. 5598) for the relief of John T. Graves—to the Committee on War Claims.

Also, a bill (H. R. 5599) for the relief of Mrs. Cassa Simpson—to the Committee on War Claims.

Also, a bill (H. R. 5600) for the relief of J. W. Smart—to the Committee on War Claims.

Also, a bill (H. R. 5601) for the relief of William M. Underwood—to the Committee on War Claims.

Also, a bill (H. R. 5602) for the relief of William J. Wilcoxson—to the Committee on War Claims.

Also, a bill (H. R. 5603) for the relief of Francis Wilkes—to the Committee on War Claims.

Also, a bill (H. R. 5604) for the relief of Phillip D. Wright—to the Committee on War Claims.

Also, a bill (H. R. 5605) for the relief of Griffin Callahan—to the Committee on War Claims.

Also, a bill (H. R. 5606) for the relief of William Cunningham—to the Committee on War Claims.

Also, a bill (H. R. 5607) for the relief of James A. Allen—to the Committee on War Claims.

Also, a bill (H. R. 5608) for the relief of James T. Dowdy—to the Committee on War Claims.

Also, a bill (H. R. 5609) for the relief of William W. Callahan, administrator of the estate of Thomas Gibbs—to the Committee on War Claims.

Also, a bill (H. R. 5610) for the relief of M. G. Jetton, J. P. Jetton, D. M. Jetton, B. H. Jetton, and M. G. Williams, heirs at law of Mitchell Jetton, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5611) for the relief of Samuel H. Yarbrough and the estate of John Jones, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5612) for the relief of Leroy P. Walker, sole heir at law of Eliza D. Walker and L. P. Walker, her husband—to the Committee on War Claims.

Also, a bill (H. R. 5613) for the relief of Samuel W. Shackelford, trustee of Susan A. Shackelford—to the Committee on War Claims.

Also, a bill (H. R. 5614) for the relief of the legal heirs of James I. Donegan—to the Committee on War Claims.

Also, a bill (H. R. 5615) for the relief of Jonathan Morris, executor of Jonathan Morris, deceased—to the Committee on Claims.

Also, a bill (H. R. 5616) for the relief of William Moseley, administrator—to the Committee on War Claims.

Also, a bill (H. R. 5617) for the relief of Bettie Linder, administratrix of B. Franks, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5618) for the relief of B. F. Ludwig, former postmaster at Huntsville, Ala.—to the Committee on War Claims.

Also, a bill (H. R. 5619) for the relief of Cumberland Presbyterian Church of Pleasant Springs, Ala.—to the Committee on War Claims.

Also, a bill (H. R. 5620) for the relief of heirs of Andrew C. Legg, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5621) for the relief of heirs of J. P. McGaha, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5622) for the relief of heirs of Mathew N. Grimmett, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5623) for the relief of the heirs of Kenon H. Steger, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5624) for the relief of heirs of Preston Smith, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5625) for the relief of heirs of Marcus M. Massengale, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5626) for the relief of heirs of Mary McCaa, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5627) for the relief of heirs of W. J. Langston, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5628) for the relief of the heirs of Joseph Logan, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5629) for the relief of the heirs of Enoch R. and Louisa J. Kennedy—to the Committee on War Claims.

Also, a bill (H. R. 5630) for the relief of the heirs of A. E. Mills, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5631) for the relief of the heirs of Jane McCartney—to the Committee on War Claims.

Also, a bill (H. R. 5632) for the relief of the heirs of Eliah Matheny—to the Committee on War Claims.

Also, a bill (H. R. 5633) for the relief of heirs of Elizabeth Thompson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5634) for the relief of heirs of Sidney Tate, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5635) for the relief of the heirs of James H. Ware, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5636) for the relief of the heirs of J. R. B. Eldridge, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5637) for the relief of heirs of Alexander F. Perryman, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5638) for the relief of heirs of William Wann, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5639) for the relief of heirs of Andrew J. Peacock, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5640) for the relief of heirs of Alfred Hambrick, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5641) for the relief of the estate of Isaac Winston, deceased—to the Committee on Military Affairs.

Also, a bill (H. R. 5642) for the relief of the estate of Mrs. Melissa Gathright, deceased, late of Riverton, Colbert County, Ala.—to the Committee on War Claims.

Also, a bill (H. R. 5643) for the relief of the estate of Benjamin B. Coffey, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5644) for the relief of the estate of William P. Tanner—to the Committee on War Claims.

Also, a bill (H. R. 5645) for the relief of the estate of Jesse Vann, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5646) for the relief of the estate of Henry Ingram, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5647) for the relief of the estate of Alfred Hambrick—to the Committee on War Claims.

Also, a bill (H. R. 5648) for the relief of the estate of A. L. Logan, deceased—to the Committee on War Claims.

* Also, a bill (H. R. 5649) for the relief of the estate of Mathew N. Grimmett, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5650) for the relief of the estate of Marius B. Cawthon, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5651) for the relief of the estate of Peter S. Baker—to the Committee on War Claims.

Also, a bill (H. R. 5652) for the relief of the estate of Bradford Hambrick—to the Committee on War Claims.

Also, a bill (H. R. 5653) for the relief of the estate of Peter S. Baker—to the Committee on War Claims.

Also, a bill (H. R. 5654) for the relief of the estate of John Sibley, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5655) for the relief of the estates of Stephen Cordell and Elizabeth Cordell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5656) for the relief of the estate of John Walston, of the State of Alabama—to the Committee on War Claims.

Also, a bill (H. R. 5657) for the relief of the estate of Thomas Knight, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5658) for the relief of the estate of Enoch R. Kennedy, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5659) for the relief of the estate of Joseph A. Martin, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5660) for the relief of the estate of James Williams, deceased—to the Committee on War Claims.

Also, a bill (H. R. 5661) to refer the claim of Nancy Taylor against the United States to the Court of Claims—to the Committee on War Claims.

Also, a bill (H. R. 5662) to carry into effect the findings of the Court of Claims in the matter of the claim of the estate of David B. Johnson, deceased—to the Committee on War Claims.

By Mr. SULLOWAY: A bill (H. R. 5663) granting an increase of pension to James Ahmuty—to the Committee on Invalid Pensions.

By Mr. THOMAS of North Carolina: A bill (H. R. 5664) granting an increase of pension to William Ward—to the Committee on Invalid Pensions.

By Mr. WILEY: A bill (H. R. 5665) granting an increase of pension to Charles M. Sarles—to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 5666) granting an increase of pension to Drury Badgley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5667) granting an increase of pension to William Satow—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5668) granting an increase of pension to Eli W. Metcalf—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5669) granting an increase of pension to William Weaver—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5670) granting an increase of pension to Frederick Fouce—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5671) granting an increase of pension to Salathiel S. Stalnaker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5672) granting an increase of pension to George W. Bachus—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5673) granting an increase of pension to Alexander Kerr—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5674) granting an increase of pension to Linden Batten—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5675) granting an increase of pension to George W. Thompson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5676) granting an increase of pension to Abraham Hickman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5677) granting an increase of pension to Augustus Gilmore—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5678) granting an increase of pension to Henry Blair—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5679) granting an increase of pension to Gideon Mason—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5680) granting an increase of pension to Martin L. Willets—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5681) granting an increase of pension to Daniel W. Bartlett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5682) granting an increase of pension to Jordan McKee—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5683) granting an increase of pension to Andrew H. Boon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5684) granting an increase of pension to Ann J. Ward—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5685) granting an increase of pension to Mary E. Bee—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5686) granting an increase of pension to Thomas A. Black—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5687) granting a pension to Oma Harshbarger—to the Committee on Pensions.

Also, a bill (H. R. 5688) granting a pension to Dora Brown—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5689) granting a pension to Dovie Vance—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5690) granting a pension to Ida M. Sterling—to the Committee on Invalid Pensions.

Also, a bill (H. R. 5691) granting a pension to Eliza J. Gay—to the Committee on Pensions.

Also, a bill (H. R. 5692) for the relief of Marcellus Troxell—to the Committee on Claims.

Also, a bill (H. R. 5693) for the relief of John W. Trader—to the Committee on Military Affairs.

Also, a bill (H. R. 5694) to correct the military record of William M. Chevroust—to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Memorial of the Fathers and Mothers' Club, of Boston, praying for the establishment of a federal children's bureau in the Department of the Interior—to the Committee on Expenditures in the Interior Department.

Also, memorials of the members of the order of United American Mechanics at Aurora, Ind., and North Hampton, Ohio, praying for legislation to prevent the immigration of Asiatics into the United States—to the Committee on Foreign Affairs.

Also, memorial of the citizens of Boston, assembled in Faneuil Hall, March 14, 1909, protesting against the action of the courts in the case of Messrs. Mitchell, Gompers, and Morrison—to the Committee on the Judiciary.

Also, memorial of the Owensboro (Ky.) Business Men's Association, praying for the improvement of the Ohio River locks and dams—to the Committee on Rivers and Harbors.

Also, memorial of the Mound City (Ill.) Board of Trade, praying for liberal river and harbor appropriation—to the Committee on Rivers and Harbors.

Also, memorial of the Cairo (Ill.) Lodge of Elks, praying for the establishment of an elk reservation in the State of Wyoming—to the Committee on the Public Lands.

Also, memorial of the Seattle Chamber of Commerce, praying for assistance for the establishment of steamships between Panama and Pacific coast ports—to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the German-Austrian Benevolent Society of St. Louis, Mo., protesting against the passage of any prohibition legislation—to the Committee on Alcoholic Liquor Traffic.

Also, memorial of the Owensboro (Ky.) Business Men's Association, praying for the careful consideration of legislation relating to the building and operating of railroads—to the Committee on Interstate and Foreign Commerce.

Also, memorials of Alida Frankfother and 21 others, and William Beecher and 21 others, of Jerry City, Ohio, and E. Charles Hughes and 28 others, of Dighton and Leroy, Mich., praying a constitutional amendment to enable women to vote—to the Committee on the Judiciary.

Also, memorial of the Northeast Washington Citizens' Association and the quarterly meeting of the Society of Friends at Baltimore, praying for legislation to change the day of the inauguration—to the Committee on Election of President, Vice-President, and Representatives in Congress.

Also, petitions of C. F. Garrison, W. G. Pickle, W. M. Enlow, J. H. C. Scurlock, and others; the Business Men's Association of Shelbyville, Ky.; and R. E. Andrew and 12 others, of East Andover, N. H., praying for federal aid in the construction of highways—to the Committee on Agriculture.

Also, memorials of the mine owners and mine workers of Missouri, Kansas, Oklahoma, and Arkansas, praying for the establishment of a direct duty on crude oil not less than the present countervailing duty—to the Committee on Ways and Means.

Also, memorial of the Chamber of Commerce of the State of New York, protesting against any departure from the present method of fixing ad valorem rates of duty—to the Committee on Ways and Means.

Also, memorial of the Oronogo Circle Mining Company, praying for tariff on zinc ore—to the Committee on Ways and Means.

Also, memorial of the Girard (Kans.) Local Union of the United Mine Workers of America, praying for the enactment of a direct duty on crude oil—to the Committee on Ways and Means.

Also, memorial of the American Lumbermen, protesting against the reduction of the duty on lumber—to the Committee on Ways and Means.

Also, memorial of the paper makers of Watertown and Piercefield, N. Y., protesting against the reduction of the duty on print paper—to the Committee on Ways and Means.

Also, memorials of the Wichita Grange, of Connecticut; the Mohawk Valley Cooperative Company, of New York; and other firms, corporations, and individuals of the United States, praying for the removal of the duty on sugar—to the Committee on Ways and Means.

By Mr. ANDRUS: Petition of Peekskill (N. Y.) Lodge, No. 744, Benevolent and Protective Order of Elks, for a reserve in Wyoming for the American elk—to the Committee on the Public Lands.

Also, petitions of citizens of the Fourteenth and Nineteenth Congressional districts of New York, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. ANSBERRY: Petitions of Carriage Makers' Club of Cincinnati, Ohio, and Boot and Shoe Manufacturers' Association, in conjunction with the tanners, harness manufacturers, carriage manufacturers, and leather and shoe dealers, representing over 700 firms, favoring repeal of the duty on hides—to the Committee on Ways and Means.

By Mr. ANTHONY: Petition of members of Oak Grange, Topeka, Kans., favoring postal savings bank and parcels-post laws—to the Committee on the Post-Office and Post-Roads.

Also, petition of Commercial Club of Pittsburg, Kans., favoring reduction of duty on zinc ores or corresponding increase on spelter—to the Committee on Ways and Means.

By Mr. ASHBROOK: Petition of J. H. Shields, of Utica, and J. T. Buxton, of Walhonding, Ohio, favoring reduction of duty on raw and refined sugars—to the Committee on Ways and Means.

Also, paper to accompany bill for relief of Samuel Dine and Daniel Weimer—to the Committee on Invalid Pensions.

By Mr. BEALL of Texas: Petition of citizens of Hubbard, Tex., against parcels-post and postal savings bank laws—to the Committee on the Post-Office and Post-Roads.

By Mr. BROWNLOW: Petition of Sanford, Chamberlain & Ackers Company, favoring same duty on scrap as on pig iron—to the Committee on Ways and Means.

By Mr. DAVIDSON: Petition of 75 or more laboring men of Menasha, Wis., favoring retention of present duty on print paper—to the Committee on Ways and Means.

By Mr. DE ARMOND: Paper to accompany bill for relief of David McGehee and William S. Trader (H. R. 4451)—to the Committee on Invalid Pensions.

Also, petition of United Mine Workers of Windsor, Mo., favoring duty on crude oil not less than the present counter-vailing duty—to the Committee on Ways and Means.

By Mr. DRAPER: Petition of citizens of Troy, N. Y., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. FOCHT: Petition of Pennsylvania Free Hide League, favoring removal of duty from hides—to the Committee on Ways and Means.

Also, petition of citizens of Mercersburg, Pa., and citizens of Eighteenth Pennsylvania district, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. FULLER: Petition of Oronogo Circle Mining Company, of Oronogo, Mo., favoring tariff on zinc ore—to the Committee on Ways and Means.

Also, petition of National Liberal Immigration League, of New York, relative to American missionaries in Russia—to the Committee on Foreign Affairs.

Also, petition of American National Live Stock Association and cattle raisers, against placing hides on free list—to the Committee on Ways and Means.

Also, petition of Landers & Sheehy, of Utica, Ill., favoring repeal of duty on raw and refined sugars—to the Committee on Ways and Means.

Also, petition of British Columbia Mountain Lumbermen's Association, against reduction of the duty on lumber—to the Committee on Ways and Means.

Also, paper to accompany bill for relief of Charles McCallister—to the Committee on Invalid Pensions.

By Mr. GRIEST: Petition of citizens of the ninth district of Pennsylvania, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. HAYES: Petition of numerous citizens of San Francisco, Cal., against duty on tea and coffee—to the Committee on Ways and Means.

By Mr. HOLLINGSWORTH: Petition of Croxall Chemical and Supply Company, of East Liverpool, Ohio, against proposed duty on lithographic prints in ceramic colors—to the Committee on Ways and Means.

Also, petition of the American China Company, of Toronto, Ohio, against proposed change in the duty on decalcomania transfer—to the Committee on Ways and Means.

Also, petition of Gill Brothers Company, of Steubenville, Ohio, for retention of present duty on carbonate of potash and glassware—to the Committee on Ways and Means.

Also, petition of E. E. Richards and others, of Bellaire, Ohio, against tariff duties on tea and coffee—to the Committee on Ways and Means.

By Mr. HOWARD: Paper to accompany bill for relief of Elizabeth A. Galloway—to the Committee on War Claims.

By Mr. LAMB: Petition of Hon. John Lamb, of Virginia, praying for a tariff on dog puer—to the Committee on Ways and Means.

Also, petition of citizens of the Third Congressional District of Virginia, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. LANGHAM: Petition of Charles Battles and others, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. LASSITER: Petition of citizens of Petersburg, Va., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. NORRIS: Petition of residents of Harvard, Nebr., against parcels-post and postal savings bank legislation—to the Committee on the Post-Office and Post-Roads.

By Mr. OLMSTED: Petition of citizens of the Eighteenth Congressional District of Pennsylvania, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. A. MITCHELL PALMER: Petition of citizens of the Twenty-sixth Congressional District of Pennsylvania, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. PAYNE: Petition of electors of the Thirty-first Congressional District of New York, favoring reduction of duty on Canadian barley—to the Committee on Ways and Means.

By Mr. REID: Paper to accompany bill for relief of W. H. Hicks, administrator of estate of John Diehl—to the Committee on War Claims.

By Mr. REYNOLDS: Petition of 275 citizens of the Nine-

teenth Congressional District of Pennsylvania, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. ROTHERMEL: Petition of citizens of the Thirteenth Congressional District of Pennsylvania, against a duty on tea and coffee—to the Committee on Ways and Means.

Also, petitions of residents of Bucks and Lehigh counties, Pa., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. SULZER: Petition of Jed, Frye & Co., of New York City, for a reduction of duty on canned sardines—to the Committee on Ways and Means.

Also, petition of the Castle Braid Company, of New York City, relative to braid and dress trimmings—to the Committee on Ways and Means.

By Mr. THOMAS of North Carolina: Paper to accompany bill for relief of William Ward—to the Committee on Invalid Pensions.

By Mr. TOU VELLE: Petition of A. N. Wilson & Sons, of Greenville, Ohio, against increase of tariff rates on cotton hosiery and women's leather gloves—to the Committee on Ways and Means.

Also, petition of 30 citizens of Ohio, against duty on tea and coffee—to the Committee on Ways and Means.

By Mr. WILEY: Petition of residents of Sixth Congressional District of New York, against a duty on tea and coffee—to the Committee on Ways and Means.

SENATE.

MONDAY, March 29, 1909.

Prayer by the Chaplain, Rev. Edward E. Hale.

The Secretary proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. KEAN, and by unanimous consent, the further reading was dispensed with.

The VICE-PRESIDENT. The Journal stands approved.

MESSAGES FROM THE PRESIDENT.

Several messages, in writing, from the President of the United States were communicated to the Senate by Mr. M. C. Latta, his assistant secretary.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had agreed to Senate concurrent resolution 2, granting the use of the Rotunda of the Capitol on the occasion of the removal of the remains of Maj. Pierre Charles L'Enfant from the present resting place, the Digges farm, in Prince George County, Md., to Arlington National Cemetery.

ADJOURNMENT TO THURSDAY.

Mr. HALE. I move that when the Senate adjourns to-day, it be to meet on Thursday next.

The motion was agreed to.

BUSINESS OF THE SESSION.

Mr. HALE. I offer the following resolution or order, and ask for its consideration.

The resolution (S. Res. 12) was read, as follows:

Senate resolution 12.

Resolved, That until otherwise ordered, no legislative business, except the consideration of the census bill, shall be transacted at the sessions of the Senate.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. HEYBURN. Mr. President, I ask that it may go over.

Mr. MONEY. Does it require unanimous consent? I wish simply to ask a question about it. Would it prevent bills from being introduced?

Mr. HALE. Mr. President, the object of the resolution or order is to carry out what I think is the general understanding of the Senate, that no business shall be transacted at least for the present except the consideration of the census bill. Senators are very busy; the sessions which we have twice a week are very thin, because with the understanding that no general business will be taken up Senators do not come here; there is an immense amount of departmental business required to be transacted as a new administration has come in; and many new Senators, and old Senators for that matter, have said to me that it would be a relief if the Senate would establish the situation outlined by the resolution which I have introduced.