

SENATE.

WEDNESDAY, March 1, 1911.

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

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

THE JOURNAL.

The Secretary proceeded to read the Journal of yesterday's proceedings and was interrupted by

Mr. STONE. Mr. President, I insist on the Secretary reading the entire Journal.

The VICE PRESIDENT. The Secretary is reading the Journal in full. He will proceed so to do.

Mr. STONE. I should like to inquire if he is reading it in full.

The VICE PRESIDENT. Petitions which have been presented do not appear in the Journal in full, but there is simply an annotation showing that they were presented, and that annotation the Secretary is reading. A petition does not appear in full in the Journal of course.

Mr. STONE. When the Secretary reads "as follows" and turns over a sheet without reading it, I should like to know what that sheet contains.

The VICE PRESIDENT. That was a roll call.

Mr. STONE. Is not a roll call a part of the Journal?

The VICE PRESIDENT. It is a part of the Journal. If the Senator from Missouri desires that the Secretary, in each instance, shall read the roll call, the Secretary, will do so.

Mr. STONE. Well, for the present at least.

The VICE PRESIDENT. The Secretary will resume the reading of the Journal.

The Secretary resumed the reading of the Journal.

Mr. BROWN. I ask unanimous consent that the further reading of the Journal be dispensed with.

Mr. HALE. Mr. President, the Senator from Missouri gave notice of his purpose to have the Journal read. However, he is here.

The VICE PRESIDENT. The Senator objects. The Secretary will continue the reading of the Journal.

The reading of the Journal was resumed and concluded, and it was approved.

INDIAN DEPREDAATION CLAIMS.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, in response to a resolution of the 25th ultimo, a list of judgments rendered by the Court of Claims in favor of claimants in Indian depredation cases not heretofore reported etc. (S. Doc. No. 850), which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SOUTH BOUNDARY LINE OF ALABAMA.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a letter from the Commissioner of the General Land Office, together with the field notes of an examination of surveys of the former south boundary of the State of Alabama, which, with the accompanying papers, was referred to the Committee on Public Lands and ordered to be printed.

LIST OF CLAIMANTS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a list of judgments rendered by the Court of Claims amounting to \$245,332.81, which have been presented to the department and require an appropriation for their payment, etc. (S. Doc. No. 851), which, with an accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CASS GILBERT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, recommending the adoption of an amendment to the general deficiency appropriation bill to appropriate \$3,434.92 commissions due Cass Gilbert, architect of the new customhouse, New York City, N. Y., for professional services, rendered, etc. (S. Doc. No. 852), which was referred to the Committee on Appropriations and ordered to be printed.

SCHEDULE OF CLAIMS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a schedule of claims allowed by the accounting officers of the Treasury under appropriations, the balance of which have been exhausted or carried to a surplus fund under the provisions of section 5 of the act of June 20, 1874, \$163,409.11 (S. Doc. No. 853), which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. J. Browning, its Chief Clerk, announced that the House had passed the following bills:

S. 10476. An act for the relief of Passed Asst. Paymaster Edwin M. Hacker;

S. 10808. An act to authorize the Greeley-Arizona Irrigation Co. to build a dam across the Colorado River at or near Head Gate Rock, near Parker, in Yuma County, Ariz.; and

S. 10882. An act to authorize the county of Ouachita, in the State of Arkansas, to construct a bridge across Ouachita River.

The message also announced that the House had agreed to the report of the third committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 31856) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1912, and for other purposes.

The message further announced that the House had passed a bill (H. R. 32957) making appropriations to supply deficiencies in appropriations for the fiscal year 1911 and for prior years, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

S. 9903. An act to authorize the Sheridan Railway & Light Co. to construct and operate railway, telegraph, telephone, electric power, and trolley lines through the Fort Mackenzie Military Reservation, and for other purposes;

S. 9904. An act granting right of way on the Fort D. A. Russell Military Reservation, at Cheyenne, Wyo., for railroad and county-road purposes;

S. 10457. An act to amend section 6 of the currency act of March 14, 1900, as amended by the act approved March 4, 1907;

H. R. 18512. An act for the relief of S. H. Robinson, of Allegheny County, Pa.;

H. R. 20603. An act for the relief of Henry Halteman;

H. R. 26656. An act to prevent the disclosure of national-defense secrets;

H. R. 28215. An act to fix the time of holding the circuit and district courts for the northern district of West Virginia;

H. R. 28626. An act to amend the internal-revenue laws relating to distilled spirits, and for other purposes;

H. R. 29857. An act to amend section 3287 of the Revised Statutes of the United States, as amended by section 6 of chapter 108 of an act approved May 28, 1880, page 145, volume 121, United States Statutes at Large;

H. R. 29360. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1912, and for other purposes;

H. R. 30570. An act to authorize the receipt of certified checks drawn on national and State banks for duties on imports and internal taxes, and for other purposes;

H. R. 31806. An act to amend section 1 of the act approved March 2, 1907, being an act to amend an act entitled "An act conferring jurisdiction upon United States commissioners over offenses committed on a portion of the permanent Hot Springs Mountain Reservation, Ark.;"

H. R. 31856. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1912, and for other purposes;

H. R. 32082. An act limiting the privileges of the Government free bathhouse on the public reservation at Hot Springs, Ark., to persons who are without and unable to obtain the means to pay for baths;

H. R. 32344. An act to protect the locators in good faith of oil and gas lands who shall have effected an actual discovery of oil or gas on the public lands of the United States, or their successors in interest; and

S. J. Res. 145. Joint resolution providing for the filling of a vacancy which will occur on March 1, 1911, in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a telegram in the nature of a memorial signed by the president of the Chicago Photo-Engravers' Union, of Illinois, remonstrating against the proposed increase in the rate of postage on certain sections of magazines, which was ordered to lie on the table.

Mr. JONES. I present a short telegram from the governor of our State in reference to the action of the legislature on reciprocity, which I ask may be read. I also present two short telegrams, one for and the other against the parcels post.

These telegrams are from my home town, and I should like to have them read.

The VICE PRESIDENT. The Secretary will read the telegram, if there be no objection.

Mr. BEVERIDGE. I object, Mr. President.

The VICE PRESIDENT. An objection having been made to the reading of the telegrams, the question is, Shall the telegrams be read?

Mr. JONES. I will not ask to have them read now, but will have the Secretary return them to me. I will put them in later and will not take the time now, as the Senator from Oklahoma [Mr. OWEN] is ready to take the floor.

Mr. BEVERIDGE. To save time, I will state now that to any request to pass bills, read resolutions or papers, I shall be constrained to object, for the plain reason that there is very little time before the time will arrive for the vote agreed by unanimous consent to be taken, and several Senators desire to speak.

Mr. GALLINGER presented a memorial of Local Union No. 29, International Brotherhood of Paper Makers, of Berlin, N. H., and a memorial of Local Grange No. 238, Patrons of Husbandry, of Stratford, N. H., remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. DILLINGHAM presented memorials of Fall Mountain Grange, No. 297, of Bellows Falls; of Orion Grange, No. 83, of Woodstock; of Prospect Grange, No. 429, of Fair Haven; of Local Lodge No. 114, of Springfield; of Central Vermont Grange, No. 6, of Brookfield; of Local Grange No. 289, of Poultney; of Local Grange of Plymouth Union; of Local Grange No. 303, of Bridport; and of East Barnard Grange, of East Barnard; all of the Patrons of Husbandry; and of the International Brotherhood of Paper Makers of Bellows Falls, all in the State of Vermont, remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. DICK presented a memorial of Mutual Lodge, No. 225, International Association of Machinists, of Dayton, Ohio, remonstrating against the abolishment of the eight-hour provision in the naval appropriation bill, which was referred to the Committee on Naval Affairs.

Mr. SCOTT presented a petition signed by 187 members of Post 5, Grand Army of the Republic, of Lynn, Mass., praying for the passage of the so-called Sulloway old-age pension bill, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of Ethel, W. Va., remonstrating against any change being made in the rate of postage on periodicals and magazines, which was ordered to lie on the table.

Mr. KEAN presented the petition of Clinton Bowen, of Salem, N. J., and the petition of John E. Clarey, of Madison, N. J., praying for the enactment of legislation to prohibit the printing of certain matter on stamped envelopes, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of General Henry W. Slocum Post, No. 55, Grand Army of the Republic, Department of New Jersey, of Paterson, N. J., and the petition of Thomas J. Roberts, of Bogota, N. J., praying for the passage of the so-called old-age pension bill, which were ordered to lie on the table.

He also presented a petition of Washington Camp No. 112, Patriotic Order Sons of America, of Yorktown, N. J., and a petition of sundry citizens of Hackensack, N. J., praying for the enactment of legislation to further restrict immigration, which were referred to the Committee on Immigration.

Mr. YOUNG presented a memorial of sundry citizens of Ainsworth, Iowa, remonstrating against the passage of the so-called parcels-post bill, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Local Union No. 1069, Brotherhood of Carpenters and Joiners of America, of Muscatine, Iowa, praying for the enactment of legislation to further restrict immigration, which was referred to the Committee on Post Offices and Post Roads.

Mr. SHIVELY presented petitions of William Jones, Phil Sanford, Maggie Scott, Amanda Spatti, Augusta Gladbach, Samuel Railing, Minnie Ellison, Lee Wilson, Mary Sutton, Josephine Roberts, Mary Deak, William Shopman, Mary Getty, Annie Doyle, Frank Casso, Frank Lipps, Jennie Blue, Samuel Girard, W. McCormick, Eva Cragg, John Palmer, John Miller, Dora Koch, M. Budde, and Mary Rand, all of Fort Wayne, in the State of Indiana, and petitions of Hanna Bowers, Carrie Weber, Clara Meyers, Louis Certia, Any Sheeler, Rosa Meyer, Eugene Cour, Rose Day, Eva Hargrove, Anna Meyer, Forest Ellsworth, R. Hathaway, Fanny Leatherman, and Henry Butler, all of New Haven, in the State of Indiana, praying for the

establishment of a national department of health, which were referred to the Committee on Public Health and National Quarantine.

Mr. PILES presented a petition of Local Lodge No. 126, Bakery and Confectionery Workers' International Union, of Tacoma, Wash., praying for the repeal of the present oleomargarine law, which was referred to the Committee on Agriculture and Forestry.

He also presented a memorial of Briedablick Grange, No. 292, Patrons of Husbandry, of Paulsbo, Wash., remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which was ordered to lie on the table.

Mr. BURNHAM presented a memorial of Local Grange No. 238, Patrons of Husbandry, of Stratford, N. H., and a memorial of Local Union No. 29, International Brotherhood of Paper Makers, of Berlin, N. H., remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. HALE presented petitions of Aurora Grange, No. 202, of Strong; of Sheepscot Leake Grange, No. 455, of Palermo; of Local Grange No. 262, of Fort Fairfield; of Floral Grange, No. 158, of North Bucksport; of Local Grange No. 165, of Perham; of Narramissic Grange, No. 224, of Orland; and of Lake Grange, No. 24, of West Poland, all of the Patrons of Husbandry, in the State of Maine, remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. DEPEW presented memorials of Chicago Grange, No. 446; Sodus Grange, No. 73; Veteran Grange, No. 1108; Bath Grange, No. 294; Nestor Grange, No. 969; Hartland Grange, No. 1190; Caledonia Grange, No. 870; Gaines Grange, No. 1147; and of Medina Grange, No. 1160, all of the Patrons of Husbandry; of the Dairymen's League, and sundry citizens of Canastota, Fort Covington, and Albion, all in the State of New York, remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

He also presented a petition of the Ad Club of Buffalo, N. Y., and a petition of the Ad Club of Rochester, N. Y., praying for the ratification of the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. LODGE. I present a memorial of the municipal council of Gloucester, Mass., which I ask may lie on the table and be printed in the RECORD.

There being no objection, the memorial was ordered to lie on the table and be printed in the RECORD, as follows:

GLoucester, Mass., January 27, 1911.

Whereas the commission appointed by the Governments of the United States and Canada to draw up an agreement of reciprocity between the two countries has reported to Congress; and

Whereas said agreement puts on the free list fish of all kinds, fresh, frozen, packed in ice, salted, or preserved in any form, with some few exceptions, which means the destruction of the fishing industry in Gloucester, an industry which has continued from 1623 to the present time; and

Whereas the President of the United States recommended the appointment of a tariff commission to investigate the difference in the cost of production here and abroad, which is a fair and just way to get at the facts, and which for some reason has not been acted upon; and

Whereas it is unfair to adopt such measures without a hearing, thereby destroying an important industry, which has lasted so long and which on account of the nature of its business has fitted men who have always been ready to come to their country's aid in time of war; and

Whereas a great many articles which enter into the manufacture and production of our fish products are highly protected, and because the profit on our fish products is too small to permit us to compete with our English neighbors if this agreement is carried out, inasmuch as labor costs are so much lower in Canada than in the United States, and also because of the nearness of the fishing grounds to Canada: Therefore be it

Resolved, That we, the municipal council, representing the people of Gloucester, believing that this action will be positively ruinous to the fishing industry and to the city of Gloucester as a whole, do hereby protest against this action, feeling that it is unfair to blot out an industry which has played such an important part in our country's welfare, and we most respectfully urge that the United States Government use all honorable means to prevent such a course of action; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Senators of this Commonwealth, our Representative in Congress and the other Representatives in Congress from this Commonwealth, requesting them to use their best endeavors to defeat any action which will ruin the oldest industry in the history of the United States.

ISAAC PATCH, Mayor.

C. H. BARRETT,

SAM'L MONTGOMERY,

A. N. DONAHUE,

GEO. E. MERCHANT,

Aldermen, Municipal Council of Gloucester, Mass.

In municipal council, January 27, 1911, unanimously adopted.

A true copy.

Attest:

JOHN J. SOMES, City Clerk.

Mr. LODGE presented memorials of Ware Grange, No. 164, of Ware; Phillipston Grange, of Phillipston; Littleton Grange, of Littleton; Bernardston Grange, of Bernardston; Northampton Grange, No. 138, of Northampton; Grafton Grange, No. 93, of Grafton; West Newbury Grange, No. 146, of West Newbury; Hanson Grange, No. 209, of Hanson; Danvers Grange, No. 263, of Danvers; Sturbridge Grange, No. 177, of Sturbridge; Berlin Grange, No. 134, of Berlin; Dalton Grange, of Dalton; Barre Grange, No. 9, of Barre; Duxbury Grange, of Duxbury; West Gloucester Grange, No. 286, of West Gloucester, all in the State of Massachusetts, remonstrating against the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

He also presented telegrams from Auburn Grange, of Auburn; West Medway Grange, of West Medway; Westboro Grange, of Westboro; Borough Pomona Grange, of Marlboro; Petersham Grange, of Petersham; Sutton Grange, of Milbury; Rutland Grange, of Worcester; and East Medway Grange, all in the State of Massachusetts, remonstrating against the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

He also presented memorials and telegrams from Charles M. Gardner, of Westfield, master of the Massachusetts State Grange; Edward E. Chapman, of Ludlow, overseer; and Charles H. Preston, of Hathorne, deputy, remonstrating against the proposed reciprocal agreement between the United States and Canada, which were ordered to lie on the table.

Mr. DU PONT presented a memorial of Evergreen Grange, No. 29, Patrons of Husbandry, of Nassau, Del., remonstrating against the ratification of the proposed reciprocal agreement between the United States and Canada, which was ordered to lie on the table.

STANDARDS FOR COINAGE.

Mr. SMOOT. From the Committee on Finance I report back favorably without amendment the bill (H. R. 24886) to amend sections 3548 and 3549 of the Revised Statutes of the United States relative to the standards for coinage, and I ask for its immediate consideration.

Mr. BEVERIDGE. In conformity with my notice a moment ago, which applies to all Senators, and for the reasons given, I object.

Mr. SMOOT. I will withdraw the report for the present.

The VICE PRESIDENT. The Senator from Utah withdraws the report for the present.

REPORTS OF COMMITTEES.

Mr. WARREN, from the Committee on Military Affairs, to which was referred the bill (H. R. 10605) for the relief of Aaron Wakefield, reported it with an amendment and submitted a report (No. 1264) thereon.

Mr. CHAMBERLAIN, from the Committee on Public Lands, to which was referred the bill (H. R. 27298) relating to homestead entries in the former Siletz Indian Reservation, in the State of Oregon, reported it without amendment.

Mr. BULKELEY, from the Committee on Military Affairs, to which was referred the amendment submitted by himself on the 24th instant, relative to the settlement of the claims of the 14 members of Companies B, C, and D, Twenty-fifth United States Infantry, etc., reported it with an amendment, and moved that it be printed and (with accompanying paper) referred to the Committee on Appropriations, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 10898) to authorize the Secretary of the Treasury to use at his discretion surplus moneys in the Treasury in the purchase or redemption of the outstanding interest-bearing obligations of the United States; to the Committee on Finance.

By Mr. SIMMONS:

A bill (S. 10899) granting an increase of pension to Frederick White (with accompanying papers); to the Committee on Pensions.

By Mr. NEWLANDS:

A bill (S. 10900) to create a board of river regulation and to provide a fund for the regulation and control of the flow of navigable rivers in aid of interstate commerce, and as a means to that end to provide for flood prevention and protection and for the beneficial use of flood waters and for water storage and for the protection of watersheds from denudation and erosion and from forest fires and for the cooperation of Government services and bureaus with each other and with States, municipalities, and other local agencies; to the Committee on Commerce.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. PENROSE submitted an amendment proposing to appropriate \$40,000 for the purchase of a site and commencement of a post-office building at Hanover, Pa., etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CURTIS submitted an amendment proposing to appropriate \$1,500 to pay F. H. Wakefield for preparing a history of legislation for the Senate of the Sixty-first Congress, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. OLIVER submitted an amendment proposing to increase the appropriation for the analyzing and testing of the coals, lignites, ores, and other mineral fuel substances belonging to or for the use of the United States from \$100,000 to \$135,000, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to increase the salary of the superintendent of documents from \$3,000 to \$3,500, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. OVERMAN submitted an amendment relative to the settlement of the claims of the State of North Carolina, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. WARREN submitted an amendment proposing credit in accounts of Capt. Claudius M. Seaman and Lieut. William C. Langfitt, United States Army, intended to be proposed by him to the general deficiency appropriation bill, which was ordered to be printed, and, with the accompanying paper, referred to the Committee on Appropriations.

Mr. FRYE submitted an amendment proposing to appropriate \$25,535.22 for the payment of 200 approved claims for damages and loss of private property belonging to citizens of the United States, Hawaii, and the Philippine Islands, etc., intended to be proposed by him to the sundry civil appropriation bill, which was ordered to be printed, and, with the accompanying papers, referred to the Committee on Appropriations.

Mr. PILES submitted an amendment proposing to appropriate \$10,000 for the appointment and expenses of a committee to investigate conditions in the Territory of Alaska, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SCOTT submitted an amendment intended to be proposed by him to the bill (H. R. 29157) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1912, and for other purposes, which was ordered to lie on the table and be printed.

Mr. ROOT submitted an amendment proposing to appropriate \$9,000 for the participation by the United States in the International Congress to Promote Uniform Legislation Concerning Letters of Exchange, to be held at The Hague in 1911, etc., intended to be proposed by him to the diplomatic and consular appropriation bill, which was ordered to lie on the table and be printed.

He also submitted an amendment proposing to appropriate \$25,000 toward the maintenance of the Bureau of the Inter-parliamentary Union for the Promotion of International Arbitration, etc., intended to be proposed by him to the diplomatic and consular appropriation bill, which was ordered to lie on the table and be printed.

WITHDRAWAL OF PAPERS—DANIEL WELLS.

On motion of Mr. NELSON, it was

Ordered, That the papers in the case of Daniel Wells, S. 615, Sixty-first Congress, first session, be taken from the files of the Senate, no adverse report having been made on said bill.

ASSISTANT CLERK TO COMMITTEE ON FINANCE.

Mr. PENROSE submitted the following resolution (S. Res. 379), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Finance be, and it is hereby, authorized to employ an assistant clerk, at a salary of \$2,220 per annum, to be paid out of the contingent fund of the Senate, until otherwise directed by law.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had, on February 28, 1911, approved and signed the following acts:

S. 10817. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows and dependent relatives of such soldiers and sailors;

S. 10818. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors; and

S. 10849. An act to authorize the city of Shreveport to construct a bridge across Red River.

RECIPROCITY WITH CANADA.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 849), which was read and, with the accompanying papers and illustrations, ordered to lie on the table and be printed:

To the Senate:

In response to the resolution of the Senate of February 23, 1911, requesting the President, if not incompatible with the public interests, to transmit to the Senate all the information secured, and the tables and statistics prepared, by the board of experts composed of Henry C. Emery, James B. Reynolds, and Alvin H. Sanders, relating to the various articles and commodities named in the Canadian reciprocity measure, and especially to the following: Pulp wood; wood pulp; and paper of whatever value; wool, whether raw or further advanced in manufacture; woolen thread, cloth, and clothing; cotton thread, cloth, and clothing; carpets; boots and shoes; iron ore; pig iron and manufactured iron and steel; agricultural implements; coal; meats; flour and lumber. I transmit herewith a report from the Tariff Board giving the information in its possession relating to pulp wood, pulp, and news-print paper; and farm products (including live stock), and current relative prices in Canada and the United States of wheat, barley, and food products of the farm, including meats, poultry and eggs, dairy products and vegetables. The Tariff Board reports that its information with reference to the following articles especially mentioned in the resolution: Iron ore; pig iron and manufactured iron and steel; agricultural implements; coal and lumber, is not available for transmission. The following articles named in the resolution, namely: Wool, whether raw or further advanced in manufacture; woolen thread, cloth, and clothing; cotton thread, cloth, and clothing; carpets; boots and shoes are not included in the report because they are not included in the bill under consideration, and also because the material in the possession of the Tariff Board is not in condition for immediate transmission.

WM. H. TAFT.

THE WHITE HOUSE, February 28, 1911.

HOUSE BILL REFERRED.

H. R. 32957. An act making appropriations to supply deficiencies in appropriations for the fiscal year 1911 and for prior years, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SENATOR FROM ILLINOIS.

Mr. McCUMBER. Mr. President, I understand that it is the purpose of the Senate immediately after the close of the morning business to proceed to the consideration of the Lorimer case, and in as much as many Senators have spoken for hours and days upon the subject and as there are many here who have not spoken at all, and as the vote will be had at 1.30 this afternoon, I am going to ask unanimous consent that in the consideration of and argument upon the resolution, no Senator shall speak to exceed 15 minutes until all those who desire to speak upon the subject have been heard.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

Mr. BEVERIDGE. Mr. President, the debate has occupied a great many weeks and even months. There has been ample opportunity for Senators to speak. I shall be constrained to object to any such rule. I say further that the Senator knows this is also in accordance with the convictions that I have heretofore expressed in similar debates.

The VICE PRESIDENT. The Senator from Indiana objects. Is there further morning business? If not, morning business is closed. The calendar under Rule VIII is in order.

Mr. OWEN. Mr. President—

The VICE PRESIDENT. The Senator from Oklahoma.

Mr. McCUMBER. I insist that we proceed with the calendar. Then, if no one is to speak to-day, and no one to be allowed to speak but one or two Senators upon this proposition, it seems to me that we ought to go to the calendar.

The VICE PRESIDENT. The Senator from Oklahoma has the floor.

Mr. BEVERIDGE. Regular order.

The VICE PRESIDENT. The Senator from Oklahoma has the floor.

Mr. McCUMBER. Mr. President, I desire to ask what order of business the Senate is now on?

The VICE PRESIDENT. The Senator from Oklahoma has the floor.

Mr. McCUMBER. Under what order?

The VICE PRESIDENT. Not under anything. He is on the floor.

Mr. McCUMBER. I simply desired to know what the order is so as to see whether we are going to have morning business or whether we are not.

The VICE PRESIDENT. The Chair had announced that the calendar under Rule VIII was in order. The Senator from Oklahoma then asked the floor, and he has the floor.

Mr. OWEN. Mr. President, in speaking upon this matter, I wish first of all to say that I am sincerely sorry for WILLIAM LORIMER. I am sorry for him, whether his title be held valid by the Senate of the United States or whether it be not. I am sorry for him because he has demonstrated on this floor that he has intellectual and oratorical qualities of the first magnitude, and he has demonstrated more, from the story of his life, that he has had a kind and magnanimous heart; but there is nothing that can ever remove the stain upon the record of his election or relieve the stigma of this record, because the evidence is convincing that his election to this body was procured by corrupt practices, and must always remain a painful memory to him and to his friends. For four hours he addressed this body in a speech of wonderful eloquence and power—an appeal that moved the hearts of all. The most remarkable thing of all in that speech was that he refrained from any reference to the evidence in the case and devoted himself to other questions which were immaterial to the point at issue while vehemently assuring the Senate of his innocence.

What are we to believe as to these assurances? In answer to a suggestion made to me I sent telegrams to three persons referred to by Mr. LORIMER, asking as to the accuracy of his references to them. One confirmed Mr. LORIMER's reference to him, one partly denied, but the third, the governor of Illinois, Charles S. Deneen, vigorously denied the truth of Mr. LORIMER's statements. I hold in my hand a telegram from the governor of the State of Illinois denying in serial order the statements made by Mr. LORIMER with regard to the governor of Illinois. Mr. LORIMER had the opportunity of appearing before a committee of this body. Why did he not appear before this committee investigating the question of whether or not he was aware of corrupt practices in the matter of his election?

Mr. HEYBURN. Mr. President—

The VICE PRESIDENT. Will the Senator from Oklahoma yield to the Senator from Idaho?

Mr. OWEN. I can not now yield to the Senator from Idaho.

The VICE PRESIDENT. The Senator declines to yield.

Mr. HEYBURN. Yes. I will not ask the Senator to yield; but I will appeal to the Presiding Officer on a question of privilege.

The VICE PRESIDENT. The Senator rises to a question of privilege.

Mr. HEYBURN. When a Senator states on this floor that he has a telegram containing certain facts and a member of the committee who is, by implication, charged with having misconducted this investigation rises for the purpose of asking that that telegram or the contents of it be made public, the Senator has no right to withhold it. The Senator has passed on to another subject without telling what is in that telegram.

The VICE PRESIDENT. The Chair thinks that is not a question of privilege to be decided by the Chair.

Mr. HEYBURN. Well, it is in the record.

The VICE PRESIDENT. The Senator from Oklahoma will proceed.

Mr. OWEN. Mr. President, as I had fully intended, the telegram will be read immediately to the Senate of the United States to show that the governor of the State of Illinois denies the truth of what Mr. LORIMER alleges on the floor of the Senate to be true. He appeared as a witness before this body, not under oath; he appeared as a witness where he can not be held to account; and he makes statements that are denied by the governor of his own State. I read the telegram of the governor of Illinois:

STATE CAPITOL,
Springfield, Ill., February 24, 1911.

HON. ROBERT L. OWEN,
United States Senate, Washington, D. C.:

As requested in your telegram, I transmit you herewith published statements made by me concerning Senator LORIMER's speeches.

The published statement made May 29, 1910, he first answers, which I will put into the RECORD without reading.

Mr. HEYBURN. I object to it going into the RECORD without reading.

Mr. OWEN. I will read it in full.

Published statement made May 29, 1910:

"Very meager reports of Senator LORIMER's speech have been given out. I understand that he charges that I entered into a conspiracy with the Chicago Tribune to publish the confession of Representative White. This charge is without any foundation in fact. The facts are as follows: About midnight of the day before the story was published a representative of the Chicago Tribune met me at the Union League Club and informed me that he had been waiting two hours to see me; that the editor of the Tribune was exceedingly anxious to interview me about a matter of very great importance, and that they would have to go to press within a few minutes. Accordingly I went with him to the Tribune office, which was near by.

"A statement was there made to me of Mr. White's confession, and an interview was requested. A very brief interview was given at once on the statement, in which I stated, in substance, that a full examination should be made of the statements contained in the confession and expressed no opinion regarding the truth of the charges. Mr. White's confession was in type and was on the press when I arrived at the Tribune office, and this was the first intimation I had that Mr. White had confessed or was in any way implicated in the charges of bribery.

"Regarding the deadlock over the senatorship, after the primaries I stood for the election of Senator Hopkins and did not know that Senator LORIMER and Mr. Shurtliff and their friends were against him until a minority of Republican members who were in harmony with Senator LORIMER and Speaker Shurtliff effected an organization of the house of representatives with the aid of the Democratic members. After the deadlock had existed some time Senator LORIMER called upon me repeatedly. I had assumed from the conversations we had at these times that it was entirely with a view to effecting a reconciliation between Republican factions, and notwithstanding that I felt I had suffered unjustly by reason of attacks made upon me by him and his friends in the preceding legislature, the preceding primaries, the preceding election, the preceding organization of the house, and in the effort to unseat me and seat my opponent as governor, I felt that I should lay aside all personal feeling and interest in the hope of bringing about harmony in the party.

"Senator LORIMER informed me that his friends would, under no circumstances, vote for Senator Hopkins, and, as it was impossible to elect a Senator by Republican votes without the votes of his friends, I stated that they should go into a Republican caucus to select a candidate who could be sure of the majority vote in the caucus, and thereafter the full vote of the party in his election to the senatorship.

"This was the view taken by Republicans throughout the State, and a number of names had been mentioned in this connection by friends of various candidates—Col. LOWDEN, Congressman MCKINLEY, A. C. Bartlett, W. A. RODENBERG, and a number of others, among them Mr. West. Senator LORIMER was opposed to the plan of nominating by caucus. Later I was informed by him and his friends that I could be elected Senator. I refused absolutely to consider it. Nevertheless, shortly before his election an effort was made by him and his friends in the general assembly to elect me. I called together in my office Republicans who had supported me in the Senate and who had gone into a Republican caucus in the house and stated to them that this movement was without my approval, and that I would not accept the office if elected.

"Shortly before Senator LORIMER was elected and after the deadlock had dragged on for months, it became apparent that he was a candidate. A number of my friends, whom he mentions in his speech, called upon me, and I advised them strongly against voting for him even though he could get a minority of the Republicans to aid the Democrats in electing him. All of these facts were published as the contest went on and were at that time familiar to the public.

"While I am surprised at the character of the statements made by Senator LORIMER, I am at a loss to know the positive relation they bear to the charge now under investigation, that his election to the United States Senate was procured by means of bribery."

Published statement made February 23, 1911:

"I have only such meager information regarding the speech made by Senator LORIMER to-day as appeared in the afternoon editions of the Springfield papers. I notice, however, that he followed the course which I have often observed followed by men charged with serious offenses in Cook County when I was State attorney there, of trying to escape an explanation of the facts against him by making charges against men who are not on trial. He has followed the course of Mr. Erbsstein, one of the attorneys for Mr. Lee O'Neil Browne, who was recently indicted and tried in the criminal courts of Cook County for jury bribing, and who refrained from going on the witness stand to testify under oath, where he could be cross-examined, and instead made a speech to the jury where his statements were not subject to the rules of cross-examination.

"Mr. LORIMER states—

I would like to call the attention of the Senate to this. Mr. President, here comes a categorical denial by the governor of Illinois of the statements made by Mr. LORIMER on this floor. It goes to the credibility of Mr. LORIMER—

"1. That I consented to become a candidate for Senator, and then immediately withdrew. This is not true"—

Says the governor of Illinois—

"I never gave my consent to him or anybody else to become a candidate, but on the contrary refused to do so, and stated to everyone who spoke to me upon the subject that I refused to become a candidate and would not accept the office if elected.

"2. He charges that Edward Shurtliff became speaker because I threatened to deprive representatives of patronage should they vote for him, and that I tried to elect one of my friends as speaker. Neither of these charges is true. I threatened no one with taking patronage from him, nor did I ask any member to vote for any particular person for speaker. I urged the Republicans to go into a Republican caucus and abide by the will of majority as expressed there, and had Mr. Shurtliff been selected as Republican candidate for speaker in a Republican caucus any man who would have followed my advice would have supported him.

The same situation arose here last month at the beginning of the present session of the general assembly. Mr. Shurtliff and his friends again

refused to go into the regular Republican caucus. The other 64 Republicans, most of whom were my friends, went into the caucus, and there selected Mr. Charles Adkins as Republican candidate. I urged the Republicans to go into this caucus and abide by its decision, but did not indicate to any Republican any preference for speaker. Immediately after Mr. Adkins had been chosen for speaker it appeared that Mr. Shurtliff and his friends, who were very hostile to me and were opposed to the Republican platform, would be given conspicuous places and would in fact dominate the house organization. Notwithstanding this was apparent, every one of the 64 members who went into the caucus voted for Mr. Adkins for speaker because he was the caucus nominee.

"3. Senator LORIMER states that I could have elected Mr. Hopkins Senator at any time. In view of the fact that he charges in the same breath that I could not elect a speaker, this statement falls by its own weight and needs no further refutation.

"4. He states that Mr. Shurtliff was one of Mr. Hopkins's managers. This will be news in Illinois.

"5. He has added to the list of candidates whom he claimed in his speech of May 29, 1910, that he submitted to me, Mr. GEORGE EDMUND FOSS. My answer, made on May 29, the day after Mr. LORIMER's speech in the Senate, stands now as to Mr. FOSS, also."

I call the attention of the Senate that this is the sixth categorical denial of the truth of the statements made by Mr. LORIMER on the floor of the Senate.

"6. He states: 'I urged him (Deneen) to become a candidate, telling him I believed he would reunite our party, torn asunder by factional strife.' The proposal to elect me United States Senator was not by Republican votes alone, but I was assured by him that I would get practically the entire Democratic vote in the house. No one who is at all familiar with the situation but knows that the majority of the Republicans were at all times for Senator Hopkins, and would not have voted for me had I become a candidate, or for anyone else; and the only hope of electing anybody but Senator Hopkins lay in securing a large Democratic support. No Democrat offered me such support, and the assurances of that vote came directly from Senator LORIMER, who appeared even at that time to have authority to speak for the Democrats in this matter.

"7. I notice that he gives reasons why the Democrats would support him. I have looked in vain in his speech for reasons why they would support me or any other Republican whom he named in his speech to-day, none of whom could have gotten a majority of the Republicans, because the majority felt bound by the primary vote to vote for Senator Hopkins. The truth is, the bipartisan coalition, which reached its climax in the election of Senator LORIMER, was formed in the general assembly which preceded this election, for the purpose of defeating me. To injure me it made a spurious investigation of our State institutions; it made corrupt alliances with certain interests."

The governor of Illinois says it made corrupt alliances. Who made corrupt alliances? This Democratic coalition of Republicans and Democrats of the Illinois Legislature did. "It made corrupt alliances with certain interests," says the governor of Illinois—

"that could not use me to secure my defeat in the primaries and got a very influential wing of the Democratic Party to unite with it in this effort. It was the understanding, then, that if the effort to defeat me at the primaries failed the Republican members of this bipartisan coalition would in turn join with the Democrats to defeat me at the polls, a program which was followed to the letter."

I remind the Senate that Senator LORIMER pointed out the small vote which Gov. Deneen got in Illinois, and the governor explains it by the treachery of the Republicans who were engaged in this coalition with the Democrats.

Mr. BEVERIDGE. A corrupt coalition.

Mr. OWEN. A corrupt coalition.

"After the election it became apparent that the Republican wing of this bipartisan coalition would not go into a Republican caucus upon the speakership, where they would be in a hopeless minority, and before the general assembly it became apparent also that they would join with the Democrats to elect a speaker and organize the house of representatives upon bipartisan lines. This was done, and Mr. Shurtliff was elected speaker. It was understood that the first fruits of this coalition would be to unseat me as governor, and the public is familiar with the long-drawn-out contest where the plan was to unseat me without counting votes, upon trumped-up, general charges affecting every county in the State. Finally, the contest committee ruled that they would have to file specifications, when the whole rotten fabric of false accusation dissolved and disappeared.

"It was after this that I was tendered the nomination for the Senatorship by men who had waged this unrelenting warfare against me for so long a time. Manifestly the only purpose of such a proposal from such a source was to get me out of the governor's chair, where I stood in the way of their plans, and leave to this bipartisan combination the reuniting of the Republican Party, torn asunder by factional strife."

"What interest," says the governor of Illinois—

the 53 Democrats who voted for Senator LORIMER had in the "reconciliation of Republican factions torn asunder by factional strife" does not yet appear.

The governor closes his telegram with this interesting question:

But what does all this have to do with the charges or the evidence that Mr. LORIMER was elected by the corrupt use of money?

CHARLES S. DENEEN.

What are we to believe is the truth? What will the country believe is the truth? Mr. LORIMER, when this evidence had been piled up mountain high, when the evidence showed that 10 men, at least, had been corrupted, when the evidence showed that three additional members had dishonorable and corrupt proposals made to them, did not appear under oath before the committee of this honorable body charged with the duty of in-

investigating this question, and did not there on his oath as a man deny the truth of the charge made that his election was procured by corrupt practices.

Mr. President, the committee of the Senate was charged by the resolution of the Senate of June 20, 1910, with the duty "to report to the Senate whether in the election of said WILLIAM LORIMER as a Senator of the United States from said State of Illinois there were used corrupt methods or practices in this election." The report speaks for itself. The committee does not report whether there were such corrupt practices, and does not abstract the testimony so as to make it easily intelligible. The committee reports, on the contrary, that "the title of Mr. LORIMER to a seat in the Senate has not been shown to be invalid by the use or employment of corrupt methods or practices," which they were not directed to do.

Mr. President, this is not merely the trial of an individual. This is not a question of determining merely the validity of a title to a seat in this body. It goes far beyond that question. It is a question of a great public policy. It is a question of determining by our conduct in this case whether we shall pursue a policy which shall promote corruption and bribery in this Republic, or whether we shall put an iron hand upon corruption in the election of Senators and set an example of nobility and virtue before the entire country.

I took issue with the report of the committee at the first reasonable opportunity, on the 9th of January, for the reason that I had made all of my arrangements to be absent for two or three weeks in Oklahoma, and I did not want this matter determined without putting upon the record my protest at least against an unwise report, which I thought might lead to an unwise decision in this body.

I regretted to find myself differing with the committee. The members of the committee I respect. A number of them are warm personal friends. I can easily understand how a committee in dealing with such a mass of evidence might arrive at an erroneous conclusion, probably leaving to some of the members the task of digesting the volume of evidence, perhaps leaving to some member the task of writing a report, but whatever the cause I will not give my assent to the doctrine which they have laid down, both because the doctrine itself is unsound and because their conclusion from the evidence, in my judgment, is in great error.

I read this evidence of over 700 pages carefully and patiently digested it.

This evidence shows, Mr. President, that Holstlaw in Chicago June 16, 1909, received \$2,500 in cash and deposited it. The proof is clear. That White received a thousand dollars in Chicago and received afterwards \$900 in St. Louis. He accounts for it. The evidence shows that Beckemeyer and Link received a thousand dollars each at the same time and place and \$900 at the same time and place as the other conspirators did. And so one, two, three, four of these conspirators show that they confessed that they received the cash and how it was deposited or used and six others are proven equally guilty in my opinion. The proof is complete. The evidence is clear.

Three others—Luke, Clark, and Shephard—are circumstantially shown to have received the same amount of bribe money, to wit, \$1,000 each, in the Southern Hotel, St. Louis, Mo., on June 21, 1909, and \$900 each on July 15, 1909, at the Southern Hotel, St. Louis, as did Beckemeyer and Link.

Three others swore to attempts to bribe them.

I presented an abstract of this evidence in my remarks January 9, 1911. I will not now repeat it. It is not necessary to repeat it. The evidence speaks for itself. Page by page were recited by me showing where this evidence could be found in the printed record, of which I then had no index, and upon that evidence there can be no doubt that corrupt practices did take place in a wholesale fashion.

The committee did not go into the jack pot, as I thought they ought to have done. The jack-pot combination of the Illinois Legislature was evidently strong enough and had in it enough of Republicans and of Democrats to control legislation in that body, or to defeat legislation in that body, and it is perfectly obvious that the powers of the jack-pot combination and conspiracy, this bipartisan thieving, knavish combination of that Illinois Legislature, was strong enough to elect any man who would make terms with it or to elect any man whose friends would make terms with it.

The committee did not think it wise, did not think itself justified in going into that evidence and finding out what this jack pot was, and what its strength was. I think it ought still to be done. I think that the Senate should not rest content until it had dug up the jack pot of Illinois by the roots. The time of jack-pot control of the legislative power of this country and of

the governing powers of this country must end, or the Republic itself does not deserve as a Government to live, and can not long endure. It will fall as Rome did from that identical cause.

I call your attention to the evidence of the control of the governing powers in this country by these evil and sinister forces. Look at the Pacific coast, and the control of that great and splendid metropolis of San Francisco, and its municipal powers by the corrupt combination of Democrats and Republicans, which was disclosed by Francis Heney. Look at the control of Denver, Colo., by the corrupt combination of Democratic and Republican thieves, as disclosed by Ben Lindsey in the Beast and the Jungle. Look at St. Louis and the control of the governing powers of that great metropolis of the Mississippi Valley by the thieves banded together to steal the governing powers of that municipality for private profit and municipal graft, which was disclosed to the wondering eyes of honest citizens by Joseph W. Folk, who could neither be bribed nor bullied nor threatened from the discharge of his honest duties as an officer. Look at the control for years of Pittsburg by municipal thieves, and the final disclosure there by the private enterprise of citizens who employed for long periods of time experts, detectives, putting craft against craft, and finally disclosing a nest of thieves of bipartisans, indicting finally in one grand coup 116 criminals in the governing business, members of the municipal council, bankers, and other wealthy business men in that city. Look at the disclosure of corrupt practices in that capital city in the building of the capitol in Harrisburg and the furnishing of the capitol of the great Commonwealth of Pennsylvania. Look at the disclosures of the bipartisan corruption in Albany, N. Y.

Are we going to have an end to this sort of thing or not?

Mr. BEVERIDGE. Mr. President—

The VICE PRESIDENT. Will the Senator from Oklahoma yield to the Senator from Indiana?

Mr. OWEN. I yield.

Mr. BEVERIDGE. At this most important—

Mr. HEYBURN. Mr. President, I object to the Senator from Oklahoma yielding.

The VICE PRESIDENT. Objection is made. The Senator from Oklahoma will proceed.

Mr. BEVERIDGE. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. BEVERIDGE. I do not want to take up any time at all, but the Chair will find, and I think—

Mr. KEAN. Regular order!

The VICE PRESIDENT. The Senator from Indiana will state his point of order.

Mr. BEVERIDGE. Does not the rule of the Senate provide that a Senator may be interrupted by his own consent?

The VICE PRESIDENT. There is no rule which provides that a Senator can yield the floor to any other Senator in the face of an objection. The Senator from Oklahoma will proceed.

Mr. OWEN. Mr. President, it is for the purpose of having the influence of the Senate of the United States thrown upon the right side of this great contest between the sinister, secret, crafty, most powerful and tremendous commercial interests of the Republic and those demanding integrity of government that I have thought fit to express my views in this case. It is not because I would be willing to wound the feelings of the sitting Member. If he were merely a sinner, so are all men, and so am I, and I would be glad to give him a friendly, brotherly hand. All men make mistakes. I have made many grievous ones, and grievously have I repented them. When men commit wrong, they do it in ignorance of what is best for themselves. No man would willingly do himself a conscious injury. Any man who does wrong does himself a personal injury. This is not a question of personalities. The question is, Shall we by our vote on this case establish a policy of government that will by example and precedent put an end to bribery and corrupt practices or promote it? That is the question, and that is the only question of any great importance in this case. It is true that if the Senate decides erroneously in this matter it will impair its high standing before the people of the United States, and this I should deeply regret, but that is not the most important question.

Mr. President, the committee lays down the doctrine, that if the sitting Member has a majority of the untainted votes he has a title in law which can not be disputed either in law or in morals. I want to examine where that leads. Mr. LORIMER had 108 votes. Seven votes are practically conceded to have been corrupt. That will reduce his number to 101 so-called untainted votes, not enough to elect. It required 102 votes to be a majority of 202, which were present and voting in that legislative assembly. In order to enable a majority to be obtained, therefore, it is necessary to argue that the majority of

the untainted votes will suffice; that is, that the 7 bribed votes must not be counted as voting at all. This theory would require 15 tainted votes to have been proven to have been bribed to unseat Mr. LORIMER, and when you prove 15 votes to have been tainted, that argument would admit a larger number to be bribed in order to seat the sitting Member; and when you prove a larger number, that again will permit still more to be tainted, and it would be impossible to unseat any Member on such a basis until you exhausted the quorum.

Let me explain in a moment. Take the case of Mr. Hopkins. He had 70 untainted votes. Suppose some bad friend of Mr. Hopkins—suppose this indeterminate, unknown thing called the Lumber Trust, for example—had been so friendly with Mr. Hopkins and so wanted to seat him that it had gone into the open market and bought 24 votes belonging to Mr. Stringer and had bought 39 votes belonging to Mr. LORIMER, then Mr. LORIMER would have had left only 69 untainted votes, and Mr. Hopkins, with 70 untainted votes, his bad friends having bought in the open market 63 votes, would have a title so pure and so strong under the law that it could not be disputed either in law or in morals.

What kind of doctrine is that? That is the logical consequence of the doctrine of a majority of the untainted votes being sufficient to establish a valid title. Is it good policy? I am sorry that the Senate, at the closing moments of this debate, does itself the honor to absent itself from this Chamber. I wish there could be a photograph of these vacant seats sent out to the American people. I appeal against the proposed judgment of the Senate as prophesied by the Senator from New Hampshire [Mr. GALLINGER], who advised the Senate on this floor there were sufficient votes to seat Mr. LORIMER, to the people of the United States. I am not speaking now to the Senate; I am speaking to the masters of the Senate—to the American people.

The election of Senators has been defeated by this body by a few votes. The Members from the Southern States, with the great race question before them, I can sympathize with and I do sympathize with in the fear that moved them; but I have but little sympathy with those of a white constituency who voted against it. I call attention to the fact that the defeat of the joint resolution for the election of Senators by the people was accomplished by the vote of Mr. LORIMER and those other Senators whose seats on this floor are no longer acceptable to the people of their States.

I think the English law is the better law. I think we ought to follow it, because they have found a way to put an end to corrupt practices in that country. It seems to me that whatever the old rule of politics may have been in the past, even those who have played the old pitiful, corrupt game ought to be willing now to let a new rule come in by which our elections shall be clean in this country. The English corrupt-practices act ought to be a matter of easy access to the people, and I should ask that it be made a Senate document, except for the reason that I am quite sure the Senator from Idaho [Mr. HAYBURN] would object.

I call the attention of the country to the remarkable doctrine of the Committee on Privileges and Elections—that a majority of the untainted votes shall suffice. Here is an editorial from the New York Evening Post, from which I read the following:

If on February 22, when Mr. Sheehan lacked 12 votes of an election in the New York Legislature, his friends had, without his knowledge or consent, bribed 23 of his opponents to vote for him or absent themselves, would the people of New York have regarded this as a valid election in spite of clear proof of the bribery?

Under the rule laid down by the Committee on Privileges and Elections that would have been good law. That title of Mr. Sheehan under such circumstances could not be held invalid either in law or in morals. I will not stultify myself by giving my vote for such a doctrine. It is not only unreasonable; it is not only absurd; it is not only preposterous, but it is immoral, because it promotes immorality, and I will have none of it so far as I am concerned. I propose to stand for what I think is right regardless of whether I meet the approval of the members of the committee or not. They may charge me with a race of diligence in this matter and hold me up to contempt by impugning my motives by suggesting the unworthy purpose of seeking the limelight. So much the worse for those who are pilloried in a vain effort to serve the country. One way to serve bad government is to hold in contempt those who seek good government. But this is not a question of the motives of Senators who may differ with the committee. The advocate of good government now before the Senate knows well enough that he is at present unequal to the task before him. This question is one of great national importance. Its wise determination is of vital consequence. It is the question as to whether the Senate of the United States will throw the weight

of its favor and its power on the side of purity of elections or whether it will not, and I leave that question to be determined by the Senators who have absented themselves from this Chamber while the closing argument in this case is being presented and by those Senators who have been already recalled by the American people. These are the Senators who will seat Mr. LORIMER. The decision in this case will have its compensations.

Mr. SIMMONS. Mr. President, I have read the report of the committee appointed to investigate the charges against the Senator from Illinois exonerating him of these charges. That report is signed by six of the seven Republicans and four of the five Democrats on this committee. The 10 Senators signing this report are all lawyers; some of them have been judges, trained and educated in weighing and applying testimony, and they are as pure and able men as sit in this body.

I have read practically all the evidence adduced before this committee. I have heard nearly all the speeches that have been delivered on both sides of this controversy. I heard the speech of the junior Senator from Illinois in his own defense—a speech which in logical symmetry and force, in inherent evidences of sincerity and truth, in simple and unconscious pathos will ever live in the memory of all who heard it as one of the most remarkable deliverances ever uttered in this Chamber.

When that speech was concluded my inner consciousness said to me, as many people who heard it have since said to me, if the Senator from Illinois had been guilty he could not have conceived that speech and delivered it as it was delivered by him.

Mr. President, it is said in some sources that the Senator from Illinois is a bad man and unfit for a seat in this body. His speech to which I have just referred answers conclusively the charge of mental fitness for the high office he now fills. That speech shows that intellectually he is the peer of any Senator here. The evidence of the people of his own State and city, who have known him all his life, who have known him in his business, political, and social life, known him in all the walks of life, the evidence of his associates in the House of Representatives, where he served for more than 12 years, all answer the charge that he is a bad man and show that so far from being a bad man in the purity of his life and character he is the peer of any man here.

Giving due weight to the report of the committee, the evidence and the arguments, under my oath I do not feel that the evidence is sufficient to justify me in voting that the Senator is not entitled to the seat in this body to which the certificate of the great State of Illinois, under the common seal of that Commonwealth, declares he is elected.

That various fraudulent schemes to promote and defeat legislation were organized in the Illinois Legislature which elected the Senator, organized when the Senator was at his home sick nigh unto death, organized long before he became a candidate for the Senate and when he was supporting another candidate, I have no doubt; but that the Senator from Illinois bribed anyone to vote for him, or had knowledge of anyone's being bribed to vote for him, I do not believe; and I do not think there are many who do believe it, nor do I believe the evidence satisfactorily proves that anybody was bribed to vote for him.

Mr. President, I can not vote to deprive this man of his property and destroy his character upon the evidence of four men, three of whom were offered immunity from prosecution for high crimes and misdemeanors and who accepted that offer upon condition that they would recant their statement denying that they had been bribed and swear that they had been bribed, and one man who admitted that he sold his story of confession to an inveterate enemy of the Senator for \$3,500. I can not accept the testimony of men of this character, especially when the three members of the legislature who they say bribed them have each sworn that there was not a word of truth in their statement and that they have never paid them, or either of them, any money for their votes for the Senator from Illinois. I can not accept as the basis of my vote to destroy the character of a man who has always maintained an irreproachable character evidence of men of the character of these men, especially when the three members of the legislature who, they say, corrupted them, and who under oath flatly contradicted these statements, have been victoriously re-elected to the legislature of Illinois and now hold seats in that honorable body, one of them having been elected speaker of the house of representatives.

Mr. President, we must decide this question on the evidence and the law. Every Senator must apply the evidence for himself. Upon this question we must act as jurors. For myself, I do not question the act of any honorable man who acts upon his oath. With my views of this evidence, if I should yield to the clamor of the newspapers, instigated by the Chicago Tribune, the ancient and relentless enemy of the Senator from Illinois, if I should yield to public clamor aroused and excited

by this newspaper agitation based upon articles and editorials written by men, nine-tenths of whom have never read a line of the testimony in this case and know nothing about it except what they have read in other newspapers, I should perjure my conscience and lose my own self-respect.

Mr. President, I was a man zealous of my intellectual integrity and earnestly seeking to preserve the integrity of my conscience as the thing of supremest importance before I was a Senator, and, sir, whatever may happen to me, I shall try to maintain that integrity of thought and conscience to the last.

Mr. LORIMER. Mr. President, the Senator from Oklahoma [Mr. OWEN] read into the RECORD a telegram that he received from the governor of Illinois, endeavoring to refute the statements I made on this floor. An examination of that telegram and the statements that I made will show that to a very great degree the telegram justified the statements, and every statement, that I made with reference to the election of the speaker of the house of the Illinois Legislature. Every statement that I made with reference to the governor's position in the election of United States Senator can be verified by the journal of the joint assembly and the sessions of the two separate bodies.

I made no statement here that can not be verified by an examination of this journal, excepting the statements that I made with reference to the use of patronage in the organization of the house, and those statements have been justified by telegrams from that speaker of the house of representatives, Mr. Shurtleff, Representative Brownback, and Mr. Ford, which I presented to the Senate yesterday.

Much of the telegram submitted by the Senator from Oklahoma [Mr. OWEN] has no reference at all to any statement that I made upon this floor, but a part of the telegram would indicate that LORIMER and his friends were trying to unseat the governor of the State of Illinois. An investigation of the election was demanded by the Democratic candidate for governor. A resolution was adopted by both branches of the general assembly authorizing such an investigation. Mr. Shurtleff, the speaker of the house, appointed the committee to make the investigation upon the part of the house. He appointed as the chairman Mr. Reynolds, a member of that body and a Republican, Messrs. Maclean, King, Ap Madoc, and Price, five Republicans in all, together with four Democrats. Every solitary one of these Republicans, who constituted the majority of the committee appointed by Mr. Shurtleff, were the close personal friends of Gov. Deneen—men who had followed Gov. Deneen in his contest against Mr. Shurtleff; men who had done what they could, at the dictation of the governor of our State, to defeat Mr. Shurtleff in his candidacy for speaker of the house of representatives of the legislature.

If the appointment of five of the governor's friends, a majority of the committee, is an evidence that Mr. Shurtleff was trying to unseat Gov. Deneen, then it is the sort of evidence, in my opinion, that would convict nobody on any charge in any court anywhere in this country or in any part of the civilized world.

Mr. President, I had not intended to make a further statement, but since I made my statement last Wednesday the Senator from Oklahoma [Mr. OWEN] has been zealously trying to test my statements by sending telegrams of inquiry to senators of the Illinois Legislature whose names I mentioned upon this floor, for the purpose of finding out whether or not I told the truth. I listened to most of his remarks here to-day. I was called out for a moment, and it may happen that during that moment he put into the RECORD a telegram to which I am going to refer, but he did not read it while I was present.

State Senator Hearn responded to Senator OWEN's request for a statement, and in reply sent a telegram to him. I do not know that Senator OWEN ever received the telegram; I do not know whether the telegram was delivered or not, but when Senator Hearn sent his telegram to Washington, he gave a copy of it to the newspaper men, and it was published in the Chicago newspapers—at least one newspaper—for I read it there.

If Senators will remember, I said I had discussed the tariff with Senator Hearn, that he wanted me to vote with the Democrats on that subject, that I told him I was a Republican and had always been a protectionist and that I could not do that. Here is what Senator Hearn telegraphed to the Senator from Oklahoma:

Senator ROBERT L. OWEN,
Washington, D. C.

SPRINGFIELD, ILL., February 24.

The interview quoted in Chicago Tribune of this morning regarding conversation I had with Senator LORIMER is substantially correct. He said he was for the income tax and I said that was a Democratic principle which I strongly approved. The only reference to the tariff was as regards to lumber schedule. I asked him if he would be for free lumber. His reply was that he had always been a protectionist and a Republican and would have to remain so. The interview

(Tribune) was incorrect in stating that I had been sent for to go to Shurtleff's room. I went of my own accord to see Shurtleff about some bills.

CAMPBELL S. HEARN.

Mr. President, I do not know why that telegram was not read into the RECORD. If we are going to try this case on telegrams, then it does strike me that any Senator who has a degree of fairness about him will publish all the telegrams that he receives when he is trying to get the truth on this question, in order that he who is to be judged may get the benefit of all of the testimony that any Senator may procure in this case.

I take it, Mr. President, that no Senator is searching for that testimony which tends only to convict. I take it that every Senator here, no matter what position he has taken on this question, has been searching for the truth; and the whole truth with reference to this campaign of telegrams should be submitted to this body when they are sent to Senators on their personal inquiry, not only for the satisfaction of the Senator who made the inquiry, but that the Senate may know the whole truth about this matter now under consideration.

Mr. SMITH of Michigan. Mr. President, I am well aware that the time for discussion of this case is past and I can not hope to affect the judgment of Senators, and do not rise for that purpose. I desire to put into the RECORD the reasons for the position which I feel called upon to take in this matter.

I shall say nothing which in any manner could be construed into a doubt as to my belief in the honesty and integrity of the junior Senator from Illinois. I have served with him for 12 years, and never have had occasion to doubt either his capacity or his patriotism. If the speech of the junior Senator from Illinois had been made from his desk on the 6th day of June, when these charges were preferred, I should have accepted his protestations without a moment's hesitation. Indeed, I believe the statement of the Senator from Illinois made in this Chamber a few days ago, detailing the touching and beautiful story of his rise from obscurity to this high position, affected us all; that story is not new to me. It is the story of millions of our countrymen. I am as familiar with the struggles of life as is the junior Senator from Illinois. I honor him for his career and his accomplishments, and we who share the blessing of popular government must never offend against it or bring stain upon our institutions. We have a special duty to our country for the priceless privileges we enjoy. Holding the speech of the Senator from Illinois in one hand and the report of the investigating committee, made by my colleague, in the other, I can not shut my eyes to the overwhelming evidence of debauchery, bribery, and corruption which infested the Legislature of Illinois and left a blazing trail of infamy and dishonor from Springfield to Washington.

The present speaker of the Illinois Assembly said a few days ago that he was not unmindful of the fact that the legislature of that State had lost the confidence of the people of Illinois.

Mr. President, I have not taken part in this debate hitherto because of my respect for my honored colleague, who was the chairman of the committee conducting this investigation. I wish I might be able to reach the same conclusion that he has reached, but I have gone through that record very thoroughly from cover to cover. There is not a line or a syllable in it that I have not read and pondered over. I have gone through the record of the trial of Lee O'Neil Browne before the courts. I have carefully read the charge of the judge in that case.

But, sir, no man can read this testimony without coming to the conclusion that the committee did not go as far as they ought to have gone. They did not summon the witnesses they should have summoned. They have not in the conduct of their investigation met the expectations of the Senate or of the country. More than half the record is encumbered with the controversy of counsel.

From the first day's session until the last counsel for the sitting Member obstructed in every possible way the purpose and the desire of this body to know the truth. For two days Judge Haney argued to that committee whether or not they had the power to inquire into the conduct of the joint assembly, the Legislature of Illinois, which had chosen the junior Senator from Illinois, it having adjourned immediately after his election sine die. He seriously consumed the time of the committee over the question of jurisdiction, over the conduct of the members of the Illinois joint assembly, and for two days wrangled with the committee over the admission of testimony plainly relevant on that subject.

From the first page to the last of that written record the counsel of Mr. LORIMER, with a deliberation and a resourcefulness which would have been more creditable to him in a worthier cause, absolutely blocked the purpose of this investigation.

The committee spent little time in Chicago. The witnesses were none of them willing to come. The officers of the committee spent days looking for these witnesses, and finally when they submitted themselves to examination and were asked pointed questions bearing upon the truthfulness of these charges, dissembled and hesitated and some shielded themselves behind their constitutional right and refused to testify.

Mr. BAILEY. Mr. President—

The VICE PRESIDENT. Will the Senator from Michigan yield to the Senator from Texas?

Mr. SMITH of Michigan. Certainly.

Mr. BAILEY. If it interrupts the Senator, I have no desire to proceed; but I am so sure he does not want to put anything in the Record which is not fair and just that I should like to have the privilege of calling his attention to one matter with respect to a circumstance on which he has just been commenting.

Mr. SMITH of Michigan. I am very glad to yield to the Senator from Texas.

Mr. BAILEY. While it is true that the witness Broderick claimed his exemption, he did it under a constitutional provision in Illinois—somewhat different from that which exists in most States—which privileges a man against furnishing evidence or testimony against himself.

The Senator from Michigan, of course, knows that Broderick was at that time under indictment in Sangamon County on the charge of having bribed Holstlaw. The county attorney, or State's attorney, whatever his legal designation is, of that county sat in the room of this committee. That the Senator from Michigan may know exactly what Broderick meant, one of the questions which he refused to answer was as to the people who were in his barroom at the time Holstlaw was in there.

Of course, the Senator from Michigan perfectly understands that such a question had no relation to whether or not he had paid to this man Holstlaw any money; but the purpose was to get from Broderick a list of his witnesses by whom he intended to prove that he did not take Holstlaw into the side room where this money was said to have been paid.

Broderick answered all of the questions as to the distinct and separate charge of bribery, but he declined simply to unfold his defense before the committee; and I hardly think the Senator from Michigan, upon a reexamination of the record, would be willing to have it stand as his judgment that Broderick did not have a right to do that.

Mr. SMITH of Michigan. No, Mr. President; the Senator from Texas misunderstands me. When Broderick took the stand his counsel tried to get an agreement with the Senate committee as to the extent of their inquiry and the rule as to his privilege.

The VICE PRESIDENT. Will the Senator from Michigan yield? The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business, which the Secretary will state.

The SECRETARY. A bill (H. R. 32010) to create a tariff board.

Mr. BEVERIDGE. I ask that the unfinished business be temporarily laid aside until the vote has been taken.

The VICE PRESIDENT. The Senator from Indiana asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none. The Senator from Michigan will proceed.

Mr. SMITH of Michigan. I want the Senator from Texas, whose judgment I always respect, to understand the point I have made, that the counsel for Mr. LORIMER and the counsel for Mr. Broderick undertook to thwart the purposes of this investigation at every point.

Mr. BAILEY. No; the Senator—

Mr. SMITH of Michigan. One moment. Let me finish that.

Mr. BAILEY. Very well.

Mr. SMITH of Michigan. As an illustration: When Broderick took the stand, his counsel, Mr. Dawson, undertook to get an agreement from the committee that they would not ask him certain questions. The Senator from Texas remembers that.

Mr. BAILEY. Certainly.

Mr. SMITH of Michigan. The Senator from Texas also remembers that when the committee did ask certain questions of Mr. Broderick it was not Mr. Broderick who first availed himself of his constitutional privilege, but it was Mr. Dawson, his counsel, who indignantly said that he must not answer because it would incriminate him.

Mr. BAILEY. No; he did not use the word "incriminate," as I recall it.

Mr. SMITH of Michigan. What did he say?

Mr. BAILEY. He simply invoked the constitution of Illinois. However, that is not material. I will not even say that I am

correct in saying that he did not use that particular word; but what I wanted the Senator to understand and what I wanted the Senate to understand was that Broderick's exemption was claimed under a statute of Illinois, and that exemption was not that this testimony would incriminate him, but that he was not compelled to furnish evidence. For instance, my recollection is that they once asked him if he wrote a letter to Holstlaw, and he declined to answer that. My recollection is that he afterwards did answer it; but when they asked him who was in the barroom, that could plainly have no bearing on this case. Its only purpose was to compel Broderick to furnish the State attorney with the names of the witnesses by whom he intended upon the trial to contradict the testimony of Holstlaw. Broderick did testify pointedly and distinctly on the main point involved here, and that is that he made no contract with Holstlaw to pay him money, and that he did not pay any money to Holstlaw. He did not refuse to testify on those points.

Mr. SMITH of Michigan. Did he not refuse to answer whether he had written to Holstlaw to come to Chicago and get that money?

Mr. BAILEY. No; that was not the question. The question was whether he had written a letter asking Holstlaw to come to Chicago.

Mr. SMITH of Michigan. In answer to that question he said—

Mr. BAILEY. He refused to answer.

Mr. SMITH of Michigan. He said, "I refuse to answer."

Mr. BAILEY. I have just stated that; but I am under the impression that at a different time in the investigation he did answer that.

Mr. SMITH of Michigan. I think not.

Mr. BAILEY. The Senator—

Mr. SMITH of Michigan. I am quite familiar with the record.

Mr. BAILEY. The Senator from Alabama [Mr. JOHNSTON], who sits here, and who was a member of the subcommittee, advises me that I am right about that. But whether he did or not, the Senator just makes it evident that he is not as unbiased in this matter as he usually is about all matters, because he states that Broderick was asked if he did not write a letter to Holstlaw to come to Chicago and get that money. That question was not asked him. The question asked him was whether he had written Holstlaw a letter to come to Chicago. He might have written a letter to a man asking him to come from some other place for some other purpose, and that is a different question from the one the Senator has just stated.

But, Mr. President, I beg the Senator's pardon, and I would not have ventured to interrupt him to put this in the Record except that I know he wants to be just and fair, and I pay him the compliment to take his time in order to help him to be so.

Mr. SMITH of Michigan. I thank the Senator from Texas. I do want to be just and fair, and I do know the record. I have studied the case with great care, and I repeat what I said in the first place, that the most studied attempt from the beginning of this investigation until its close was made by the counsel of Mr. LORIMER and the counsel of Mr. Broderick and others who appeared there to thwart the purpose of this investigation. I know that I am right about it.

Mr. BAILEY. Will the Senator permit me? Of course, I have nothing to say about the counsel of Mr. Broderick. I am not sure that I remember the name, though I think the Senator has called it correctly when he named him Dawson.

Mr. SMITH of Michigan. His name was Dawson.

Mr. BAILEY. But the Senator is a lawyer, and if he were employed to defend a man against any charge and that man were to be called before a committee or a tribunal of any kind to testify with respect to a transaction for which he had been indicted, would not the Senator feel bound by his duty to his client to protect him against being compelled to unfold his case? The more innocent I felt that my client was, the more I would feel compelled to protect him under such a condition.

Mr. SMITH of Michigan. The Senator from Texas knows that every accused person is entitled to trial and that every accused person is entitled to counsel.

Mr. BAILEY. And to a fair trial.

Mr. SMITH of Michigan. To a fair trial and to counsel. But the point I am making is that this is not a forum where the rules of evidence are hard and fast. This was not such a tribunal as gave to the counsel for any of these parties a right to be heard. They were there by the courtesy of this committee, and I say that their course should have been to have assisted the committee in getting at the actual facts under investigation.

Mr. BAILEY. The Senator and I agree about that. I think the committee very properly refused to make any agreement

as to the extent of its examination of Broderick. I am sure they were wise in that and well within the rules. The only suggestion I was making here was that it is fair to say that because the counsel had interposed to protect his client, not against answering questions which were under investigation, but against being compelled to file, as it were, a list of his witnesses in that proceeding, he was trying to thwart the object of the investigation.

Mr. SMITH of Michigan. Mr. President, this book is simply filled with attempts upon the part of Judge Haney and Mr. Dawson and the other lawyers and advisers in this proceeding to thwart the purpose of the Senate, which was to get at the facts. I marvel at the patience of the committee and I am surprised that they should have denied themselves the latitude conferred by the Senate resolution.

Mr. BAILEY. Will the Senator permit me just this one suggestion further?

Mr. SMITH of Michigan. Certainly.

Mr. BAILEY. I think the Senate committee acted properly in refusing to permit any testimony to come before it except what related to the election of a Senator. I would resist to the utmost of my power any effort of the Senate of the United States to investigate the proceedings of the Texas Legislature, except so far as it touched the election of a Senator here, and that is all that this committee did.

Mr. SMITH of Michigan. The Senator from Texas and myself differ very widely on that question.

Mr. President, I can not be interrupted again; others desire to speak, and the time for a vote is at hand. I wish I had time to discuss the treatment of witnesses, but I can not do so.

White has been discredited by everyone. He has been absolutely repudiated. Yet on the day this money was given to him by Mr. Browne at St. Louis poor White went into a department store, the largest in East St. Louis, and asked for the manager and handed him the money and left it with him over night and got it next day; is there any doubt about that? It has gone unchallenged and must be accepted as true. From what source did he get this money? Everybody knows that it harmonizes with the other circumstances surrounding the case.

But, Mr. President, I shall not even mention the name of another witness. We are weary of their misdoings. I am fully convinced that this record as we have it before us discloses the most brazen bravado, bribery, and corruption in the election of the Senator from Illinois, and I can not close my eyes to the record now a part of the official proceedings of this body.

Mr. President, I reach that conclusion very reluctantly. I am sorry I can not agree with my venerable colleague, but I am out of accord with his conclusions at every point on this question. I will not stultify myself or misrepresent the law-abiding people of my State in such a crisis as now confronts us. This record is reeking with perjury and corruption, and I can not by my vote approve the character and integrity of the Legislature of Illinois in this proceeding.

Mr. President, we must soon vote. I have sought only to be fair and just in my judgment on this case. I have given my opinion without prejudice, with the kindest spirit, regretting the unfortunate circumstance which forced this issue upon us and brought this scandal upon the country. The conduct of certain members of the Legislature of Illinois was most reprehensible. It is not creditable to the people of that State, and I believe will be repudiated by them when opportunity offers; and if approved by the Senate its historic traditions will mean less to the youth of our land than ever before; for us to condone this crime against our institutions is for us to trifle with our sacred responsibility to the people and voluntarily fix a new standard of political excellence unworthy our example in this exalted station.

Mr. LA FOLLETTE. Mr. President, in the few moments remaining before the discussion is closed I can only leave a word upon this record.

Those of us upon whom rests the responsibility for the rule which the Senate of the United States is to adopt are here but for a brief time at best. The record which we are to make is enduring.

Forces as irresistible as the tides are at work and moving throughout the land toward a complete restoration of self-government. This is manifest in the record made yesterday for the election of United States Senators by direct vote of the people after every effort to secure consideration has been baffled for more than half a century. It will confront the Senate again at the next session. It will not be denied. The people are aroused. They well understand that representative government fails at the point where they transfer their authority to the representative. The purchase of United States Senatorships, the bribing of State legislatures, has occurred too

often in recent years. Corrupt the election of the representative and the whole system goes down.

In the case which we have under discussion, these are the facts that will hereafter be accepted and established as a precedent for all time to come: That money was paid to members of the legislature, Democratic members, who voted to elect a Republican United States Senator; that four Democratic members confessed to receiving such money, under circumstances that can leave no doubt that they were bribed; that one Democratic member, deceased, was proven to have been present when the money was distributed, and proven afterwards to have had money in substantially the same-sized bills, and the same amount, as that corruptly paid to others; that strong circumstantial evidence points to the payment of money to still other members who were closely associated with those proven to have received it; that at least one member of the legislature was bribed to vote for the sitting Member by the promise that he, the legislator, should exercise a certain control regarding a post-office appointment at Jerseyville, Ill., and that this was on the promise of the sitting Member, and was the consideration and the only consideration for said legislator's vote for WILLIAM LORIMER; that at least one other member of the legislature was offered money to vote for the sitting Member and that others were approached and sounded on the subject; that three other members of the legislature—one of them the leader, the organizer—swore that he did not know the sitting Member "except to see him," a "mere passing acquaintance," "hardly a speaking acquaintance," and that LORIMER contradicted him and said that he "became very intimate with him years ago;" that one other member of the legislature, as soon as an investigation was ordered, ran to cover, and remained beyond the reach of a subpoena for weeks; that still another, who refused to answer because if he answered and told the truth it would incriminate him, claimed his privilege before the Senate committee.

Mr. President, you may go down the records of the Senate of the United States and you can find no other case like this one.

The precedent to be established will not only react on the future of the Senate, it will stand as a fearful example to our State legislatures. Every citizen knows that the Senate is the judge—the absolute judge—of the elections, returns, and qualifications of its own Members. And the American people are waiting with even tenser feeling than this audience the result of the roll call upon this question. The principal facts are as clear in the public mind as they are clear in the minds of Senators here, and no discussion of technicalities as to how many tainted votes are needful to corrupt an election will affect their judgment. The decision about to be recorded will destroy public confidence and create a revulsion of feeling beyond our comprehension.

For two months and one day this case was dragged along here, a vote upon it resisted by the Senators who are defending the title to this seat. When finally a sort of understanding appeared to be reached, and the word was passed along the line that there were enough votes, then those who had been resisting a vote upon the question became eager to put it through.

Now, Mr. President, taken altogether, the testimony in this case convinces me that the sitting Member had personal knowledge of the bribery which was committed to secure his seat. The testimony shows that he occupied a room with the speaker of the house of representatives, who was in constant communication with Lee O'Neil Browne, through whose hands thousands of dollars of the bribe money passed. The testimony shows that Browne occupied a room either connected with or near to the speaker's room. They are proven to have been in conference day and night. It is impossible, Senators, that the sitting Member should not have known what was going on. If you believe that there is bribery in this case, you must, it seems to me, believe that he knew it.

Why did he not go as a witness before the investigating committee? Would not any other Senator on this floor have demanded to be heard by that committee?

Mr. BURROWS. Mr. President—

The VICE PRESIDENT. Will the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. In—

Mr. BURROWS. I wish to put in just a word at this point, where the statement is made that the Senator from Illinois knew about this. One of the members of the subcommittee, the Senator from Tennessee [Mr. FRAZIER], in his minority views, says:

While there are some facts and circumstances in this case tending to show that Senator LORIMER may have heard of or known that corrupt practices were being resorted to, and while Senator LORIMER failed to avail himself of the opportunity of going on the stand as a witness and

denying any such knowledge or sanction of corrupt practices, if any such were being practiced, still I am of the opinion that the testimony fails to establish the fact that Senator LORIMER was himself guilty of bribery or other corrupt practices—

Mr. LA FOLLETTE. I can not yield further. My time expires in a moment.

Mr. BURROWS (reading):

or that he sanctioned or was cognizant of the fact that bribery or other corrupt practices were being used by others to influence votes for him.

The VICE PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LA FOLLETTE. I will reply to what the Senator is seeking to put into the record.

Mr. BURROWS. Just one sentence.

Mr. LA FOLLETTE. One moment. It can not be claimed, and I am not claiming, that there is direct and positive evidence to prove personal knowledge. If there were it would end this contest and vacate this seat. But I say, when you take this whole case, take the atmosphere that surrounded the entire situation there—this man on the ground for months, a shrewd, trained political manager, blocking the election of any avowed candidate, while men were being sounded out, terms agreed upon, patronage promised, and prices fixed, the votes delivered, for which the money was subsequently paid—I say, it is unbelievable that he, in whose interest it was all worked out, was ignorant of what was in every mind and whispered in nearly every ear. It is impossible that he should have been in daily contact with the men who were bribed and the men who bribed them and fail to know just what was afoot.

The conviction that he had guilty knowledge is strengthened and confirmed by the fact that he did not offer himself as a witness and demand that his testimony be taken and that he be subject to the most searching cross-examination. Instead he is silent. He does not even make a statement on the floor in this debate until he was led to believe that he would have the last word. It all goes to show that this seat was secured by bribery and with the knowledge of the man who claims it.

Mr. BURROWS. Now, Mr. President, will the Senator allow me just a word more?

The VICE PRESIDENT. Will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. Just a word.

The VICE PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LA FOLLETTE. We do not know, we are not able to say just where the money came from. I concede that. That is often so; that must be so; but a large amount of money is shown to have been used in this case.

I am not able to say where the \$114,000, which was acknowledged to have been used in Wisconsin to defeat my election, came from further than to be able to say that I can prove that part of it came from Wall Street and—

The VICE PRESIDENT. The hour of half past 1 o'clock having arrived—

Mr. BEVERIDGE. Let the resolution on which we are to vote be read, Mr. President.

The VICE PRESIDENT. Without objection, the Secretary will read the resolution.

The Secretary read Senate resolution 315, submitted by Mr. BEVERIDGE on January 9, 1911, as follows:

Resolved, That WILLIAM LORIMER was not duly and legally elected to a seat in the Senate of the United States by the Legislature of the State of Illinois.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CULBERSON (when Mr. FRAZIER's name was called). The Senator from Tennessee [Mr. FRAZIER] is absent at his home on account of the death of his mother. If present, he would vote "yea."

Mr. BACON (when Mr. TERRELL's name was called). My colleague [Mr. TERRELL] is necessarily detained from the Chamber by personal illness. I desire to state for him and upon his authority that, while he has been detained from the Chamber, he has examined the record in the case and has made up his judgment, and that if he were present he would vote "yea."

The roll call having been concluded, the result was announced—yeas 40, nays 46, as follows:

YEAS—40.

| | | | |
|-------------|--------------|----------|--------------|
| Bacon | Clarke, Ark. | Lodge | Root |
| Beveridge | Crawford | Martin | Shively |
| Borah | Culbertson | Money | Smith, Mich. |
| Bourne | Cummins | Nelson | Smith, S. C. |
| Bristow | Davis | Newlands | Stone |
| Brown | Dixon | Overman | Sutherland |
| Burkett | Gore | Owen | Swanson |
| Burton | Gronna | Page | Taylor |
| Chamberlain | Jones | Percy | Warner |
| Clapp | La Follette | Rayner | Young |

NAYS—46.

| | | | |
|-------------|------------|------------|------------|
| Bailey | Curtis | Hale | Scott |
| Bankhead | Depew | Heyburn | Simmons |
| Bradley | Dick | Johnston | Smith, Md. |
| Brandeggee | Dillingham | Kean | Smoot |
| Briggs | du Pont | McCumber | Stephenson |
| Bulkeley | Fletcher | Nixon | Thornton |
| Burnham | Flint | Oliver | Tillman |
| Burrows | Poster | Paynter | Warren |
| Carter | Frye | Penrose | Watson |
| Clark, Wyo. | Gallinger | Perkins | Wetmore |
| Crane | Gamble | Piles | |
| Cullom | Guggenheim | Richardson | |

NOT VOTING—5.

| | | | |
|---------|---------|------------|---------|
| Aldrich | Lorimer | Tallaferro | Terrell |
| Frazier | | | |

So the resolution of Mr. BEVERIDGE was not agreed to.

REVISION OF LAWS—JUDICIARY TITLE.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, the title of which will be stated.

Mr. HEYBURN. Mr. President, before the unfinished business is stated I desire to make a conference report, for which I ask present consideration.

The VICE PRESIDENT. The Senator from Idaho presents a conference report, and asks for its present consideration. Is there objection?

Mr. HALE and Mr. SMOOT. Let the report be read, Mr. President.

The VICE PRESIDENT. The report will be read.

Mr. ROOT. Before the question of whether there is objection to the consideration of the conference report, I beg to inquire what is its nature?

Mr. KEAN. Let us have order.

Mr. SCOTT. We can not hear.

The VICE PRESIDENT. As soon as order is restored the Secretary will read the conference report, which will disclose what it is.

Mr. ROOT. Mr. President—

The VICE PRESIDENT. Until the Senate is in order nothing will be done.

Mr. BEVERIDGE. What is the conference report, Mr. President?

The VICE PRESIDENT. The report will be read as soon as order is restored.

Mr. ROOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New York?

Mr. HEYBURN. Yes; I will yield, although this is a privileged report, to which there can be no objection.

Mr. ROOT. I purpose to speak in my own right, Mr. President, on—

The VICE PRESIDENT. The Senator from New York has not yet obtained the floor.

Mr. ROOT (continuing). The question of whether there was objection to the present consideration of the conference report.

The VICE PRESIDENT. A request has been made by the Senator from Maine [Mr. HALE] that the report be read before the request for its consideration be put. The Chair has said that the report is about to be read, and then the Chair will state the request.

Mr. ROOT. The only purpose I had in rising was to secure the reading of the report before the question was foreclosed.

The VICE PRESIDENT. It certainly will be read before there is any foreclosure or any other proceeding.

Mr. BEVERIDGE. May I ask the Senator presenting this conference report to state its nature, because, if it is a long report—

Mr. HEYBURN. Regular order, Mr. President.

The VICE PRESIDENT. The regular order is the reading of the report.

Mr. BEVERIDGE. By what right?

The VICE PRESIDENT. A conference report can be presented at any time, but it can not be acted upon without a vote of the Senate.

Mr. NEWLANDS. Mr. President, I ask the Senator from Idaho—

The VICE PRESIDENT. The regular order has been demanded, which is the reading of the conference report. The Secretary will read the report (S. Doc. No. 848).

The Secretary read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 7031, being a bill to codify, revise, and amend the laws relating to the judiciary, having met, after full and free conference, have agreed to recommend, and do recommend, to their respective Houses as follows:

That the Senate agree to the House amendment, with amendments to sections 2, 13, 14, 21, 24, 28, 29, 30, 40, 56, 70, 76, 78, 88, 91, 92, 99, 103, 106, 112, 118, 126, 128, 140, 151, 152, 178, 182, 186, 201, 207, 226, 227, 228, 229, 240, 250, 251, 259, 284, 289, 298, 301.

That the House agree to the amendments proposed by the Senate conferees, as follows:

(The references to section numbers and pages are to the bill as reported by the conferees and not to the bill as it passed the House or Senate.)

Section 2: On page 3, in line 16, beginning after the word "installments" strike out the remainder of the section.

Section 13: On page 7, in line 2, after the word "absence" insert the words "of all the circuit judges."

Section 14: Page 8, in line 1, strike out the word "their" and insert in lieu thereof the word "the"; and after the word "absence" insert the words "of all the circuit judges."

Section 21: On page 10, in line 13, strike out the words "or his counsel." In line 22, before the word "reason" insert the words "facts and the." In line 22, after the word "cause" insert the word "shall." On page 11, line 2, after the word "affidavit" insert the words "and no such affidavit shall be filed unless accompanied by a certificate of counsel of record that such affidavit and application are made in good faith."

Section 24: On page 12, in line 10, strike out the word "five" and insert "three." On page 15, in line 1, after the word "authority" strike out the following: "except in suits to suspend, enjoin, or restrain the action of any officer of a State in the enforcement, operation, or execution of a statute of such State, upon the ground of the unconstitutionality of such statute," and insert in lieu thereof the following, which will be section 266:

"No interlocutory injunction suspending or restraining the enforcement, operation, or execution of any statute of a State by restraining the action of any officer of such State in the enforcement or execution of such statute, shall be issued or granted by any justice of the Supreme Court, or by any district court of the United States, or by any judge thereof, or by any circuit judge acting as district judge, upon the ground of the unconstitutionality of such statute, unless the application for the same shall be presented to a justice of the Supreme Court of the United States, or to a circuit or district judge, and shall be heard and determined by three judges, of whom at least one shall be a justice of the Supreme Court, or a circuit judge, and the other two may be either circuit or district judges, and unless a majority of said three judges shall concur in granting such application. Whenever such application as aforesaid is presented to a justice of the Supreme Court, or to a judge, he shall immediately call to his assistance to hear and determine the application two other judges: *Provided, however,* That one of such three judges shall be a justice of the Supreme Court, or a circuit judge. Said application shall not be heard or determined before at least five days' notice of the hearing has been given to the governor and to the attorney general of the State, and to such other persons as may be defendants in the suit: *Provided,* That if of opinion that irreparable loss or damage would result to the complainant unless a temporary restraining order is granted, any justice of the Supreme Court, or any circuit or district judge, may grant such temporary restraining order at any time before such hearing and determination of the application for an interlocutory injunction, but such temporary restraining order shall remain in force only until the hearing and determination of the application for an interlocutory injunction upon notice as aforesaid. The hearing upon such application for an interlocutory injunction shall be given precedence and shall be in every way expedited and be assigned for a hearing at the earliest practicable day after the expiration of the notice hereinbefore provided for. An appeal may be taken direct to The Supreme Court of the United States from the order granting or denying, after notice and hearing, an interlocutory injunction in such case."

Section 28: On page 23, beginning in line 24, amend so as to read: "*Provided further,* That no suit against a corporation or joint-stock company, brought in a State court of the State in which the cause of action arose, shall be removed to any court of the United States on the ground that the parties are citizens of different States, if the suit is brought in the county where the cause of action arose or within the county where the defendant is served with process and the plaintiff resides."

Section 29: On page 24, in line 17, strike out the word "twenty" and insert the word "thirty." On page 24, in line 25, strike out the word "due" and insert the word "written." In line 3 on page 25 strike out the word "twenty" and insert the word "thirty"; in line 5 strike out the word "twenty" and insert the word "thirty."

Section 30: On page 25, in line 13, strike out the word "five" and insert the word "three."

Section 40: On page 35 restore section 40, reading: "The trial of offenses punishable with death shall be had in the county where the offense was committed where that can be done without great inconvenience."

Section 56: On page 41, in line 15, substitute a period for the semicolon, and strike out the words "provided that." On page 41, in line 21, strike out the word "approval" and substitute the word "disapproval"; in line 1, on page 42, strike out the word "approval" and substitute the word "disapproval." In line 5 strike out the words "The failure to secure"; also the word "approval," and substitute the word "disapproval." Beginning after the word "brought," in line 10, strike out the words "The circuit court of appeals, or the judge thereof approving such order or appointment may, at any time, for good cause shown, revoke such approval; and thereafter, unless the circuit court of appeals shall renew such order, the receiver shall thereby be divested of jurisdiction over all such property lying or being without the State in which the suit has been brought." In line 17 strike out the words "proviso to" and insert the words "provisions of"; and in line 4 strike out the words "and his appointment so approved."

Section 70: On page 51, in line 9, after the word "district," insert the words "also the territory embraced on the date last mentioned in the counties of Walker, Winston, Marion, Fayette and Lamar, which shall constitute the Jasper division of said district." On page 52, in line 4, after the word "year," insert the words "for the Jasper division, at Jasper, on the second Tuesdays in January and June: *Provided,* That suitable rooms and accommodations for holding court at Jasper shall be furnished free of expense to the Government."

Section 76: On page 58 strike out all of lines 16, 17, and 18 after the word "Tallahassee" and insert in lieu thereof the following: "on the second Monday in January; at Pensacola on the first Mondays in May and November; at Marianna on the first Monday in April; and at Gainesville on the second Mondays in June and December."

Section 78: Strike out the section and insert in lieu thereof the following:

"Sec. —. The State of Idaho shall constitute one judicial district, to be known as the district of Idaho. It is divided into four divisions, to be known as the northern, central, southern, and eastern divisions."

"The territory embraced on the 1st day of July, 1910, in the counties of Bonner, Kootenai, and Shoshone shall constitute the northern division of said district; and the territory embraced on the date last mentioned in the counties of Idaho, Latah, and Nez Perce shall constitute the central division of said district; and the territory embraced on the date last mentioned in the counties of Ada, Boise, Blaine, Casia, Twin Falls, Canyon, Elmore, Lincoln, Owyhee, and Washington shall constitute the southern division of said district; and the territory embraced on the date last mentioned in the counties of Bannock, Bear, Lake, Bingham, Custer, Fremont, Lemhi, and Oneida shall constitute the eastern division of the said district. Terms of the district court for the northern division of the said district shall be held at Coeur d'Alene city on the fourth Monday in May and the third Monday in November; for the central division, at Moscow on the second Monday in May and the first Monday in November; for the southern division, at Boise City on the second Mondays of February and September; and for the eastern division, at Pocatello on the second Mondays of March and October. The clerk of the court shall maintain an office in charge of himself or a deputy at Coeur d'Alene city, at Moscow, at Boise City, and at Pocatello, which shall be open at all times for the transaction of the business of the court."

Section 88: On page 76, in line 6, after the word "Crawford," insert the word "Genesee"; in line 8, after the word "Saginaw," insert the word "Shiawassee"; in line 11 strike out the word "Genesee"; and in line 13 strike out the word "Shiawassee."

Section 91: On page 82, in line 3, after the word "Lincoln," insert the word "Maries"; in line 14, on page 83, strike out the word "Maries." On page 84, in line 10, after the words "Saint Joseph," insert the words "at Joplin"; in line 14 strike out the words "of holding court" and insert in lieu thereof the words "at which court is now held."

Section 92: On page 84, in line 20, after the word "October," insert the following: "at Missoula on the first Mondays in January and June; and at Billings on the first Mondays in March and August."

Section 99: On page 94, in line 9, strike out the words "of holding court" and insert in lieu thereof the following: "at which court is now held."

Section 103: On page 99, at the end of line 4, add the following: "The clerk of the court for the middle district shall main-

tain an office in charge of himself or a deputy at Harrisburg; and civil suits instituted at that place shall be tried there if either party resides nearest that place of holding court unless by consent of parties they are removed to another place for trial."

Section 106: On page 101, line 2, strike out the word "Lyman"; in line 3 strike out "Crow Creek"; in line 4 strike out "Lower Brule and"; in line 7 strike out "Armstrong"; in line 8 strike out "Dewey"; and strike out all from the word "Reservation," in line 10, and substitute the following: "and in that portion of the Standing Rock Indian Reservation lying in South Dakota shall constitute the northern division; the territory embraced on the date last mentioned in the counties of Armstrong, Buffalo, Dewey, Faulk, Hand, Hughes, Hyde, Jerauld, Lyman, Potter, Stanley, and Sully, and in Cheyenne River, Lower Brule, and Crow Creek Indian Reservations, shall constitute the central division; and the territory embraced on the date last mentioned in the counties of Bennett, Butte, Custer, Fall River, Harding, Lawrence, Meade, Mellette, Pennington, Perkins, Shannon, Todd, Tripp, Washabaugh, and Washington and in the Rosebud and Pine Ridge Indian Reservations shall constitute the western division. Terms of the district court for the southern division shall be held at Sioux Falls on the first Tuesday in April and the third Tuesday in October; for the northern division at Aberdeen on the first Tuesday in May and the second Tuesday in November; for the central division at Pierre on the second Tuesday in June and the first Tuesday in October; and for the western division at Deadwood on the third Tuesday in May and the first Tuesday in September. The clerk of the district court shall maintain an office in charge of himself or a deputy at Sioux Falls, at Pierre, at Aberdeen, and at Deadwood, which shall be kept open for the transaction of the business of the court."

Section 112: On page 113, line 23, strike out the word "Kittitas" and insert in line 4 on page 114, after the word "Klickitat"; in lines 1 and 7 on page 114 strike out the word "eastern" and insert in lieu thereof the word "northern"; in lines 21 and 25 strike out the word "western" and insert in lieu thereof the word "southern."

Section 118: On page 121, in line 22, beginning after the word "circuit" strike out the remainder of the section.

Section 126: Strike out the section. The provisions of this section are embraced in section 259.

Section 128: On page 128, in line 5, after the word "laws" insert the words "under the copyright laws."

Section 140: On page 134, in line 5, strike out the word "quarterly" and insert in lieu thereof the word "monthly."

Section 151: On page 139, in line 18, after the word "may" strike out the words "or the committee thereof to which it shall have been referred, also may." On page 140, in line 18, after the word "House" strike out the words "or such committee." At the end of the section add the following: "In any proceeding under this section, the court shall determine as a preliminary inquiry the question of limitation, delay, or laches; and if it shall be of opinion that the delay in presenting the claim is not excusable, and that the bar of the statute of limitation should not be removed, it shall not proceed further to find the existence of loyalty, liability, or the extent thereof, in such case, but shall report such finding in bar to the House by which the claim or matter was referred."

Section 152: Strike out the section.

Section 178: On page 140, in line 16, strike out the word "hereinbefore" and add, after the word "provided," the words "by law."

Section 182: Insert a new section numbered 182, as follows:

"SEC. 182. In any case brought in the Court of Claims under any act of Congress by which that court is authorized to render a judgment or decree against the United States, or against any Indian tribe or any Indians, or against any fund held in trust by the United States for any Indian tribe or for any Indians, the claimant, or the United States, or the tribe of Indians, or other party in interest shall have the same right of appeal as is conferred under sections 229 and 230; and such right shall be exercised only within the time and in the manner therein prescribed."

Section 186: On page 152, in line 23, add the words "on account of color."

Section 201: Strike out this section, the provisions of this section being embraced in section 259.

Section 207: On page 169, in line 15, strike out the word "now"; in line 16, after the word "thereof" add the following: "immediately prior to June 18, 1910."

Section 226: On page 182, in line 7, after the word "court," insert the words "heretofore published"; in line 8 strike out the words "after the 5th of August, 1882"; in line 10 strike out

the word "one" and insert the word "two," and strike out "and fifty cents." After the word "volume" add the following: "and those hereafter published at a sum not to exceed \$1.75 per volume;" in line 18 strike out "fifty" and insert "seventy-five."

Section 227: On page 183, in line 7, after the words "Attorney General," insert the words "each United States district attorney." On page 184, in line 14, after the word "twenty," add the word "five." On page 185, in line 3, after the word "them," insert the words "to each United States judge and to each United States district attorney who has not received a set." On page 185, in line 17, after the word "office," strike out the remainder of the section.

Section 228: On page 186, in line 7, strike out the words "or hereafter." In line 9, after the word "than," strike out "one" and insert "two"; and after the word "dollar" strike out "and fifty cents"; and at the end of the line add: "and such number of copies of each report hereafter published as he may require, for which he shall pay not more than \$1.75 per volume."

Section 229: On page 187. Strike out the section and insert in lieu thereof the following:

"SEC. —. The Attorney General is authorized to procure complete sets of the Federal Reporter or, in his discretion, other publication containing the decisions of the circuit courts of appeals, circuit courts, and district courts, and digests thereof, and also future volumes of the same as issued, and distribute a copy of each such reports and digests to each place where a circuit court of appeals or a district court is now or may hereafter regularly be held, and to the Supreme Court of the United States, the Court of Claims, the Court of Customs Appeals, the Commerce Court, the court of appeals and the supreme court of the District of Columbia, the Attorney General, the Solicitor General, the Solicitor of the Treasury, the Assistant Attorney General for the Department of the Interior, the Commissioner of Patents, and the Interstate Commerce Commission; and to the Secretary of the Senate, for the use of the Senate, and to the Clerk of the House of Representatives, not more than three sets each. Whenever any such court room, office, or officer shall have a partial or complete set of any such reports or digest already purchased or owned by the United States, the Attorney General shall distribute to such court room, office, or officer only sufficient volumes to make a complete set thereof. No distribution of reports or digests under this section shall be made to any place where the court is held in a building not owned by the United States, unless there be at such place a United States officer to whose responsible custody they can be committed. The clerks of the courts (except the Supreme Court) to which the reports and digests are distributed under this section shall keep such reports and digests for the use of the courts and the officers thereof. All reports and digests distributed under the provisions of this section shall be and remain the property of the United States, and before distribution shall be plainly marked on their covers with the words 'The property of the United States,' and shall be transmitted by the officers receiving them to their successors in office. Not to exceed \$2 per volume shall be paid for the back and current volumes of the Federal Reporter or other publication purchased under the provisions of this section, and not to exceed \$5 per volume for the digest, the said money to be disbursed under the direction of the Attorney General; and the Attorney General shall include in his annual estimates submitted to Congress an estimate for the back and current volumes of such reports and digests, the distribution of which is provided for in this section."

Section 240: On page 192, in line 19, after the word "case," insert "civil or criminal"; in line 22, after the word "otherwise," insert "upon the petition of any party thereto."

Section 250: This section is intended to take the place of section 237 of the House amendment.

SEC. 250. Any final judgment or decree of the court of appeals of the District of Columbia may be reexamined and affirmed, reversed, or modified by the Supreme Court of the United States upon writ of error or appeal in the following cases:

First. In cases in which the jurisdiction of the trial court is in issue; but when any such case is not otherwise reviewable in said Supreme Court, then the question of jurisdiction alone shall be certified to said Supreme Court for decision.

Second. In prize cases.

Third. In cases involving the construction or application of the Constitution of the United States, or the constitutionality of any law of the United States, or the validity or construction of any treaty made under its authority.

Fourth. In cases in which the constitution or any law of a State is claimed to be in contravention of the Constitution of the United States.

Fifth. In cases in which the validity of any authority exercised under the United States or the existence or scope of any power or duty of an officer of the United States is drawn in question.

Sixth. In cases in which the construction of any law of the United States is drawn in question by the defendant. Except as provided in the next succeeding section, the judgments and decrees of the said court of appeals shall be final in all cases arising under the patent laws, the copyright laws, the revenue laws, the criminal laws, and in admiralty cases. Except as provided in the next succeeding section, the judgments and decrees of the said court of appeals shall be final in all cases not reviewable as hereinbefore provided.

Writs of error and appeals shall be taken within the same time, in the same manner, and under the same regulations as writs of error and appeals are taken from the circuit courts of appeals to the Supreme Court of the United States.

Section 251: This section is intended to take the place of section 238 of the House amendment.

Section 251: Strike out the section and substitute the following: "In any case in which the judgment or decree of said court of appeals is made final by the section last preceding, it shall be competent for the Supreme Court of the United States to require, by certiorari or otherwise, any such cause to be certified to it for its review and determination, with the same power and authority in the case as if it had been carried by writ of error or appeal to said Supreme Court. It shall also be competent for said court of appeals, in any case in which its judgment or decree is made final under the section last preceding, at any time to certify to the Supreme Court of the United States any questions or propositions of law concerning which it desires the instruction of that court for their proper decision; and thereupon the Supreme Court may either give its instructions on the questions and propositions certified to it, which shall be binding upon said court of appeals in such case, or it may require that the whole record and cause be sent up to it for its consideration, and thereupon shall decide the whole matter in controversy in the same manner as if it had been brought there for review by writ of error or appeal."

Section 259: This section is intended to take the place of a part of section 2, all of section 126, and of 202bb, in the bill as it passed the House.

"SEC. 259. The circuit justices, the circuit and district judges of the United States, and the judges of the district courts of the United States in Alaska, Hawaii, and Porto Rico, shall each be allowed and paid his necessary expenses of travel, and his reasonable expenses (not to exceed \$10 per day) actually incurred for maintenance, consequent upon his attending court or transacting other official business in pursuance of law at any place other than his official place of residence, said expenses to be paid by the marshal of the district in which such court is held or official business transacted, upon the written certificate of the justice or judge. The official place of residence of each justice and of each circuit judge while assigned to the Commerce Court shall be at Washington; and the official place of residence of each circuit and district judge, and of each judge of the district courts of the United States in Alaska, Hawaii, and Porto Rico, shall be at that place nearest his actual residence at which either a circuit court of appeals or a district court is regularly held. Every such judge shall, upon his appointment, and from time to time thereafter whenever he may change his official residence, in writing notify the Department of Justice of his official place of residence."

Section 260: On page 202, in line 10, strike out the words "a time 10 years before" and insert "at the time of."

Section 284: On page 211, in line 20, after the word "therefor," insert the following:

"If the United States attorney for any district which has a city or borough containing at least 300,000 inhabitants shall certify in writing to the district judge, or the senior district judge of the district, that the exigencies of the public service require it, the judge may, in his discretion, also order a venire to issue for a second grand jury."

Section 289: On page 216, in line 3, before the word "authority," insert the word "same."

Section 297: On page 218, in line 13, strike out "twenty" and insert "fourteen"; in line 14, after the word "inclusive," insert the following: "Sections 716 to 720, both inclusive."

On page 220, in line 3, after the word "eighty-seven," insert "except sections 4, 5, 6, 7, and 10 thereof." Beginning in line 13 strike out the following: "An act to establish circuit court of appeals and to define and regulate in certain cases the jurisdiction of the courts of the United States, and for other purposes, approved March 3, 1891." On page 221, in line 13, after the word "eleven," insert the following: "Sections 1, 2, 3, 4, 5,

the first paragraph of section 6, and section 17 of an act entitled 'An act to create a Commerce Court, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as heretofore amended, and for other purposes,' approved June 18, 1910."

Section 298: On page 221, in line 21, after the word "act," insert the words "or affecting the organization of the courts."

Section 299: On page 222, in line 6, after the word "proceeding," insert the following: "including those pending on writ of error, appeal, certificate, or writ of certiorari, in any appellate court referred to or included within the provisions of this act."

Section 301: On page 222, in line 19, strike out the word "July" and insert "January"; and strike out the word "eleven" and insert the word "twelve."

W. B. HEYBURN,
GEO. SUTHERLAND,
JAMES P. CLARKE,

Managers on the part of the Senate.

R. O. MOON,
HERBERT PARSONS,
SWAGAR SHERLEY,

Managers on the part of the House.

The PRESIDING OFFICER (Mr. KEAN in the chair). The question is on agreeing to the conference report.

Mr. BEVERIDGE. If it is a question merely of agreeing to the report without proceeding to its consideration and discussion, that might be done; but, if agreeing to the report—

The PRESIDING OFFICER. The only motion before the Senate is on agreeing to the conference report.

Mr. BEVERIDGE. I understand that; but I should like to inquire of the Senator from Idaho—

Mr. HEYBURN. Mr. President, I would be very glad, indeed, to have the report agreed to, with such exceptions as Senators may desire to designate.

The PRESIDING OFFICER. That can not be done.

Mr. HEYBURN. I think, Mr. President, that is done every day in the case of conference reports—

Mr. BEVERIDGE. Let the report go over for a day.

Mr. HEYBURN. I should like to finish the sentence that I am uttering.

Mr. President, what I desire to have is that the uncontroverted portion of the report may be acted upon as we do every day and then ask for a further conference upon the contested points.

Mr. LODGE. Is it a complete agreement?

Mr. HEYBURN. Yes.

Mr. LODGE. Then it can only be acted upon as a whole.

The PRESIDING OFFICER. The Chair so understands. The Senator from Idaho presented a conference report which is a complete agreement.

Mr. HEYBURN. I understand that. If we act upon it as a whole, I understand we can not amend it, but we can reserve for further conference—

The PRESIDING OFFICER. The Senator can withdraw his report and make a partial report and ask for a further conference.

Mr. BEVERIDGE. That is the only way.

Mr. HEYBURN. I will proceed along those lines and will make a partial report. Let me have the report.

The PRESIDING OFFICER. The Senator withdraws the report.

SEVERAL SENATORS. The regular order!

Mr. HEYBURN. I desire to retain the floor.

Mr. BEVERIDGE. You can not withdraw the report and retain the floor.

The PRESIDING OFFICER. The Senator from California [Mr. PERKINS].

Mr. HEYBURN. I had the floor for the purpose of making this report, and I have not yielded.

SEVERAL SENATORS. The regular order!

Mr. WARREN. I do not see any necessity for this commotion about the regular order, and so forth. Of course, a conference report is entitled to be presented, and if its consideration is denied, it goes over.

The PRESIDING OFFICER. Without objection—

Mr. HEYBURN. I desire to present a partial report.

Mr. BEVERIDGE. Oh, no, Mr. President.

Mr. HEYBURN. A partial report has the same privilege as a complete report.

Mr. BEVERIDGE. The Senator can not—

Mr. WARREN. As far as a conference report is concerned, it has the right of way—

Mr. BEVERIDGE. Mr. President—

Mr. WARREN. One moment, if you please; I have the floor.

Mr. LODGE. Mr. President—
The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. WARREN. After sitting here some 10 days with an appropriation bill half finished, I shall very soon raise the question of consideration upon any other business.

As to the matter of conference reports, it is well established that a report can be presented. It is well established that when presented, if objected to it must go over.

Mr. LODGE. The privilege is to make the report.

Mr. HEYBURN. Yes.

The PRESIDING OFFICER. That is correct.

Mr. LODGE. That privilege is now exhausted, and I raise the question of consideration.

Mr. HEYBURN. Mr. President—

The PRESIDING OFFICER. The question is, Will the Senate consider the conference report?

Mr. HEYBURN. I am not asking that. I have withdrawn that, or, rather, it was only an alternative suggestion. But I now ask to present a partial report from the conference committee on this bill and ask for the adoption of the partial report, which does not include the provision with regard to the removal of causes to United States courts.

The PRESIDING OFFICER. The Senator from Idaho presents the following conference report.

Mr. HALE. Mr. President—

The PRESIDING OFFICER. The Senator from Maine.

Mr. PENROSE. But the conferees have not signed any partial report.

The PRESIDING OFFICER. The Chair has no notice of a partial report until it is presented.

Mr. BEVERIDGE. No.

The PRESIDING OFFICER. The Chair has no record of that.

Mr. BEVERIDGE. Mr. President—

The PRESIDING OFFICER. The Senator from Maine was recognized, and not the Senator from Indiana.

Mr. HALE. What I desire is to call the attention of the Senate to the parliamentary course upon conference reports. They are always privileged. They are not subject to a single objection, which carries them over.

Mr. BEVERIDGE. Certainly.

Mr. HALE. But the moment a conference report is presented the question of consideration can be raised by any Senator.

Mr. LODGE. And that is what I did.

Mr. HALE. It is not a personal matter. It is not a desire to take the Senator from Idaho from the floor. It is simply what we have got to do at this stage in order to give the Senate the opportunity of considering or not. That is not debatable. It is a question for the Senate at once to decide.

Nobody is seeking to drive the Senator from Idaho from the floor. All of us have had experience with the Senator, so that we are not inclined to enter into that contest. But I gave notice yesterday—and that does not settle anything—that after the vote was taken on the Lorimer case I should ask the Senate to proceed with the appropriation bills. I also gave notice, and the foundation of that was my somewhat long experience in the way to manage evening sessions, that instead of undertaking a protracted session, which never ends in business, I should ask the Senate at half past 5—that is what we have done heretofore—to take a recess until 8 o'clock. That gives the Senators who have been here, as some of us have been, ever since 9 o'clock, if we choose, to go home to dinner or to go to our committee rooms for luncheon or dinner and come back at 8 o'clock.

All of my experience is that in three hours, after that respite between half past 5 and 8 o'clock, the Senate is ready and desirous of doing business. I would give more for those three hours between 8 and 11 to do business, pass bills, and make progress, which is essential, than I would for all of the time on a protracted session. We tried it the other night and made no progress in anything, and I shall move at half past 5 that the Senate take a recess until 8 o'clock.

But I am entirely in the hands of the Senate. If the Senate does not want to give the evening to appropriation bills and wants to give the evening to something else, I am powerless. But so far as I am concerned, with these days disappearing, and it being a question not of days, but of hours, the Senate may just as well be confronted with the fact that half a dozen of the appropriation bills will go over. I am going to submit to the action of the Senate.

I should hope, the question of consideration having been raised, that the Senator from Wyoming, who has charge of the agricultural appropriation bill, will go on with it unless—and

when I say that I know what the habit and courtesy of the Senate are—some Senator desires to take the floor. If so, the Senate loses nothing by allowing that Senator to take the floor, because if you get up the appropriation bill under our rules the Senator may talk upon the bill and spend all the time that is necessary.

I do not know about it, but I should like to have the Senate put itself on record whether it wants to go on now with the appropriation bills.

Mr. HEYBURN. I ask to make a privileged report.

Mr. PERKINS. Mr. President—

The PRESIDING OFFICER. The Senator from California has been recognized to make a report.

Mr. HALE. What has become of the other report of the Senator from Idaho?

The PRESIDING OFFICER. He has withdrawn it.

Mr. HEYBURN. I have a privileged report.

The PRESIDING OFFICER. The Chair recognized the Senator from California to make a report.

REPORT OF COMMITTEE.

Mr. PERKINS. I am directed by the Committee on Naval Affairs, to which was referred the bill (H. R. 32212) making appropriations for the naval service for the fiscal year ending June 30, 1912, and for other purposes, to report it with amendments, and I submit a report (No. 1265) thereon.

Mr. HALE. The Senator undoubtedly has the right to submit his report.

REVISION OF LAWS—JUDICIARY TITLE.

Mr. HEYBURN. I make the following privileged report.

Mr. CLARKE of Arkansas. If the Senator has in any way modified the report as signed by the conferees, his action, of course, is not—

Mr. HEYBURN. I have not in any wise modified or disturbed it. It is the report made by the conferees.

Mr. CLARKE of Arkansas. I would like to say a word about that.

Mr. HEYBURN. I have not asked for its present consideration.

The PRESIDING OFFICER. The Senator from Massachusetts raises the question of the consideration of the report, and that has to be put to the Senate without debate. The question is, Will the Senate consider the report?

Mr. GALLINGER. The Senator from Idaho says he does not ask for present consideration.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. The report will be read.

Mr. LODGE. I raise the question of consideration.

Mr. HEYBURN. Let the report be printed and go over.

Mr. CLARKE of Arkansas. That will be satisfactory.

Mr. JONES. Will the Secretary read the report, so that we may know what it is?

The PRESIDING OFFICER. The title of the bill involved in the report will be stated.

Mr. JONES. I object to the waiving of the reading of the report.

The PRESIDING OFFICER. The reading of the report, the Chair will state to the Senator from Washington, is a part of the consideration of the report.

Mr. CLARKE of Arkansas. The report has been read.

The PRESIDING OFFICER. The report has been read.

Mr. OVERMAN. No; the report has not been read.

The PRESIDING OFFICER. The report goes over.

Mr. CLARKE of Arkansas. The Senator returned the same report—the report which has been read. There is no mistake about that. The Clerk read the report.

Mr. LODGE. The whole thing has gone over.

Mr. CLARKE of Arkansas. I understand that. I want it to go over to a time when it—

Mr. OVERMAN. The Senate will not take it up now unless it votes affirmatively on the point of consideration now.

Mr. WARREN. Mr. President, under what order are we now doing business?

The PRESIDING OFFICER. The unfinished business.

Mr. WARREN. I wish to give notice now that, unless there shall be some motion to lay aside the unfinished business, I shall, at 3 o'clock, move to take up the agricultural appropriation bill.

Mr. BEVERIDGE. I ask that when 3 o'clock arrives the unfinished business be temporarily laid aside so that the agricultural appropriation bill may be proceeded with.

Mr. WARREN. I wish to say in this connection, so that those who have an interest in that bill may be here, it is my purpose to move at 3 o'clock to take up the agricultural appropriation bill.

Mr. NEWLANDS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Nevada?

Mr. WARREN. Yes.

Mr. NEWLANDS. Out of order I wish to introduce a bill.

SEVERAL SENATORS. The regular order.

The PRESIDING OFFICER. The regular order will be stated.

The SECRETARY. A bill (H. R. 32010) to create a tariff board.

TARIFF BOARD.

The Senate as in Committee of the Whole resumed the consideration of the bill.

Mr. STONE. What is the question now before the Senate?

The PRESIDING OFFICER. The question is on agreeing—

Mr. LODGE. The bill has been read and all the committee amendments agreed to except the last. The question is upon the last amendment.

The PRESIDING OFFICER. The bill is in Committee of the Whole and open to amendment.

Mr. OVERMAN. There are two or three Senators talking at the same time. I would like to know what is the question.

Mr. BEVERIDGE. On page 5—

The PRESIDING OFFICER. The question is on agreeing to the amendment to section 7. The Secretary will state it.

Mr. OVERMAN. Read it.

Mr. NELSON. What bill is this?

Mr. LODGE. The tariff commission bill.

Mr. BEVERIDGE. It is the Tariff Board bill.

Mr. OVERMAN. I want to ask the Senator—

Mr. NELSON. What bill is this?

The PRESIDING OFFICER. Senators will kindly take their seats. Senators will come to order. The Chair will recognize a Senator when there is order. The Secretary will state the pending amendment.

Mr. HALE. There was an understanding, I supposed, that the Senator from Iowa [Mr. CUMMINS] desired to address the Senate upon this bill, and the Senator from Wyoming, in charge of the next appropriation bill, had yielded for that purpose, and he agreed that he would wait and would not call up the appropriation bill until after 3 o'clock.

Mr. CUMMINS. I do not know how the Senator from Maine received that impression. I said to certain Senators that I thought the unfinished business ought to be proceeded with for an hour, at least, this afternoon, but I did not suggest to anybody that I had any desire to make a speech upon it. I want to vote upon it.

Mr. HALE. The Senator from Iowa can not have a vote upon it while appropriation bills are pending.

Mr. PENROSE. Let us have the regular order.

The PRESIDING OFFICER. The regular order is demanded.

Mr. BEVERIDGE. I give notice that when 3 o'clock arrives I will ask that the unfinished business—

The PRESIDING OFFICER. The Senator from Indiana is out of order, and he will take his seat.

Mr. BEVERIDGE. And I will say to the Senator—

The PRESIDING OFFICER. The Senator from Maine has been recognized and not the Senator from Indiana.

Mr. HALE. If any Senator desires to go on and debate this question or any other question—

The PRESIDING OFFICER. The Chair is not informed as to that.

Mr. OVERMAN. I was just rising to ask the Senator from Iowa if the proposition is to take this vote without discussion.

Mr. LODGE. Of course it is not.

Mr. CUMMINS. Any Senator who desires to discuss this bill or any amendment to it can do so.

Mr. OVERMAN. We ought to have a quorum here. I suggest the want of a quorum.

The PRESIDING OFFICER. The Senator from North Carolina suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|--------------|------------|----------|-------------|
| Bacon | Crane | Heyburn | Richardson |
| Bankhead | Culberson | Johnston | Root |
| Beveridge | Cullom | Jones | Scott |
| Borah | Cummins | Kean | Shively |
| Bourne | Curtis | Lodge | Smith, Mich |
| Bradley | Depew | Lorimer | Smoot |
| Brandegee | Dick | Martin | Stone |
| Briggs | Dixon | Money | Sutherland |
| Brown | Fletcher | Nelson | Swanson |
| Bulkeley | Flint | Newlands | Taliaferro |
| Burkett | Foster | Overman | Taylor |
| Burnham | Gallinger | Page | Warner |
| Burrows | Gamble | Penrose | Warren |
| Burton | Gore | Percy | Wetmore |
| Chamberlain | Gronna | Perkins | Young |
| Clapp | Guggenheim | Piles | |
| Clarke, Ark. | Hale | Rayner | |

The PRESIDING OFFICER. Sixty-six Senators have responded to their names. A quorum of the Senate is present. The question is on agreeing to the amendment, which the Secretary will report.

The SECRETARY. On page 5, section 7, in line 17, after the word "with," insert "as hereinbefore provided, including all testimony."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HEYBURN. Mr. President, I regret very much that this measure should be taken under consideration when the time for consideration is so brief as it necessarily will be, inasmuch as the agricultural appropriation bill is to be taken up in about 40 minutes.

Mr. President, I am not at all in sympathy with this measure. I am not in sympathy with it as a political principle. I do not approve it because of its language or the purpose for which the language is used. It seems to be going along in rather a merry mood, as though it could do no harm. There is not a measure before Congress that may do more harm than this.

I will desist for a moment. I am not accustomed to participating in duets or trios.

Mr. DEPEW. Order, Mr. President.

The PRESIDING OFFICER. It is impossible for the Senator from Idaho to proceed until there is order. The Senate will be in order, and Senators will kindly take their seats.

Mr. HEYBURN. Mr. President, if the Senate is going to insist on the consideration of this bill, the Senate had better devote its attention to the consideration of it.

I am not surprised that there has been an inquiry as to what bill it is. It is a bill which proposes to transfer the duties which are vested in Congress by the Constitution to an irresponsible board, in order, I suppose, that the people's rights may flow from a different source, because in the judgment of those who drew or conceived the idea of this bill Congress was a very incompetent medium through which the people should obtain their legal rights.

Mr. HALE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Maine?

Mr. HEYBURN. Yes.

Mr. HALE. I think from the Senator's remarks that I now recognize the bill to which he refers.

Mr. HEYBURN. I am pleased to have so accurately described it; and I assume that the Senator from Maine has some sympathy with the description which I have given of it that may go to the merits of it.

When this question was before the Senate some time ago I expressed myself briefly upon the general principle. But this being made the unfinished business, if we are going to be compelled to stand between the people of this country and a proposed infringement of their rights, I shall have to hold myself ready to speak upon this bill at any time; and I think I am prepared to do it.

It is true for the moment only that the amendment, which is expressed in the words "as hereinbefore provided, including all testimony," attached to one of the paragraphs or sections of this bill, is of the utmost importance.

This section reads, with the proposed amendment, section 7:

That said board shall submit the results of its investigations, as hereinbefore provided, including all testimony, together with any explanatory report of the facts so ascertained, to the President or to either House of Congress, from time to time, when called upon by the President or either House of Congress.

This is rather an expensive board, and if the President should overlook them, which I suppose he would for intervals, say, of a year or two and Congress should forget their existence for another year or two, they would have nothing to do but draw their salaries.

But the "hereinbefore provided" part of the amendment under consideration invites us to look back at the other sections of the bill to see what is hereinbefore provided. Every section preceding section 7 is made a part of section 7 by those words. I repeat that. Those two words, innocent appearing, become a part of every preceding section, and require every section preceding section 7 to be interpreted in connection with that provision before you can know what the law is. That is part of the amendment directly under consideration.

Section 6 contains a part of the "hereinbefore provided." In section 6 it is provided that any investigation authorized by the proposed act the board may obtain such evidence or information as it may deem advisable.

Now, Mr. President, that leaves the board the sole judge as to what information Congress needs or the President needs in determining the basis upon which revenue laws shall be made.

We are not to have any other information except such as this board may deem advisable. The words "for its confidential

use, and in case the evidence or information is so obtained" were crossed out. It was intended originally that they should not disclose to Congress or the President the information upon which they were going to act, but they repented of that evil and sought to make the evil less.

But said board shall not be required to divulge the names of persons.

There is no exception or limitation to that. We are going to create a few favored men who go and pry into the private business of the people in this and other countries and keep it to themselves, confidential information. They may give us the results of it and some general expression of their wisdom.

Mr. HALE. Or may not.

Mr. HEYBURN. Or may not.

Mr. OVERMAN. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. I do.

Mr. OVERMAN. I notice that we appropriate about \$400,000 in the sundry civil appropriation bill for a tariff board to be continued for two, three, or four years, and now this is another commission. Do I understand it is the policy to continue paying to that board \$400,000 and to appropriate money for this board, too?

Mr. HEYBURN. I can not answer all of that, because I can not anticipate what the policy is. Policies are as indefinite as floating clouds. If it pleases the person who is desirous of adopting it, it is all right, and if it does not, it is all wrong.

Now, just a moment about that—

But said board shall not be required to divulge the names of persons furnishing such evidence or information.

I am not a prophet of evil, but I can see a certain class of men on a board of that kind possessed, at the expense of the Government, of a vast amount of private information, who might be blessed with a few relatives who could put them in the way of doing rather a nice stroke of business, having private knowledge as to the private affairs of people in other countries and in this country, because this board is also, in another section, authorized to investigate these same questions in the United States and to have information about the business of business men of the United States that no one else would have.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. I yield.

Mr. NELSON. Does it not strike the Senator from Idaho that it would be of great value to Congress to get the names of the parties giving this testimony? Would not that enable Congress to determine whether the testimony is of any value? Ought we not to have the sources from which that testimony comes?

Mr. HEYBURN. Certainly. The statement itself that some person had testified so and so would be of no value whatever.

Mr. NELSON. It strikes me that that is a great mistake. We ought to have the names of all the witnesses published.

Mr. HEYBURN. I thoroughly agree with the Senator from Minnesota in that regard, and I will doubtless reach the discussion of that question under the conditions.

Mr. NELSON. I will be glad to have the Senator discuss it.

Mr. HEYBURN. I think I shall doubtless reach it.

Mr. President, what are the members of this board to do? We will look at that. Here in section 5 there is a provision that has no equal or counterpart in the history of legislation:

Sec. 5. That for the purposes of this act said board shall have power to subpoena witnesses, to take testimony, administer oaths, and to require any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation to produce books and papers relating to any matter pertaining to such investigation. In case of failure to comply with the requirements of this section, the board may report to Congress such failure, specifying the names of such persons, the individual names of such firm or copartnership, and the names of the officers and directors of each such corporation or association so failing, which report shall also specify the article or articles produced, imported, or distributed by such person, firm, copartnership, corporation, or association, and the tariff schedule which applies to such article.

That is a part of the hereinbefore provided amendment.

Then section 4 gives or purports to give the purpose of this act:

Sec. 4. That to enable the President to secure information as to the effect of tariff rates, restrictions, exactions, or any regulations imposed at any time by any foreign country upon the importation into or sale in any such foreign country of any products of the United States, and as to any export bounty paid or export duty imposed or prohibition made by any country upon the exportation of any article to the United States which discriminates against the United States or the products thereof, and to assist the President in the application of the maximum and minimum tariffs and other administrative provisions of the customs laws, the board shall, from time to time, make report, as the President shall direct.

Where is Congress? Has Congress adjourned?

They shall make that class of reports as the President may direct, and they are paid to obtain information through secret means and retain the information to themselves. We are to pay for it. For what purpose? I suppose wrapped up in that language is the purpose to determine just exactly the relative cost of certain articles in foreign countries and at home. But while that is always a proper inquiry in considering tariff rates, it is not a proper consideration of the basis upon which tariff rates are to be fixed. They are authorized to inquire, for instance, in Germany as to the cost of hardware or any other article. They go there to the German shops of the higher order. The exports from the country are principally from the larger manufacturing establishments or exporting houses. The product of the small shop generally supplies the local market. Then they report that the cost of a certain line of hardware or cutlery, which are important items of importation from Germany, is a certain figure. They report that to the President. They do not tell him how they obtained the information or from whom they obtained it, because they are forbidden to report names.

Now, Mr. President, the object of that report may be a basis for comparison of the cost of production between that country and ours. Doubtless those countries would aid the representatives if they knew they were making the inquiry to ascertain the facts, but it seems to be contemplated that they shall obtain these facts surreptitiously from the manufacturers of those countries or the producers of the product.

Now, then, the next step on the part of this board is to come home to this country with this information that they have gathered for the purpose of ascertaining the cost of producing a like product here. We will say that they go to a large establishment, equipped in the most complete manner, where the article can be produced for the least possible price, and they take that as a basis of the cost of American production. They will not go to the little mill or factory up the valley to find out what it costs them, with machinery not so modern, with equipment and conditions not so favorable. They will not go there for information. They will take as the basis of the cost of American production the cost in this finished, improved, and least expensively operated mill, and they will compare that with the cost abroad.

Then what? What is the object? If it is to be used as a basis of tariff making, we are required, according to the doctrine of this bill, to find what would be a reasonable profit. This commission is to investigate that question. What would be the result? First, what would they take as a basis for a reasonable profit? Would it be a reasonable profit with a large and expensively equipped and cheaply operated mill, with a large investment of capital, or would it be a reasonable profit to the owner of the little mill up the canyon or down on the river bank who operated it with his own hands, with the assistance perhaps of his own family? Which are you going to take? If you base the tariff upon the difference of cost between the finished, high-class mill abroad and a mill of the same class on this side, then 5 or 6 per cent difference or 7 or 8 per cent, as they might conclude, would be considered a reasonable profit. But that difference would not only not afford a reasonable profit to the mill that was not equipped so well, but which if they operated at all they operated at a loss.

That applies to every foundry and factory, to mechanical processes of any kind that produce articles entering into the American market. Who is going to say what profit shall be guaranteed, so far as tariff legislation is concerned, to the mill that is equipped in the old fashion and that is operated by the owner? Who is going to say what a fair profit shall be to that man? If his profit is to be fixed upon the basis of the investigation of this commission, then that would afford a very generous profit to the better-equipped manufacturer.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. HEYBURN. I do.

Mr. McCUMBER. Would not all those matters be taken into consideration by this commission, and could we not trust the Senate and the House to give us a perfected bill that would practically guard all our industries, even though some should make a little more profit than we would think they needed?

Mr. HEYBURN. Mr. President, I sincerely trust we can. The endeavor of those who really understand and represent the protective tariff policy has been in the past and doubtless will be in the future to make a tariff wall high enough to insure protection to all of them. I presume the Senator from Indiana [Mr. BEVERIDGE] is answering the question asked by the Senator from North Dakota.

Mr. BEVERIDGE. Not at all. It was not even mentioned.

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. HEYBURN. Mr. President, I am seeking to address myself to the Chair.

The PRESIDING OFFICER. The Senator from Indiana was out of order.

Mr. HEYBURN. Yes, I think so. The Senator from North Dakota asked me a question, and before I could answer it I found that I was blockaded.

However, Mr. President, I want to answer the question of the Senator from North Dakota because it is a very important consideration in determining this matter.

The making of tariff laws can be and should be regulated by Congress, but the proposition here is based upon the fact that it will not be regulated by Congress but by this board. That is the trouble. According to the belief of the lovers of our own country and its people that they are entitled to the first consideration in the making of laws, the tariff should be so high as to include all these classes. In other words, as I said on a former occasion in discussing this question here, the tariff wall should be above the highest tide. Why, a 10-foot wall will not protect the valley against a 12-foot tide any better than a 1-foot wall would protect it. As some one said in discussing the question here, a 16-inch boat top will not enable you to cross a ford of 20 inches of water dry-shod any more than would a boat top of 3 inches.

Between these extremes of cost the cost to the poorly equipped and yet justly entitled citizen is one thing. It is based upon the imperfection of his machinery. It is based upon the fact that he has neither the ability nor should he have the necessity of expending a large amount of money upon his mill in order that he might compete with the larger mills of perfect equipment.

For instance, in the production of sugar from beets it requires an investment of several hundred thousand dollars, but when that investment is made sugar can be produced cheaper than it could be produced by the sugar mills operated upon individual endeavor and capital anywhere in the country. They can drive them out of business because of the quantity of raw material which they can convert into the articles of commerce. Suppose you were to base the profit that might be made and recognized as legitimate upon the operations of these large sugar mills, what would become of the thousands, perhaps many, many thousands, of the smaller mills in the country?

The same is true of the iron-working furnaces. There are little furnaces up here in the Allegheny and Blue Ridge Mountains and in other sections of the country that are not equipped with the modern equipment of the large iron furnaces and can not produce their product at anything like the cost of the large mill. Now, upon the profits of which of these two manufacturers is the commission to base its conclusion as to how high a tariff should be?

We are drifting toward that condition of affairs where the duties of Congress are to be discredited at every turn in favor of a board of laymen. It is a dangerous drift of opinion. It is a charge against the ability of Congress to enact the laws for the people. It amounts to a confession on the part of Congress that it is unable to enact the necessary laws when it delegates the duties that rest upon it to some board merely that it may be easier.

What is the result of such a concession? This commission, working like a mole underground, accountable to no one, may report and it may not. It may withhold information under the provisions of this bill, but it is working away like a mole, gathering something to be used as a basis for legislation. What then? Senators who have served here long enough to know how these measures go through the committees and are adopted in the Senate know that information, so much of it as might go to the Committee on Finance, would go there. They would give Congress so much of it as they might under the law. They would base their action in the way of recommendation of legislation upon that information which had been doled out to them by the commission and a finance bill would come in here providing the protection that the people are entitled to against competition in their own markets, and we would be told with the gesture of eloquence that the committee had given it great consideration. We would be told that the facts had all been ascertained by this board and we would be met with a shrug of impatience if we insisted or were persistent in insisting that we should have the same information the committee had in order that we could judge of the wisdom of the committee's action.

That would be the position. Behind it all would be retreat of the committee to the information that was doled out to them, and the Senate would be told that this information had

been whispered by the oracle of this board to them in secret with a pledge that it could not be printed.

That is not in accord with the principles of this Government. The American people want to know the facts upon which their representatives act, and they are entitled to know them. There is no proceeding of this body that may properly be withheld from the people, nor is there any information upon which this body acts that may properly be withheld from the people, with the exception of information upon which this body acts in executive session, wherein the affairs of other countries are concerned and intrusted to our confidence in order that we may deal with them without disclosing matters that other countries desire should be kept secret.

I want no tariff board to do that which we have for a hundred years performed for ourselves without any serious inconvenience or expense to the public or to ourselves. No man should sit in this body who is not equipped with the intelligence requisite to enable him to perform the duties pertaining to his office. If he finds the people have overestimated his ability to intelligently participate in the making of laws he should advise them of that fact and they could then perhaps correct the evil. Whenever a Member of Congress requires the assistance of some laymen to enable him to intelligently perform his duties, it is then time that the people were notified of that fact.

It is said that it is convenient. The argument of convenience has no place in this body. It is said that it will result in saving the committees a great deal of work. The committees can protect themselves against overburdens by the employment of better men than would ever sit upon this board.

There seems to be so much excellent conversation going on that I hardly feel it necessary to contribute to it.

The PRESIDING OFFICER. Senators will please take their seats.

Mr. NELSON. Will the Senator allow me to make a formal motion?

The PRESIDING OFFICER. Does the Senator yield to the Senator from Minnesota?

Mr. BEVERIDGE. Mr. President, I ask—

The PRESIDING OFFICER. The Senator from Minnesota first addressed the Chair.

Mr. HEYBURN. I think I know the purpose of the Senator from Minnesota, and if this discussion were to proceed any length of time I would cheerfully yield, but the Senator from Indiana desires to ask that the unfinished business be laid aside.

Mr. NELSON. All right.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. HEYBURN. I do.

Mr. BEVERIDGE. I ask that the unfinished business be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL APPROPRIATION BILL.

Mr. WARREN. I ask the Senate to take up the agricultural appropriation bill, House bill 31596.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 31596) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1912.

Mr. WARREN. I ask that the Secretary may be instructed before the bill leaves the desk to correct all totals that may be changed by amendments during the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARREN. I ask that the reading of the bill be resumed at page 15, where we left off when the bill was under consideration on a former day.

The Secretary resumed the reading of the bill on page 15, line 22.

The next amendment of the Committee on Agriculture and Forestry was, on page 15, line 23, after the word "thousand," to insert "seven hundred and fifty," so as to make the clause read:

Total for Bureau of Animal Industry, \$1,654,750.

The amendment was agreed to.

The Secretary continued the reading of the bill to the end of the paragraph beginning in line 1 on page 22.

Mr. WARREN. In order to adjust that clause with the amendment proposed by the committee at the end thereof, I move, on page 22, line 3, before the word "thousand," to strike out "thirty-eight" and insert "forty-two."

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The SECRETARY. On page 22, line 3, before the word "thousand," it is proposed to strike out "thirty-eight" and to insert "forty-two," so as to make the clause read:

To investigate and encourage the adoption of improved methods of farm management and farm practice, \$142,920.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Agriculture and Forestry was, under the head of "Bureau of Plant Industry," on page 22, line 3, after the word "dollars," to insert "Provided, That of the amount hereby appropriated the sum of \$4,000 shall be used in agricultural reconnaissance work in Alaska," so as to make the clause read:

To investigate and encourage the adoption of improved methods of farm management and farm practice, \$142,920: *Provided*, That of the amount hereby appropriated the sum of \$4,000 shall be used in agricultural reconnaissance work in Alaska.

The amendment was agreed to.

The next amendment was, on page 22, line 10, before the word "dollars," to strike out "two hundred and seventy-eight thousand and fifty-five" and insert "three hundred and fifty thousand," so as to make the clause read:

For the study and demonstration of the best methods of meeting the ravages of the cotton-boll weevil, \$350,000.

The amendment was agreed to.

The next amendment was, on page 22, line 12, before the word "thousand," to strike out "fifty-six" and insert "seventy-six," so as to make the clause read:

For the investigation and improvement of methods of crop production under semiarid or dry-land conditions, \$76,730.

The amendment was agreed to.

The next amendment was, on page 23, line 18, to increase the total appropriation for general expenses of the Bureau of Plant Industry from \$1,352,321 to \$1,444,266.

The amendment was agreed to.

The next amendment was, on page 26, line 19, to increase the total appropriation for the maintenance of the Bureau of Plant Industry from \$1,972,471 to \$2,064,416.

The amendment was agreed to.

The reading of the bill was continued to the end of the following clause, in lines 8 and 9, on page 41:

Nez Perce National Forest, Idaho, \$23,036.

Mr. HEYBURN. Mr. President, I should like to inquire as to the item for the Nez Perce Forest Reserve. What is the appropriation for in that case?

Mr. WARREN. The appropriation for the Nez Perce Reservation amounts to \$23,036.

Mr. HEYBURN. What is it for?

Mr. WARREN. We have no information as to what this money is to be expended for, other than that there is a supervisor on that, or on that and the adjoining reservation, and, of course, the foresters are there.

Mr. HEYBURN. There is an entirely separate and distinct enumeration of the appropriations for foresters.

Mr. WARREN. As to the controlling ones; yes.

Mr. HEYBURN. No; as to all of them. There is another place in the bill where foresters are especially provided for. I only want to say that there are some singular conditions existing in the Forestry Service. For instance, the foresters engage in killing animals under the bounty law of the State. They collect large sums of money from the State for killing wild animals, and at the same time draw their salaries from the Government.

Mr. WARREN. May I ask the Senator what is the class of animals for which the State pays a bounty—wolves, I suppose—and the more of those animals they kill the better for the country.

Mr. HEYBURN. Yes; that class of animals. First a private reserve is created upon which no one is allowed to shoot but the foresters. They kill the wild animals on that reserve, and then they collect from the State for killing those animals, so that they have what might be called, to use a very homely term, a "private snap." They create the reserve and prohibit everybody else from killing the animals, and then they kill them and draw very large sums of money from our State.

Mr. HALE. From the State?

Mr. HEYBURN. Yes; from the State. They draw two salaries, one under this bill and one from the State.

Mr. WARREN. The reason I asked the Senator as to what animals they pay a bounty for killing was—

Mr. HEYBURN. They are enumerated—for coyotes, wolves, and so forth.

Mr. CULLOM. What do they get for a scalp?

Mr. WARREN. In this same bill we are providing in a way for the preservation of certain game animals. Under the laws of the State of Wyoming a bounty is paid for killing destructive animals, but money is also paid for the preservation of game animals. I suppose it is the same in Idaho. I did not know that the foresters were engaging in the business of killing wild animals and collecting bounty on them.

Mr. HEYBURN. I have a list of the bounties paid. They also have bird men to preserve the birds of the West. That extends clear back to the State of Illinois or farther east. They have a class of employees whose business it is to protect various kinds of fancy birds, and they are engaged in that in the interest of retaining the natural resources of the country, music being one of them.

Mr. SMITH of Michigan. Mr. President, the Senator from Idaho says that these wardens have the exclusive right to kill on the forest reservations?

Mr. HEYBURN. I said they exercise it.

Mr. SMITH of Michigan. They exercise exclusive right on the forest reservations?

Mr. HEYBURN. No man may enter a forest reserve without a permit from the forester.

Mr. SMITH of Michigan. Is it possible that others are not permitted to hunt on these reserves?

Mr. HEYBURN. Not at all. You must have a permit or you can not do it.

The PRESIDING OFFICER. The Secretary will proceed with the reading of the bill.

Mr. HEYBURN. Mr. President, I have grown a little callous. Other affairs press upon us here, but this is a subject which should be ventilated.

The Senator from Maine [Mr. HALE], in the Sixtieth Congress, when we were appropriating about one hundred and some odd thousand dollars, I think, for this work, then inquired as to where this would lead and whether it was the beginning of a great expensive bureau. We were met with all sorts of assurances that after four years the forest reserves would not only be self-sustaining, but would contribute to the Treasury of the United States. Now, there is in this bill an appropriation for this service of nearly \$8,000,000.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. I do.

Mr. CLARK of Wyoming. In connection with the remarks of the Senator from Idaho [Mr. HEYBURN], I should like to put in the Record the statement that this bill carries for the Forestry Service the amount of \$4,672,900.

Mr. WARREN. Other items added make the total somewhat more than that, I will say to my colleague, if we take into account emergency allotments.

Mr. CLARK of Wyoming. In addition to that, it carries another million dollars in another item, and a bill which comes over here to-day from the House of Representatives carries a deficiency appropriation of \$900,000, coming over from last year in excess of the appropriation we gave them then of between five and six million dollars. So that the total amount appropriated for the Forestry Service this year and this week amounts to over \$7,000,000.

I merely desired to make that statement in connection with the remarks made by the Senator from Idaho that this was supposed to be a self-sustaining service.

Mr. WARREN. I may say, in that connection, that we have recently passed a forestry bill which carries from ten to eleven million dollars. I refer to the so-called Appalachian Forest bill.

Mr. CLARK of Wyoming. And there is no knowing what the future possibilities of that bill may be.

Mr. WARREN. Only a word, Mr. President—

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from North Carolina?

Mr. WARREN. Certainly.

Mr. OVERMAN. Can the Senator tell how much money has been spent for the Forestry Service during the last 10 years?

Mr. WARREN. The annual amount has not been large until recent years. The first general appropriation was \$100,000, I believe, and was carried in the sundry civil bill; but if we are going into the business of buying forests—private lands—in the eastern country, as provided, and manning them, I will not pretend to say how far we may go as to the amount that will finally make up the total of the forestry expenses of the United States.

Mr. KEAN. Mr. President—

Mr. OVERMAN. Mr. President, I have not yielded the floor.

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Jersey?

Mr. OVERMAN. In a moment. The Senator from Wyoming speaks of the money that is being expended in the Eastern States.

Mr. KEAN. I want to say to the Senator from Wyoming that not a dollar has been spent on forest reserves in the East.

Mr. OVERMAN. I want merely to say to the Senator from Wyoming that there is as much spent in the West in one year for forestry as will be appropriated for all time to come for the Southern Appalachian Reserve, and there is as much appropriated in this bill as will be appropriated for all time to come for that reserve.

I see, on page 40, in line 23, in regard to the Nebraska National Forest, that there is a proviso that certain trees might be furnished from the nurseries of the national forest. Is the Government in the nursery business?

Mr. CLARK of Wyoming and others. Yes.

Mr. OVERMAN. Of all the money appropriated for all these forests, is a part for the purpose of keeping up nurseries?

Mr. HEYBURN. What kind of nurseries?

Mr. OVERMAN. I do not know. I am trying to get some information. What is being done with this money? It seems to me a great amount of money. The Senator says seven or eight million dollars are being appropriated. There ought not anything to be mentioned whether the forests are in the East or the West. It ought not to be mentioned upon this floor. Simply pass the bill. When you talk about spending money, you are spending five times as much money out there as you are here. What I am asking is—to get some information—whether the Government is in the nursery business in all these forests, spending millions of dollars raising trees? What sort of trees are being raised out there—fruit trees?

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Wyoming?

Mr. OVERMAN. Yes.

Mr. CLARK of Wyoming. I think the Senator from North Carolina misapprehended my purpose in calling attention to this appropriation.

Mr. OVERMAN. I hope I did.

Mr. CLARK of Wyoming. A great many people from the West are inclined to complain of the tremendous amounts that are being appropriated from year to year to be expended by the Forestry Service. They do that upon two grounds. First, upon the ground that it is an extravagant use of the public funds, and second, upon the ground that for nearly every dollar that is so expended another dollar is expended side by side with it that stops the development of that country; and I miss my guess if the Senator from North Carolina and those who acted with him in the Appalachian business will not live to rue the time when they have put it within the power of the General Government and the Agricultural Department and the Forestry Service to handle their lands upon this eastern coast.

We complain of it bitterly. We complain of it because it has bound up our water powers, because it has precluded us from the development we ought to have, because we can not use the resources that nature has put down at our very doors. The Senator from North Carolina will find that in his Appalachian bill he has been forging the same sort of fetters for his own country, or I will miss my guess.

But the Senator asked a question a few moments ago in regard to appropriations that have been made. This matter is of little moment—started as a small tree. It did not amount to much. It was simply a little experiment as to what the Government could do with trees, but it has been growing in spite of all our warnings. Not a man in this body has voted to approve these increased appropriations, not a man has voted to put these shackles on our industry but has done so with his eyes open and knowing what he was doing. It has never passed through the Senate but that it has been met by the determined and indignant opposition of those upon whom it was forced.

This thing that was not to grow; this thing that was to become a beneficence; this thing that was to be a blessing to us all and was to pay its own way, that was not to fatten upon the Treasury of the United States—this is what it has done: In the year 1900 there was an appropriation of \$48,520, not very much, a mere experiment to see what could be done to protect our watersheds. No question then of gain to the Government by exploiting our resources; no question then of setting the price of lumber over half of this continent; no question then as to the money that was to be taken from the inhabitants of that country for the free grass God raised from the soil; not a question of that sort, but a question of the benevolent, paternal, governmental control, because, forsooth, the peo-

ple in that country knew not how to husband their own resources, because they did not know what was best for them and needed a guardian.

And from that has grown the appropriations, from the \$48,000 in 1900 it doubled in 1901. It doubled again in 1902. It doubled again in 1903. No arithmetical progression, but geometrical progression from start to finish.

In 1903, \$291,860; in 1904, \$366,864; in 1905, \$545,282; in 1906, \$1,642,000; and in 1907, \$2,757,000.

I want these figures heeded. In 1908, \$2,304,000; in 1909, \$3,989,000; in 1910, \$4,682,000; in 1911, \$5,051,000, and to-day this service is passing through the Congress of the United States, in addition to the more than \$5,000,000, \$900,000 on a deficiency bill that they have expended in violation of the law.

Now, do Senators wonder when every dollar that has been expended by the Government of the United States has been an absolute injury to the country which it is sought to protect; that every year, notwithstanding this great Forestry Service, which spreads is protecting care over our western forests, finds our forest fires more and more destructive? Let the people who live in that country protect their forests, and they will protect them. Let the people in that country fight the fires, and they will put them out. But every time you have taken from the men who are bred to the soil the authority to do with their natural resources as the necessities require, as their experience determines, not only do you take away that the loss of which injures them, but you put in the power of those who know little or nothing about the subject matter the authority to deal with things in such a way that it brings destruction to their own cause and to people as well.

I want to put these figures in the RECORD, so that the Members of the Senate may know—and may vote with their eyes open—that they are spending as much upon the Forestry Service of this Nation, against the protests of those who live within gunshot of the forests, against the protests of men who are as patriotic, who are as honest, who are as earnest as ever crossed this continent, who know what is right, who know how to handle these matters—in the face of their protests you are making a drain upon the Treasury of the United States that is absolutely without excuse, and the \$900,000 to which I have called attention has been expended absolutely in spite of the law.

Mr. OVERMAN. I want to ask the Senator from Wyoming a question before he sits down. The Senator read for each year the figures. I should like to know what is the grand total?

Mr. CLARK of Wyoming. The grand total?

Mr. OVERMAN. Yes. Since 1900.

Mr. CLARK of Wyoming. Twenty-one million nine hundred and fifty thousand dollars.

Mr. OVERMAN. I mentioned it as over ten million. That is over twice as much as I thought.

Mr. CLARK of Wyoming. The amount appropriated each year for permanent improvements was \$1,975,000.

Mr. NELSON. I rise simply to respond to an inquiry made by the Senator from North Carolina, which I think the Senator from Wyoming in his able remarks has not responded to. It is the question of nurseries.

For salaries and field and station expenses, including the maintenance of nurseries, collecting seed, and planting, necessary for the use, maintenance, and protection of the national forests named below.

I find among the appropriations \$25,000 for the Chugach Forest Reserve in Alaska. That is in the southern part of Alaska, opposite the Gulf of Alaska. Over half, two-thirds perhaps, of that reserve, consists chiefly of barren mountains, icebergs, dead and living glaciers, and old moraines.

Now, it is conceived that it would be an elegant place to establish a nursery at the foot of those glaciers, for the reason that the young plants would have an abundance of moisture there, as those glaciers thaw out in summer.

Then, more than that, after they get the little plants started at the foot of the glaciers they can have those old dead glaciers or moraines planted over with this nursery stock and raise a valuable addition to the timber supply of Alaska.

Mr. OVERMAN. Perhaps it is for raising moss.

Mr. NELSON. They can raise tundra over there, too. Another thing, and I learned that in my younger days when I worked in a nursery where we did a little grafting—[Laughter.]

Mr. WARREN. I wish, to preserve the peace, that the Senator will not commit himself in any manner. [Laughter.]

Mr. NELSON. I see Senators are swift to get a wrong impression on the question of grafting. I meant that in an innocent sense; and I was about to explain that when we made what is called root grafting, in order to keep the grafted pieces

in good shape and moist, when we put them in the ground we wanted a little moss around them.

Now, there is another advantage up in Alaska. They can go to work and graft trees, and until they get them set out and get the moisture from the thawing glaciers, they can take that tundra, covered in the ice there, and wrap it around these graft stems, and in that way I think we can establish a nursery out there in the Chugach Forest Reserve in southern Alaska that will supply all the Pacific coast. I am even in hopes of getting some of the grafts and stems in Minnesota.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Agriculture and Forestry was, on page 46, in line 17, after "fires," to insert "and insect infestation," and in line 19, after the word "dollars," to insert "of which sum \$35,000 shall be immediately available," so as to read:

For fighting forest fires and insect infestation and for other unforeseen emergencies, \$135,000, of which sum \$35,000 shall be immediately available.

Mr. HEYBURN. That item interests me. I saw them fighting fires last summer—

Mr. WARREN. This is insect infestation.

Mr. HEYBURN. No; fighting fires.

Mr. WARREN. No; insect infestation.

Mr. HEYBURN. I saw a section of the country burning to a very large extent, in which not a fire ever started in the neighborhood of a settlement. There was not a storm of lightning during the period the fire was in progress. I happened to be there.

Mr. HALE. Forest fires?

Mr. HEYBURN. Yes. Parties wanted me to bring the facts to Congress, and I told them that this burden had grown so heavy that I did not feel that I could stem the tide here.

It is so appalling and so discouraging to a man who cares for his Government that it is very difficult, after all these years in which we have contended and sought to bring some comprehension of this subject to the people, to enter upon it.

Now, about those fires last summer. It is a very important point where the fires started. Fire fighters they talk about! I saw them; poor fellows picked up among the unemployed around towns, timid as rabbits, some of them, and those who were not were as vicious as wolves. These were good men, if they could get anything to do. I saw them go out to fight fires. Of course, when you speak of a fire fighter you imagine a man like a Viking going out to conquer nature's forces. You saw these poor, little, stoop-shouldered fellows going around the streets, some of them with scarcely covering on their feet. They would go out with shovels or axes or any implement of warfare that might be furnished them, and they had no more idea of how to use it than the untutored savage.

Mr. HALE. Fans.

Mr. HEYBURN. Fans probably were not suggested to them. But I saw them come in. I saw some of them come in wrapped in blankets, 80-odd, into our city. I saw them lying on the floor of my office. I saw them lying where they could find room to put them. Then I saw the necessity of housing those people, and we provided a place for them to sleep and blankets to roll themselves up in, and with food to eat until the regular organization could pick it up.

Mr. HALE. Do you mean the settlers?

Mr. HEYBURN. No; the settlers were driven from their homes by the fires that were started beyond their homes and swept through the country.

Of course, the papers exaggerated the loss immensely. The loss of life and property was bad enough, but it was not as pictured. I had papers, I think, from this city sent me which told of flames 30 feet high and 12 miles in length, a solid sheet of flames, destroying the city of Wallace. I was there during all that time. You would have to have somebody point out in that city where the fire was. All of the hillsides that were burned, while, as compared with a garden patch, they are large areas, were, as compared with the public desert out there, but garden patches.

By public desert I mean a land that produces nothing and that has been reduced to a condition where it is not liable ever to. It produces a home and a playground for a lot of idlers, for which we are appropriating four or five million dollars to-day. It produces a home and an occupation for a lot of favorites who otherwise might starve to death, and it may have an element of humanity in it.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. Yes.

Mr. OVERMAN. Does the Senator from Idaho have any idea of the total number of men employed in this service?

Mr. HEYBURN. I should have to look up the report. I have no doubt the report tells how many men. But it is an army of men. Somewhere in the neighborhood of 12,000 men.

Mr. OVERMAN. I see they are appropriating from \$8,000 to \$17,000 for every one of these forests. Is all that money expended in hiring men—such men as you describe?

Mr. HEYBURN. No; I was speaking of the hour of emergency. Ordinarily these are about as neat and trim and well-selected a lot of young fellows as you ever saw. I have referred to them often, and it is no exaggeration to say those men are neatly uniformed and that they claim special privileges and rights for themselves as against the citizens of the country, and they have them under the law. Congress in its hour of forgetfulness has enabled them to take possession of a third of a State and administer it; and when you are reading all these names of forest reserves you are simply reading the subdivisions into which they have divided this country, and they are proceeding to enlarge it.

Mr. OVERMAN. But of these 12,000 men—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. Yes; I yield.

Mr. WARREN. I do not want to interrupt these pleasantries, but I ought to say that the regular employees are between three and four thousand men. Of course, in cases of great conflagrations, additional men are hired, but the regular force is something over 3,000.

Mr. OVERMAN. Suppose that is so—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. Yes.

Mr. OVERMAN. I want to know something about it.

Mr. WARREN. That includes, of course, the overhead charges, the men employed in Washington, and the full force.

Mr. OVERMAN. The Senate ought to know how this great amount of money is being spent. It is not disbursed in buying forests and in keeping up forests. Why should it take so many men at such great salaries? If there are only 4,000 men employed and about \$5,000,000 is expended to pay the salaries, they must get big salaries. Or is the money spent in some other way, in nurseries, raising fruit trees?

Mr. HEYBURN. That nursery question is a pleasantry of the most unpleasant kind.

Mr. OVERMAN. Do you not think the Senate ought to know something about it? We people who do not live out there do not know anything about it.

Mr. HEYBURN. I am delighted that the Senator from North Carolina has awakened to a realization that the Senate should know something about it.

Mr. OVERMAN. We know there are \$5,000,000 being spent out there each year on the forests, and I for one would like to know how it is being spent. I do not like to vote for appropriations unless I know something about where the money goes.

Mr. HEYBURN. I hope the Senator's interest will continue to grow.

Mr. CLARK of Wyoming. In answer to the inquiry of the Senator from North Carolina, I will say that these forests are now simply an infant industry. They are going to progress. As to the number of people employed, as the chairman says, it is between three and four thousand now. But I can give to the Senator from North Carolina the opinion as expressed by the most eminent forester in the United States, the former head of this bureau, in an address before the Geographic Society some years ago, when we had about two-thirds of the acreage in forests that we now have, that the real, proper care of those forests would require the employment of about 117,000 men.

So the Senator from North Carolina can readily figure, if with the limited number we employ now we expend \$7,000,000, how much we will be required to spend when this system reaches its real development and 118,000 or 120,000 men will be required.

Mr. OVERMAN. It will bankrupt the Treasury.

Mr. HEYBURN. I want to proceed just a little further.

There is a most exaggerated opinion in the minds of people as to the value of these lands. There is not an acre of land in the forest reserves in the United States—I say not an acre; there might be some exceptions, but I will rest it upon that—the timber upon which is worth \$100. You might imagine that these forest lands grew timber worth thousands of dollars per acre. The average value of the timber on forest reserves actually timbered is less than \$40 an acre; and I will undertake to say that the greater part of that land will produce a single crop of cabbages worth more than the timber on it.

You know when you multiply atoms you can get very large figures if you multiply them enough, and they always talk about the millions of acres of forests and then give you the total as to the timber on it. I know the scale of timber upon millions of acres of land. I have had it passed before my notice. It is a matter that you can obtain anywhere where these lands are—in the land offices, the surveyor general's office, the State board offices. The very best timber land in the United States, the white-pine timber lands, the timber upon which is worth more than any other is probably the Marble Creek district.

Mr. HALE. Where is that?

Mr. HEYBURN. That is in Idaho, and it is conceded to be the finest body of white pine in the world. Any great timber man will tell you.

Mr. HALE. Where is that?

Mr. HEYBURN. That lies in this—

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. It is about 40 by 60 miles. That is, of course, not in even lines, but that is approximately its size.

Mr. OVERMAN. I have heard the Senator very interestingly, and he speaks very interestingly on these matters and gives us information. We know nothing about it, and I have heard the senior Senator from Wyoming. We have this up every year. It seems to me the Senator ought to offer some amendment by which some of this money could be saved. Some Senators understand these questions. I do not understand them. I do not live there. But the Senator talks very interestingly, and I am inclined to go with him; but it is all talk. Why is not some bill or some amendment introduced here?

Mr. HEYBURN. That is not a fair charge—that it is all talk. We have made amendments covering all these questions only to see Senators vote them down.

Mr. OVERMAN. Because they were not informed about the question.

Mr. HEYBURN. We have spent days in discussing it only to see Senators' minds occupied with other questions.

Return those forests, make them available to the settler, and all these questions will pass away. There is no citizenship in the forester. He is probably appointed from the District of Columbia or from some place where his sponsor lives. There is no citizenship. It adds nothing to the State. He does not bring property there. He does not pay taxes there, and this land pays no taxes and contributes nothing except a little sum that is provided if Congress has to violate the constitution of the State.

The constitution of the State says for what purpose school funds or the funds from the sale of timber lands shall be used. Congress goes in and says, "Well, we will use it for some other purpose."

Mr. HALE. Are not the foresters in Idaho citizens of the State?

Mr. HEYBURN. I expect there are some citizens of Idaho appointed foresters, but that simply withdraws them from profitable industrial enterprises and makes them range riders for the Government of the United States.

Mr. President, this question is of enough importance to occupy the attention of the Senate for a time I would not undertake to limit, but unless Senators are ready to wake up to the importance it would be merely to be voted down and probably add another million dollars. Four years ago when we had fought this question on the lines of truth and had presented it in such way as should have convinced any Senator, we were met with a ribald amendment that was sent over here merely to show us what the power was, adding another half a million dollars to the bill, without even prescribing what it was for. It was just legislative ribaldry. That is what we have met from the beginning. We are feeling no less earnest about it to-day.

If you do not want that country settled by industrious citizens and growing communities, what do you hold it for? As a fuel supply? How much have you drawn from it? Settlers know better what to do with that land than any theorists in the world. It sounds well to sit back here and build up a Utopian idea of great national forests which shall pour out mighty wealth to the people, and pour out wood and lumber in various ways. But they do not do it. There have been more trees falling down rotten with age in those forest reserves since they were created than there have been cut for use.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. I do.

Mr. OVERMAN. Do not the forest reserves protect the water power and the water?

Mr. HEYBURN. That is so absolutely absurd that an intelligent man is not patient with it.

Mr. OVERMAN. That is what has been said.

Mr. HEYBURN. I know it is being said.

Mr. OVERMAN. I want to draw the Senator out on that point, because I do not understand it. I do not think this side of the Chamber understands it.

Mr. HEYBURN. Mr. President, water power has no more value than the song of the birds, unless it is being utilized and applied.

Mr. OVERMAN. Then, why have the forest reserves protect it?

Mr. HEYBURN. The forests do not protect the water power.

There is no water power merely because there is water, unless it is improved and applied. You have been creating forest reserves out there to protect water for the last 10 years, and the water would have been just as well protected without them. No one wanted to use it then. The water would have been there without them. It is there now. The water that is here to-day is somewhere else to-morrow. What we want is some one to come in there and develop the water power. I would rather offer a premium for its development than enact a law that would prevent its development. There is more nonsense talked about the water power on the public domain than should be expressed on all subjects on the earth combined. There is no sincerity behind it, in the first place. There is no intelligence behind it. Here is the water power of the falls of the Potomac River that has been flowing there for a century, and no one using it or wanting to use it. You can look out almost from the Capitol Building on the water power of the Potomac River. No one is making use of it. Why not? If our water power undeveloped in the mountains of our country is so precious, why is not this a precious heritage to the people of the District of Columbia?

They talk about reforestation. Why do they not reforest the lands between the city of Washington and Baltimore? We ride through on the Pennsylvania Railroad trains and look out and see scrub pines on those lands. They allow the things near home, the home of the Government, to go to wreck and ruin through neglect merely that they may engraft themselves upon our country. Talk about the word "graft;" there is no better application of it on earth. We have natural resources and prosperity, and these do-nothing people come and engraft themselves upon those conditions. They do not bring capital, they do not bring the strength of an industrious arm, but they bring there the sucker to draw from us to the amount of their living and their salary; that is all.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. I do.

Mr. OVERMAN. I would like to ask the Senator, for my own information, are not the headwaters of the streams held in the reserves in reservoirs or ponds or lakes?

Mr. HEYBURN. That is, where the water has been appropriated, of course. We were going along very well, and had no talk of monopoly of water at all. We have been using water for mining and irrigation. We have made a provision in our constitution for its distribution and apportionment. We were going along there under as good a system of government as could be devised, when these grafters sought to engraft themselves upon us, in order that they might draw a salary which they would not otherwise be able to draw. That is grafting. That is a good definition of a grafter. A grafter is not a man who puts his hand in your till and takes your money. He is not a man who embezzles the funds of a bank or insurance company, because he does that under a very different principle. But a grafter is a man who attaches himself to some other person's prosperity and draws from him and contributes nothing. Neither are they taxpayers. They are lobbyists. In one part of the State, on the occasion of an election two years ago, they gave out, in violation of orders, doubtless, that they were instructed to see that the senior Senator from Idaho did not return. They can do that, and I speak it boldly, and they do not dare deny it, because if they did I would probably follow them up pretty closely. That shows what kind of men they sent there.

Now, you ask what we shall do. Return those lands to the public domain of the United States, that American citizens may make homes upon them; that they may discover and develop mines upon them. You say they belong to the people of

all the country. Are not they a part of the people of the country as much as you are?

Here is another serious thing. There are no prospectors in the field to-day looking for mines. We are working the mines we had before this infamy was perpetrated.

Mr. OVERMAN. I understood the forest reserves were all mountains, and you could not settle upon them; that these reserves are not lands upon which settlers could locate, but that they are mountains.

Mr. HEYBURN. Yes; Mr. President, I remember when I was a boy there was a map on the wall. It was Pelton's outline map of the United States, and it had the Rocky Mountains a series of chains of little tents, just a line of them from the Mexican border clear up through the United States. I used to think that those mountains were just as they appeared upon that map. I will disabuse the Senator's mind about that. It is in the mountains that the valleys are. There never were two mountains in the world without a valley. The Senator realizes that.

Mr. OVERMAN. Are those valleys in the reserves in the mountains?

Mr. HEYBURN. Certainly, they are. They delight in the valley because it makes a more comfortable home for the foresters to live in.

Mr. OVERMAN. I thought it was only the mountain tops.

Mr. HEYBURN. I would suggest that the Senator go out into that country this year if we have a vacation and just look it over once.

Mr. OVERMAN. It seems they ought to exempt the valleys from the forest reserves, so people could locate there and have homes.

Mr. HEYBURN. Mr. President, the question of mining is one that affects this country in a manner as far-reaching as any other public question. It was the mines in Nevada and Colorado that enabled this country to carry on its war and to pay its debt; that gave a substantial basis behind the bonds of the country. They produced during the war in Idaho from gold mines \$200,000,000, and it was money when it was produced. It needed not to be coined or stamped; it was money. The same was going on down in Colorado and in Nevada and in California. They were pouring hundreds of millions of dollars into the circulation of the country. Now, what do we see to-day? The prospector has withdrawn. I could name a hundred prospectors whose names are famous in that great country. I will name a few of them. Take men like Comstock, who discovered the Comstock mines. I could name a hundred of them, but I do not want to put in a list of all the citizens of Idaho.

A Senator suggests to me that the bill should be passed, but I tell you sometimes it is better not to get a bill through with certain provisions in it. Take men like Jack Smith, and John King, and Mike Harlan, and N. S. Kellogg, who discovered the Bunker Hill mines. I could name them all. They have added more to the wealth of the country than all the bankers. The bankers develop no wealth to the country. They simply turn the money over to what they call a "kitty," into which goes the gold.

Mr. President, I am not going to take up much time in this matter, but I would feel that I had not performed a duty if I did not sound a note of warning here.

I want to say just a word more about those prospectors, because the gold mines, the silver and lead and copper mines of to-morrow depend upon those prospectors. As I have said here before, no geologist ever discovered a mine. There is not a mine on record discovered by a geologist that ever paid a dollar. They are not the class of men who produce mines. Suppose we have no new mines discovered, and they have withdrawn everything. Every class of country where mines are located they have withdrawn. Then they passed a foolish little innocent bill providing that the lands should be opened to location and purchase.

A mining prospector would no more start out on a search for mines, knowing that his work and his judgment had to be submitted to some forester as to its efficiency and validity, than he would start to climb a pole to reach the sky.

We succeeded in getting that question before the United States Supreme Court in the case of *Harrington v. Chambers*. The courts had held in some instances that this or that rule should determine whether or not a discovery was valid. The Supreme Court in that case said whenever a prospector or miner had found such indications of ore or mineral-bearing rock as indicated the presence of a lead he could locate a claim, and it is a valid claim. He is the man to judge, according to the Supreme Court of the United States. In a case in which I was

counsel the court below undertook to qualify it by putting in the word "reasonably," that he might reasonably expect to lead to ore. The court said "no;" there is no limitation on that prospector; he is the fellow who went out there under the hardships for the purpose of finding that mine, and to have some smart grafter come along and draw fine lines as to whether or not his discovery is valid was intolerable.

Mr. OVERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. HEYBURN. Yes.

Mr. OVERMAN. I want to suggest that if you do not allow the lands on which there are mines and water power to be settled, how are they going to be developed? You can not get capital to develop mines or water power unless you give title to them. I do not think this Government will ever find any people to go out there with money to invest under any other condition.

Mr. HEYBURN. They have tied up all applications for mines and patents. They issued a sweeping order and withdrew every one in the United States.

Mr. OVERMAN. Was there any reason for that?

Mr. HEYBURN. No; there was no reason for it. They only wanted to do it.

Mr. President, I hope that the provisions of this bill in reference to making appropriations to perpetuate this infamy will be stricken out, and that we will open up the country to settlement.

Mr. OVERMAN. If the Senator will excuse me for interrupting him, the Senator from Missouri and others here are interested in this matter and want to know if it is true that people can not locate and own mines any more out in that country? Can not a prospector locate a mine and own it and develop it?

Mr. HEYBURN. He can not do it under any conditions that any prospector will endure or submit himself to. They have a law which says this land shall be open to exploration and settlement, and they have made a set of rules which we have here, every Member, which makes it absolutely impossible to secure the location of mining claims, and the prospectors have withdrawn and gone out of business.

I shall at the proper time move to strike out all of the provision with reference to this matter.

Mr. WARREN. Mr. President, I am exceedingly anxious to conclude the consideration of this bill, but I can not refrain from making a few brief observations. One is that every man who grazes a domestic animal in a forest reserve pays for the privilege, and those who take timber and lumber from it pay for the same, and the income from these and other sources is about two millions a year.

Now, as to the West and the South and East: The West, as is shown in this bill, by forest reserves, covers about one-half of the United States.

As to the nursery provision, I understand there is an experiment station in one of the Nebraska reserves. The provision as to nurseries was put in on the floor of the House, I think, by an almost unanimous vote, in order that at that station free trees might be given to those living in the country adjoining.

The PRESIDING OFFICER. The Secretary will report the next amendment.

The next amendment was, under the head of "Forest Service," on page 46, line 17, after the word "fires," to insert "and insect infestation," and in line 19, after the word "dollars," to insert "of which sum \$35,000 shall be immediately available," so as to make the clause read:

For fighting forest fires and insect infestation and for other unforeseen emergencies, \$135,000, of which sum \$35,000 shall be immediately available.

The amendment was agreed to.

Mr. HEYBURN. Mr. President, I move to strike out of this bill all of the provisions of the clauses or the chapter providing for the payment of the expenses of these forest reserves.

The PRESIDING OFFICER. The amendment proposed by the Senator from Idaho will be stated.

The SECRETARY. The proposed amendment is to strike out, beginning on page 26, line 23, with the heading "Forest Service," down to the end of line 2 on page 50.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Idaho.

Mr. HEYBURN. I am in favor of the motion. I am not going to make a speech, but I am going to let the RECORD show that I did not propose the amendment in the sense of ridicule.

Mr. OVERMAN. Instead of striking out all of the items, will not the Senator go over each one and see what are abso-

lutely necessary? I think he might probably get such an amendment through, but to strike out all of the items might involve more than is necessary.

Mr. HEYBURN. Nobody ever thought it necessary to make that inquiry in originating this scheme. It was simply originated because somebody thought it was right. The proper thing to do with this is to pull it up by the roots and throw it over the wall.

Mr. OVERMAN. There is another appropriation here of \$500,000 for the improvement and building of roads and bridges.

Mr. HEYBURN. Well, Mr. President, of course, that only emphasizes the ridiculous nature of this whole legislation. It reminds me of a lot of dissipated, half-drunken fox hunters jumping over the fences and trampling down the crops of the farmers. That is the kind of principle behind it. The way to do is not to remove the fence, but to remove the offenders.

Mr. President, I expect that it needs no prophet to tell the Senate what the result of this motion may be, but if Senators would give it the attention which they give to matters that affect their own constituencies and in their own homes, there would be no such legislation as this upon the statute books. It is based upon the assumption that the people who have the knowledge and the intelligence to go into a new country to open it up are not as intelligent as the drones who stay behind.

My amendment includes the matter that I object to. The whole spirit of these forest reserves, which are so expensive, is based upon the assumption that men in the West are not as patriotic and as observant of the law or care less for the interests of the country of which they are a part than they do in the East. That is all.

Mr. WARREN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. Yes.

Mr. WARREN. I thought the Senator from Idaho had finished. I do not wish to take his time.

Mr. HEYBURN. No; I am going to sit down as soon as I get through.

Mr. WARREN. Very well. I will simply say that the motion which the Senator has made could hardly be entertained at this time, because it is not to amend an amendment of the committee, but to strike out a portion of the House bill which the committee has not reported to amend; and the unanimous consent in proceeding to the consideration of the bill was that it should be read for amendment, the committee amendments first to be considered.

Mr. HEYBURN. I realize that, and I am merely recording this amendment. It may be held under consideration until we are considering general amendments.

Mr. PILES. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Washington?

Mr. HEYBURN. Yes.

Mr. PILES. I wish to ask the Senator from Idaho if the \$500,000 appropriation for roads in the forest reservations is included within his motion?

Mr. HEYBURN. Yes. The first thing that should be stopped is the building of roads by these foresters out of the Public Treasury of the United States from nowhere to nowhere, from one forester's camp to another. Perhaps one of the most ridiculous features of this whole performance is the construction of roads and trails for the foresters to ride over. Nobody else is allowed to ride over them; you are not allowed to come within a forest reserve and use those roads. They are taking public money to build private roads for their use, so that it will enable them to get quickly from one part to another.

Mr. PILES. I can not agree with the Senator from Idaho on the road proposition, because those roads through the forest reserves give aid to the settlers.

Mr. HEYBURN. To what settlers?

Mr. PILES. The settlers in the vicinity of the forest reserves. The settlers must use those roads in order to pass through the forest reserves. Having no jurisdiction over them, the State can not construct roads in the forest reserves. I hope the Senator will not attempt to strike out the appropriation for the building of roads in forest reserves which are of real benefit to the settlers in the several States.

Mr. HEYBURN. Mr. President, I can give the Senator from Washington some information. The Forest Service took possession of several hundred miles of road that the State had built, had issued bonds for, and had paid the bonds. They took possession of those roads; and they do not recognize the right of the State to use them or to exercise any control of them. One of the very first measures after Idaho began to settle up

was for the building of a road from one end of it to the other. We built it, and the forest reserve has it now.

Mr. PILES. Do not others use those roads?

Mr. HEYBURN. I understand there may be roads through some little neck of a forest reserve that might be used; but people can not camp there and they can not feed their horses along the road. In our State I know of the fact—and I have it upon such authority as leaves no doubt about it—that they have actually sought to charge immigrants who were passing through the forest reserves over those roads for feeding and grazing their horses in those woods.

This is not a subject that a man can discuss calmly and dispassionately when he finds a situation confronting him that renders everything that he may say utterly useless. This is a difficult subject.

Mr. STONE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Missouri?

Mr. HEYBURN. Yes.

Mr. STONE. I am desiring to vote on definite information, and I should like to know of the Senator from Idaho whether he intends by his motion to strike out everything in the bill relating to the Forestry Service? I do not know where the motion to strike out begins.

Mr. HEYBURN. I would strike out of the provision included within the scope of my motion only what relates to the officers who are there to do that which is best not done; that is all.

Mr. STONE. I am in a large degree in sympathy with a great deal of what the Senator says is his purpose. On page 49, ending with line 10, is a summing up of the total amount of appropriations made down to that point, being \$2,699,420. Does the motion of the Senator from Idaho to strike out end at that point?

Mr. HEYBURN. Yes; it ends at that point.

Mr. STONE. As reported by the Secretary, I understood that it went further, and ended at line 2, on page 50.

Mr. WARREN. Mr. President, the Secretary evidently misapprehended the amendment. The amendment offered was to strike out the amount which covers the general expenses of the Forestry Service, but that did not comprise within it a single amendment reported by the committee. The Secretary, as I understood him, must have misunderstood the Senator, and stated that the amendment was to strike out everything relating to forestry, which would be a matter of about double the amount which the Senator has just stated.

Mr. HEYBURN. My motion covered—and I had the bill before me then—

The PRESIDING OFFICER. The Chair understands the motion is not in order at the present time, while the Senate is considering committee amendments, it having been agreed by unanimous consent that the committee amendments were first to be considered.

Mr. HEYBURN. It is an amendment that may be offered at any time and be considered later. If I can do so, it is my intention to shut off the appropriations that are intended for the destruction of our country, its interests, and its prosperity.

I am admonished that we ought not to take up the time of the Senate. You might as well be admonished not to resist against an attempt upon your life or property. They say, "Oh, no, do not disturb us; we want to do this in peace; we want to destroy you gracefully and quickly; but we do not want you to call attention to the fact at all." Well, that country is not inhabited by people with those predilections. Those people defended themselves against hardship and poverty and Indians and a lot of other things to go to that country; and they had an energy, an enterprise, and a manhood that enabled them to reach that country. They left behind a lot of drones—I do not mean all of those left behind were drones, but they left behind a lot of drones—that are to-day claiming the fruits of the labor of those pioneers. They made a country valuable that was not worth a nickel; they converted a solitude into a State. Those left behind then began to regret that they had not dragged their lazy limbs across the plains so as to share in the reward, and they sent out word, "Send us back the fruits of your victory;" and a senator has just suggested that we send them back about \$2,000,000 of something that they never earned. They want what they and their ancestors have accumulated in this country, and they want in addition what the pioneers have made. They want two portions, and they would take 20 if they could get them for nothing. They are that kind of citizens. They have no suggestion in their minds or hearts of real patriotism. There is not an intelligent, thoughtful suggestion in the minds of those people who want to ride roughshod over us as to the equities of the situation. They only know that they see

some one who is on the way to prosperity, and they want to hitch him to their chariot wheels and rob him as they drag him beside their chariot.

What do they propose to give us for it? They exclude us from the land at our doors, the heritage that was intended for the pioneer. This country was based upon the principle of pioneerism. Pioneers came over here and landed along the Atlantic coast, leaving the comforts and traditions of their lives and of the lives of those before them, in order to come here, not to enjoy some new, well-furnished house, but to carve a future for themselves out of the forests of New England and Virginia and Maryland and Pennsylvania. Suppose that a forest reserve had covered the States of New York and Pennsylvania and Massachusetts in those days; I suppose the settlers would, like animals, have dug holes in the ground to live in, because they would not have been allowed to use the timber to build themselves houses. Put yourselves in the place of the pioneers of the West. They have done in 10 years what it has taken you 100 years to do. The State of Idaho is further advanced in 10 years than any State in New England was at the end of a century; yet, through a spirit of jealous grasping and enviousness, you would stop our growth because, forsooth, the day may come when we will be as big as you are. I will be content with the same size. I am not always claiming or desiring to go above everybody else. I want to stand on a level with them at both ends, my head and my feet.

This amendment to strike out this infamy, when we come to vote on it, ought to be adopted. It is costing the Government of the United States not only what they spend, but it is costing them the citizenship that is represented by the possibilities of that country. With all these difficulties and these obstructions the State of Idaho made a gain of 100.3 per cent in the last decade, and she would have doubled that increase had it not been that a third of her territory is shut up and made a solitude.

The foresters are a trifling crew. Last year I called the attention of the Senate to their methods. There are men who stand before national geographical societies and other learned societies with impressive titles and tell them how the world ought to be run. They sent men out there into that country for the purpose of gathering seed to plant in the nurseries, and the seeds were gathered by robbing the squirrels' nests. That is what they did. Forty-five bushels of seed from a little area of country right near my home were gathered by men who had no more conscience than to rob the squirrels' nests, and they turned the seed over to the Government with a full knowledge of where they had procured it. I speak of it merely to illustrate the class of men they have in the service.

Then they take possession of men's homes. I have in my mind now one especially beautiful cottage located upon a high plateau above the river near Evergreen, in the State of Idaho. A man had built it there on unsurveyed land. Had it been surveyed land he would have bought it from the Government and been glad to do so; but they came along and they said, "This is too good for you; we will take it," and they put him out and took possession of it for what they called "administrative purposes." They did the same thing to another man who had been living in his home for 20 years upon unsurveyed land, while Congress was refusing to make appropriations for surveys. I put before the Committee on Appropriations yesterday an amendment to a bill authorizing the expenditure of money for those surveys in order that the Government may not have an excuse for putting men out of their homes on the ground that the lands are not surveyed. Every acre ought to be surveyed. If a railroad wants its land grant surveyed, as they sometimes do, they survey the lands to the extent of the demand. Of course the railroads do not want their land grants surveyed unless, in exceptional cases, because they would have to pay taxes on the land if they enter it. They have lands in our State worth millions of dollars upon which they pay no taxes whatever, because they have managed it so that the lands are not surveyed.

Mr. President, I have very little hope of reformation in this hour. This is not the hour of reforms. It is the hour of chaos—political chaos, governmental chaos—and I will wait until conditions settle down and men begin to think.

Mr. SMITH of Michigan. Will we have an opportunity to vote on the amendment of the Senator from Idaho?

Mr. HEYBURN. I have offered it, and it will be considered in the regular order of business after committee amendments are disposed of. Then the amendment will be before the Senate.

The reading of the bill was resumed.

The next amendment was, on page 49, line 16, before the word "thousand," to strike out "four hundred and ninety"

and insert "five hundred and five," so as to make the clause read:

Improvement of the National Forests: For the construction and maintenance of roads, trails, bridges, fire lanes, telephone lines, cabins, fences, and other permanent improvements necessary for the proper and economical administration, protection, and development of the National Forests, \$505,000.

The amendment was agreed to.

The next amendment was, on page 49, line 18, after the word "exceed," to strike out "ten" and insert "fifteen," so as to make the clause read:

Not to exceed 15 per cent of the total of all sums appropriated under "General Expenses, Forest Service," and under "Improvement of the National Forests," may be used in the discretion of the Secretary of Agriculture as provided above under "General Expenses, Forest Service," and under "Improvement of the National Forests," for all expenses necessary for the general administration of the Forest Service.

The amendment was agreed to.

The next amendment was, on page 50, line 2, to increase the total appropriation for the maintenance of the Forest Service from \$5,508,100 to \$5,523,100.

The amendment was agreed to.

The next amendment was, under the head of "Bureau of Chemistry," on page 50, line 6, before the word "dollars," to strike out "one thousand eight hundred" and insert "two thousand," so as to read:

Salaries, Bureau of Chemistry: One chemist, who shall be chief of bureau, \$5,000; 1 chief clerk, \$2,000.

The amendment was agreed to.

The next amendment was, on page 51, line 22, to increase the total appropriation for salaries of the Bureau of Chemistry from \$241,990 to \$242,190.

The amendment was agreed to.

The next amendment was, on page 53, line 5, after the word "act," to strike out "and the insecticide act;" in line 12, after the word "purposes," to strike out "and the insecticide act of 1910;" and in line 20, before the word "thousand," to strike out "ninety-seven" and insert "ten," so as to make the clause read:

Enforcement of the food and drugs act: For enabling the Secretary of Agriculture to carry into effect the provisions of the act of June 30, 1906, entitled "An act for preventing the manufacture, sale, or transportation of adulterated, or misbranded, or poisonous, or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," in the city of Washington and elsewhere, including chemical apparatus, chemicals and supplies, repairs to apparatus, rent, gas, electric current, official traveling expenses, telegraph and telephone service, express and freight charges, and all other expenses, employing such assistants, clerks, and other persons as may be considered necessary for the purposes named, \$610,110.

The amendment was agreed to.

The next amendment was, on page 53, after line 20, to insert:

That the act of June 30, 1906, entitled "An act for preventing the manufacture, sale, or transportation of adulterated, or misbranded, or poisonous, or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," be amended so as to provide that whenever any preparation, such as tincture made from a fresh plant or from any part thereof, or a dilution of either a fresh or dried plant tincture or other drug substance which may be made upon the scale of 1 part of the tincture or solution and 9 parts of menstruum and which process may be successively repeated by using 1 part of each succeeding dilution and 9 parts of menstruum or a trituration made upon the sale or proportion of 1 part of the substance and 9 parts of milk sugar, and which process may be successively repeated by using 1 part of each succeeding trituration and 9 parts of milk sugar, is not mentioned in the United States Pharmacopoeia or the National Formulary and is mentioned in the Homoeopathic Pharmacopoeia of the United States, it shall be judged by the standard contained in the Homoeopathic Pharmacopoeia of the United States.

Mr. WARREN. In line 8, I move to strike out "sale" and insert "scale."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BRANDEGEE. I do not understand at what part of the pure-food act this provision is supposed to come in. The language of the proposed amendment is that the act be amended so as to provide, and so forth, but it does not appear from this whether this particular language is to be incorporated into the act and to be in the provision or not.

Mr. WARREN. The act, of course, is not now before us, but it seems to me that the meaning of the amendment can not be misunderstood.

Mr. BRANDEGEE. No.

Mr. WARREN. I think it will cover the purposes for which it is intended.

Mr. BRANDEGEE. But should it not state that the pure-food act in a certain section of it is to be amended to read as follows?

This is simply a general provision that it shall be amended to provide that; but it does not. In other words, is the proposition to insert this language in the pure-food act?

Mr. WARREN. No; this will be a later act, which in its effect will amend the other. It is a very trifling matter. It is only to bring in a class of medicines and practitioners not covered, probably inadvertently, by the original act.

Mr. BRANDEGEE. I understand that; but my point is this: Is there to be a separate bill introduced hereafter to amend the pure-food act in general, as stated here? If so, what is the use of this provision?

Mr. WARREN. A pure-food act has already passed. Another one is being considered. This, while not having reference particularly to the second bill, is intended now to bring up the subject, so that it may be covered as to the first, and its substance may be included in the second, as I understand the committee is liable to do.

Mr. LODGE. I think that provision is perfectly clear. It authorizes the officers of the Agricultural Department, who have to enforce the pure-food act, to use as their drug standard the homeopathic pharmacopœia as well as the pharmacopœia of the United States. That is the whole thing. It is simply an authority to them to use a second standard in addition to the one they now have.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment was, on page 54, line 16, to increase the total appropriation for the maintenance of the Bureau of Chemistry from \$1,050,980 to \$1,963,780.

The amendment was agreed to.

The next amendment was, under the head of "Bureau of Soils," on page 54, line 22, before the word "dollars," to strike out "three thousand five hundred" and insert "four thousand," and on page 55, line 12, before the word "hundred," to strike out "forty-seven thousand eight" and insert "forty-eight thousand three," so as to make the clause read:

Salaries, Bureau of Soils: One soil physicist, who shall be chief of bureau, \$4,000; 1 chief clerk, \$2,000; 1 executive assistant, \$2,000; 3 clerks, class 4; 2 clerks, class 3; 3 clerks, class 2; 1 clerk, \$1,260; 8 clerks, class 1; 4 clerks, at \$1,000 each; 3 clerks, at \$840 each; 1 soil bibliographer, \$1,400; 3 draftsmen, at \$1,200 each; 1 draftsman, \$1,000; 1 photographer, \$1,200; 1 messenger, \$720; 1 messenger, messenger boy, or laborer, \$480; 1 messenger boy, \$360; 1 laborer, \$600; 1 laborer \$300; 1 charwoman or laborer, \$480; in all, \$48,320.

The amendment was agreed to.

The next amendment was, on page 55, after line 23, to insert:

For the investigation of the relation of soil drainage and seepage waters to the maintenance and development of underground water supplies and the storage of waters in the ground and in underground reservoirs and the enlargement of the areas and raising of the levels of the ground waters, \$5,000.

The amendment was agreed to.

The next amendment was, on page 56, line 13, before the word "dollars," to strike out "forty-five thousand" and insert "sixty-six thousand nine hundred and sixty," so as to make the clause read:

For the investigation of soils, and for indicating upon maps and plats, by coloring or otherwise, the results of such investigations, \$166,960: *Provided*, That not more than 10 per cent of this sum shall be expended in any one State.

The amendment was agreed to.

The next amendment was, on page 56, line 20, to increase the total appropriation for general expenses of the Bureau of Soils from \$213,740 to \$240,700.

The amendment was agreed to.

The next amendment was, on page 56, line 22, to increase the total appropriation for the maintenance of the Bureau of Soils from \$261,560 to \$289,020.

The amendment was agreed to.

The next amendment was, on page 60, line 8, before the word "dollars," to insert "five hundred," and in line 17, before the word "dollars," to strike out "twenty-three thousand four hundred" and insert "twenty-four thousand," so as to make the clause read:

Salaries, Bureau of Biological Survey: One biologist, who shall be chief of bureau, \$3,500; 1 chief clerk, \$1,800; 1 clerk, class 4; 1 clerk, class 3; 1 clerk, class 2; 4 clerks, class 1; 3 clerks, at \$1,000 each; 2 clerks, at \$800 each; 1 photographer, \$1,300; 1 warden, \$1,200; 1 messenger, \$720; 1 messenger, messenger boy, or laborer, \$480; 1 laborer, \$600; in all, \$24,000.

The amendment was agreed to.

The next amendment was, on page 61, line 14, before the word "thousand," to strike out "twelve" and insert "seventeen," and in the same line, after the word "dollars," to insert "of which sum \$5,000 shall be used for the purchase, capture, and transportation of game for national reservations," so as to make the clause read:

For the maintenance of the Montana National Bison Range and other reservations for mammals and birds, and for the enforcement of section 84 of the act approved March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," \$17,000, of which sum \$5,000 shall be used for the purchase, capture, and transportation of game for national reservations.

The amendment was agreed to.

The next amendment was, on page 62, line 5, to increase the total appropriation for general expenses of the Bureau of Biological Survey from \$93,200 to \$98,200.

The amendment was agreed to.

The next amendment was, on page 62, line 8, to increase the total appropriation for the maintenance of the Bureau of Biological Survey from \$116,600 to \$122,200.

The amendment was agreed to.

The next amendment was, on page 62, line 14, before the word "hundred," to strike out "two" and insert "seven," so as to read:

Salaries, Division of Accounts and Disbursements: One chief of division and disbursing clerk, who shall be administrative officer of the fiscal affairs of the department, \$3,750.

The amendment was agreed to.

The next amendment was, on page 63, line 18, to increase the total appropriation for the maintenance of the Division of Accounts and Disbursements from \$96,770 to \$97,270.

The amendment was agreed to.

The next amendment was, under the head of "Division of Publications," on page 63, line 23, before the word "dollars," to insert "two hundred and fifty," so as to read:

One editor, who shall be chief of division, \$3,250.

The amendment was agreed to.

The next amendment was, on page 64, line 1, before the word "assistant," to strike out "three" and insert "five;" and in line 2, after the word "each," to strike out "one assistant editor, \$1,600," so as to read:

Salaries, Division of Publications: One editor, who shall be chief of division, \$3,250; 1 editor, who shall be assistant chief of division, \$2,250; 1 chief clerk, \$2,000; 2 assistant editors, at \$2,000 each; 5 assistant editors, at \$1,600 each.

Mr. WARREN. I ask a disagreement to the amendment.

The amendment was rejected.

The next amendment was, in the item of appropriation for salaries, Division of Publications, on page 64, line 20, before the word "clerks," to strike out "five" and insert "six;" in line 21, before the word "clerks," to strike out "forty" and insert "thirty-nine;" on page 65, line 2, before the word "folders," to strike out "one folder, \$900; four" and insert "five;" and in line 16, before the word "dollars," to strike out "seventy-six thousand seven hundred and ninety" and insert "seventy-eight thousand five hundred," so as to read:

One clerk, class 2; 6 clerks, class 1; 12 clerks, at \$1,000 each; 10 clerks, at \$900 each; 30 clerks or skilled laborers, at \$840 each; 15 clerks or skilled laborers, at \$780 each; 50 clerks or skilled laborers, at \$720 each; 1 chief folder, \$1,000; 5 folders, at \$900 each; 1 skilled laborer, at \$1,000; 2 messengers, at \$840 each; 4 messengers, at \$720 each; 3 messengers, at \$600 each; 2 messengers or messenger boys, at \$480 each; 2 messengers or messenger boys, at \$420 each; 2 messengers or messenger boys, at \$360 each; 2 laborers, at \$660 each; 1 laborer, \$600; 4 charwomen, at \$480 each; 3 charwomen, at \$240 each; in all \$178,500.

The amendment was agreed to.

The next amendment was, on page 66, line 17, to increase the total appropriation for the maintenance of the Division of Publications from \$206,790 to \$208,500.

The amendment was agreed to.

The next amendment was, under the head of "Bureau of Statistics," on page 66, line 22, before the word "dollars," to strike out "three thousand five hundred" and insert "four thousand;" and on page 67, line 12, before the word "hundred," to strike out "two" and insert "seven," so as to make the clause read:

Salaries, Bureau of Statistics: One statistician, who shall be chief of bureau, \$4,000; 1 assistant statistician, who shall be assistant chief of bureau, \$2,500; 1 chief clerk, \$1,800; 6 clerks, class 4; 9 clerks, class 3; 12 clerks, class 2; 2 clerks, at \$1,300; 17 clerks, class 1; 11 clerks, at \$1,000 each; 10 clerks, at \$900 each; 11 clerks, at \$840 each; 2 messengers, at \$840 each; 2 messengers or laborers, at \$720 each; 2 messengers or laborers, at \$660 each; 1 messenger or messenger boy, \$480; 1 charwoman, \$540; 2 charwomen, at \$360 each; in all, \$108,720.

The amendment was agreed to.

The next amendment was, on page 68, line 9, to increase the total appropriation for the maintenance of the Bureau of Statistics from \$231,120 to \$231,620.

The amendment was agreed to.

The next amendment was, under the head of "Office of Experiment Stations," on page 70, line 7, before the word "dollars," to insert "five hundred;" in line 8, before the word "dollars," to strike out "one thousand eight hundred" and insert "two thousand;" in line 10, before the word "hundred," to strike out "six" and insert "eight;" and in line 25, before the word "dollars," to strike out "fifty-five thousand six hundred" and insert "fifty-six thousand five hundred," so as to make the clause read:

Salaries, Office of Experiment Stations: One director, \$4,500; 1 chief clerk, \$2,000; 1 computer, \$2,000; 1 draftsman, \$1,800; 1 clerk and

proof reader, \$1,800; 1 editorial clerk, \$1,400; 1 editorial clerk, \$1,200; 1 draftsman, \$1,200; 5 clerks, class 2; 7 clerks, class 1; 6 clerks, at \$1,000 each; 4 clerks, at \$900 each; 9 clerks or messengers, at \$840 each; 1 clerk or messenger, \$720; 3 clerks, messengers, or laborers, at \$600 each; 4 messengers, messenger boys, or laborers, at \$480 each; 1 copyist or laborer, \$720; 5 laborers or charwomen, at \$480 each; 2 laborers or charwomen, at \$240 each; in all, \$56,500.

The amendment was agreed to.

The next amendment was, on page 72, after line 6, to insert:

To enable the Secretary of Agriculture, in cooperation with the Association of American Agricultural Colleges and Experiment Stations, to prepare, publish, and distribute original technical reports of the scientific investigations made by the agricultural experiment stations established in accordance with the aforementioned act approved March 2, 1887, and the acts supplementary thereto, including rent and the employment of clerks, assistants, and other employees in the city of Washington and elsewhere, printing, illustrations, and all necessary expenses, \$20,000: *Provided*, That said reports may be issued in editions not exceeding 2,500 copies and distributed without charge to libraries, colleges, scientific institutions, and persons actually engaged in teaching or in scientific investigations relating to agriculture.

The amendment was agreed to.

The next amendment was, on page 73, line 24, to increase the total appropriation for general expenses, Office of Experiment Stations, from \$1,592,500 to \$1,612,500.

The amendment was agreed to.

The next amendment was, on page 75, line 4, before the word "thousand" to insert "and fifty;" so as to make the clause read:

Drainage investigations: To enable the Secretary of Agriculture to investigate and report upon the drainage of swamp and other wet lands and to prepare plans for the removal of surplus waters by drainage and for the preparation and illustration of reports and bulletins on drainage, including rent and the employment of labor in the city of Washington and elsewhere, and all necessary expenses, \$150,000. And the Secretary of Agriculture shall make a special report to the next session of Congress giving the aggregate expenditures under this provision and the areas in the several States and Territories which have been investigated.

The amendment was agreed to.

The next amendment was, on page 75, line 10, to increase the total appropriation for the maintenance of the Office of Experiment Stations from \$1,883,100 to \$1,934,000.

The amendment was agreed to.

The next amendment was, under the head of "Office of Public Roads," on page 75, line 15, before the word "dollars," to insert "five hundred;" in line 18, before the word "dollars," to strike out "three hundred and eighty" and insert "four hundred," and on page 76, line 10, before the word "dollars," to strike out "thirty-two thousand eight hundred" and insert "thirty-three thousand five hundred and twenty;" so as to make the clause read:

Salaries, Office of Public Roads: One director, who shall be a scientist and have charge of all scientific and technical work, \$3,500; 1 chief clerk, \$1,800; 1 clerk, class 3; 1 clerk, \$1,400; 1 clerk, \$1,320; 2 clerks, at \$1,260 each; 3 clerks, class 1; 1 clerk or photographer, \$1,200; 1 clerk or photographer, \$1,000; 2 clerks, at \$1,140 each; 1 clerk, \$1,080; 1 clerk, \$1,020; 4 clerks, at \$1,000 each; 1 clerk, \$900; 1 instrument maker, \$1,200; 1 messenger or laborer, \$720; 1 messenger or laborer, \$660; 4 messengers or laborers, at \$600 each; 1 messenger boy, \$480; 1 messenger boy, \$360; 2 charwomen, at \$240 each; in all, \$33,520.

Mr. WARREN. On page 75, line 15, I move to strike out the words "three thousand five hundred" and insert "four thousand."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 77, after line 6, to insert:

For conducting field experiments and various methods of road construction and maintenance, and investigations concerning various road materials and preparations; for investigating and developing equipment intended for the preparation and application of bituminous and other binders; for the purchase of materials and equipment; for the employment of assistants and labor; for the rental and erection of buildings; such experimental work to be confined as nearly as possible to one point during the fiscal year, \$10,000.

The amendment was agreed to.

The next amendment was, on page 77, line 20, to increase the total appropriation for general expenses, Office of Public Roads, from \$116,700 to \$126,700.

The PRESIDING OFFICER. The total should be changed.

Mr. WARREN. I asked early in the day that the clerks might correct the totals.

The PRESIDING OFFICER. It will be so ordered.

The amendment was agreed to.

The next amendment was, on page 77, line 23, to increase the total appropriation for the maintenance of the Office of Public Roads from \$149,500 to \$160,220.

The amendment was agreed to.

The next amendment was, on page 78, line 10, to increase the total appropriation, Department of Agriculture, for routine and ordinary work, from \$15,744,361 to \$15,888,196.

The amendment was agreed to.

The next amendment was, under the head of "Miscellaneous," on page 78, after line 17, to insert:

Enforcement of the insecticide act: To enable the Secretary of Agriculture to carry into effect the provisions of the act of April 26, 1910, entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded Paris greens, lead arsenates, and other insecticides, and also fungicides, and for regulating traffic therein, and for other purposes," in the city of Washington and elsewhere, including chemical apparatus, chemicals, and supplies, repairs to apparatus, rent, gas, electric current, official traveling expenses, telegraph and telephone service, express and freight charges, and all other expenses, employing such assistants, clerks, and other persons as may be considered necessary for the purposes named, \$87,000.

The amendment was agreed to.

The next amendment was, on page 79, after line 7, to insert:

That the sum of \$5,000, or so much thereof as may be necessary, is hereby appropriated, from moneys in the Treasury not otherwise appropriated, and to become immediately available, for the purpose of further study and examination into the nature and habits of the chestnut tree bark disease now spreading over the Atlantic seaboard States and destroying the native wild chestnut trees, and for the further purpose of discovering remedies by means of which it may be destroyed, checked, or controlled.

The amendment was agreed to.

The next amendment was, on page 80, line 7, before the word "dollars," to strike out "sixteen million seven hundred and forty-four thousand three hundred and sixty-one" and insert "sixteen million nine hundred and eighty thousand one hundred and ninety-six," so as to make the clause read:

Total carried by this bill for the Department of Agriculture, \$16,980,196.

The amendment was agreed to.

The reading of the bill was concluded.

Mr. WARREN. There are certain committee amendments that I will now offer. Just before finishing the consideration of the bill on a former day the Senate adopted an amendment in regard to the protection of elk, \$15,000. I wish to reconsider the vote by which that was inserted at that place, and offer the amendment which I send to the desk.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to will be reconsidered. The Senator from Wyoming offers the following amendment.

The SECRETARY. On page 61, after line 16, insert:

For the feeding, protecting, and removal to safety of elk in the country known as Jacksons Hole and vicinity, in the State of Wyoming, \$20,000, to become immediately available and remain available until expended.

The amendment was agreed to.

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

The PRESIDING OFFICER. The amendment will be stated. The SECRETARY. On page 57, line 3, after the word "thousand," insert the words "five hundred."

The amendment was agreed to.

Mr. WARREN. On page 59, I offer the amendment which I send to the desk.

The SECRETARY. On page 59, line 8, strike out the word "ten," before the word "dollars," and insert in lieu the word "fifteen."

The amendment was agreed to.

Mr. WARREN. On page 64, line 1, after the word "each," I move to insert:

One assistant editor, \$1,800.

The amendment was agreed to.

Mr. WARREN. On page 64, line 1, change the word "five" to "four," so as to read "four assistant editors."

The amendment was agreed to.

Mr. WARREN. On page 64, line 4, I move to strike out the words "one thousand eight hundred" and insert the words "two thousand."

The amendment was agreed to.

Mr. WARREN. I move, on the same page, line 20, to strike out the word "ten" and insert the word "eleven."

The amendment was agreed to.

Mr. WARREN. In line 21, same page, I move to strike out the words "thirty-nine" and insert the words "thirty-eight."

The amendment was agreed to.

Mr. WARREN. On page 62, line 21, I move, after the word "thousand," to insert the words "two hundred and fifty."

The amendment was agreed to.

Mr. WARREN. I move, on page 65, lines 2 and 3, to strike out the words "one skilled laborer" and to insert the words "two skilled laborers;" and after the word "dollars" in line 3, I move to insert the word "each."

The amendment was agreed to.

Mr. WARREN. I will ask the Secretary to look at the amendment which I send to the desk to see if the bill has already been fixed according to the proposition sent up.

The SECRETARY. On page 76, line 21, after the word "for," strike out the hyphen and the semicolon and insert a colon.

The amendment was agreed to.

Mr. WARREN. In passing over an amendment on page 79, I overlooked a change in language which I wish to make. I send the amendment to the desk now.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to will be considered. The Secretary will state the amendment.

The SECRETARY. It is proposed to strike out from line 8 to line 17, inclusive, and to insert:

For the study and examination into the nature and habits of the chestnut-tree bark disease and for the purpose of discovering remedies by means of which it may be destroyed, checked, or controlled, \$5,000, to become immediately available.

The amendment was agreed to.

Mr. WARREN. I have one more committee amendment, which I send to the desk.

The SECRETARY. On page 80, line 3, after the word "repealed," insert the following proviso:

Provided, That hereafter officers and employees of the Department of Agriculture transferred from one official station to another for permanent duty, when authorized by the Secretary of Agriculture, may be allowed actual traveling expenses, including charges for the transfer of their effects and personal property used in official work, under such rules and regulations as may be prescribed by the Secretary of Agriculture.

The amendment was agreed to.

Mr. WARREN. On page 46, line 18, I move to strike out "thirty-five" and to insert "seventy."

The amendment was agreed to.

Mr. WARREN. I move, on page 46, line 19, to strike out "thirty-five" and to insert "seventh."

The amendment was agreed to.

Mr. DIXON. On page 50, after line 2, at the end of the items regarding the Forest Service, I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 50, after line 2, insert:

That the Secretary of Agriculture be, and he hereby is, authorized and empowered, under general regulations to be fixed by him, to grant an easement for rights of way, for a period not exceeding 50 years from the date of the issuance of such grant, over, across, and upon the public lands, national forests, and reservations of the United States for electrical poles and lines for the transmission and distribution of electrical power, and for poles and lines for telephone and telegraph purposes, to the extent of 20 feet on each side of the center line of such electrical, telephone, and telegraph lines and poles, to any citizen, association, or corporation of the United States, where it is intended by such to exercise the right of way herein granted for any one or more of the purposes herein named: *Provided*, That such right of way shall be allowed within or through any national park, national forest, military, Indian, or any other reservation only upon the approval of the chief officer of the department under whose supervision or control such reservation falls, and upon a finding by him that the same is not incompatible with the public interest: *Provided*, That all or any part of such right of way may be forfeited and annulled by declaration of the Secretary of Agriculture for nonuse for a period of two years or for abandonment.

That any citizen, association, or corporation of the United States to whom there has heretofore been issued a permit for any of the purposes specified herein under any existing law, may obtain the benefit of this act upon the same terms and conditions as shall be required of citizens, associations, or corporations hereafter making application under the provisions of this statute.

Mr. WARREN. That having already passed the Senate in the form of a bill, I have no objection to its going in and going to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

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

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 80, after line 3, insert:

That the Secretary of Agriculture be, and he hereby is, authorized and directed to extend to plants engaged in drying and freezing eggs for interstate commerce the inspection provided for in the act approved June 30, 1906.

The amendment was agreed to.

Mr. LODGE. I would like to have printed in the RECORD two letters in relation to this subject. One is from M. J. Roseman, professor, department of preventive medicine and hygiene at Harvard, and the other from Edwin O. Jordan, of the University of Chicago, editor of the Journal of Infectious Diseases.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF PREVENTIVE MEDICINE AND HYGIENE,
HARVARD MEDICAL SCHOOL,
Boston, Mass., February 25, 1911.

Senator HENRY CABOT LODGE,
Washington, D. C.

DEAR SENATOR: I desire to state that I am thoroughly in favor of a factory inspection of eggs and briefly give you herewith a few reasons for this opinion.

There is at present no satisfactory scientific standard by which the quality of an egg may be determined; we must therefore largely rely

upon the evidence of our senses. Bacteriology, chemistry, and the microscope afford rather meager and incomplete knowledge so far as eggs are concerned. A good egg may contain many bacteria; a thoroughly bad egg may actually contain none. The chemical products of decomposition are often detected more readily and more quickly by the sense of smell or taste than by laboratory methods. It would therefore seem a reasonable protection to the consumer to have a Government supervision over eggs along the same lines that the Government inspects and supervises the killing, preparation, and packing of meat and meat food products.

Eggs differ from other animal foods in that the surplus egg crop is largely limited to about three or four months in the year. It is therefore necessary to preserve the excess production of this important article of diet in order to supply the demand during the remaining eight or nine months. In my judgment, the best method of preserving eggs is by refrigeration. At a temperature far below the freezing point (substantially 0° F.) at which canned eggs are ordinarily kept, all bacterial action and decomposition practically ceases. Eggs in the shell must be kept above the freezing point for well-known reasons; in consequence, shell eggs deteriorate in cold storage. It will be seen that there is a wide difference in temperature at which canned eggs and shell eggs are kept in cold storage—a difference in favor of the former.

It is therefore desirable that eggs should first be graded by candling, then broken out, and again carefully inspected at the breaking table before they are placed in cold storage, all under official supervision. Such an inspection would correspond to the ante-mortem and post-mortem inspections of cattle and would be a protection to the consumer and be welcomed by all honest dealers engaged in the egg industry.

Another very satisfactory method, from the sanitary standpoint, of preserving eggs is by drying them after they have been broken out in bulk. In this dried condition they may be preserved for a very long time, just as other dried food products are preserved.

Canned eggs—that is, eggs that are broken out and frozen in bulk—as well as dried eggs should, in my judgment, be labeled, sealed, and dated under Government surveillance when they are placed in cold storage, and perhaps again when they are taken out. Proper labeling and dating applies, of course, equally to all canned foods and especially to foods preserved in cold storage. The consumer is entitled to this knowledge.

The Government inspection of eggs at the factory would not displace bacterial, chemical, or other scientific methods that may now exist or hereafter be devised to detect whether the eggs have subsequently become "decomposed, filthy, or putrid." There would, however, be little chance for contamination provided the eggs are placed in a satisfactory container and properly sealed, and therefore there would be little occasion in actual practice to enforce the expensive, harassing, and time-consuming methods now in vogue to detect adulteration or misbranding after it occurs. Preventive measures which would be assured by factory inspection are infinitely better from all standpoints than detective methods after the food has entered interstate commerce.

Eggs have a good health record. There is no known infection of the hen transmissible to man. The only way in which bulk eggs could become seriously infected would be through insanitary or uncleanly methods. Factory inspection would largely safeguard the consumer against such possibility, however slight.

Sanitarians have long ago come to the conclusion that the chemical and bacteriological examination of water as it flows from the tap affords no satisfactory safeguard. The water should be kept clean and pure at its source by a system of inspection and control. The same principle applies to milk. The bacteriological and chemical examination of milk occasionally detects samples that are old, watered, adulterated, or dirty. However, it is now well recognized that the best way to provide for a safe and clean milk is through inspection at the source of its production. The same principles apply to meat, eggs, and all other food products. I am especially interested in preventive measures and believe that the factory inspection of eggs would accomplish good results along these lines.

From the standpoint of the economist and sociologist it is important to preserve the large amount of valuable food (eggs) which nature furnishes in excess of the demand during the spring and summer months in our agricultural districts for metropolitan use during the fall and winter seasons. The principles of conservation of our resources and the thoughts upon the increased cost of living teach us that we are dealing with a subject that is theoretically sound and practically important.

The eggshell is porous and brittle; it readily absorbs odors, and bacteria often penetrate it. The preservation and transportation of eggs in the shell, therefore, is neither economical nor entirely satisfactory from a sanitary standpoint. Eggs that are carefully opened and graded by experts in factories under Government surveillance may be placed in clean, sterile containers and frozen or dried so that further decomposition may be averted, and the loss and deterioration incident to shell eggs prevented.

The preservation of eggs and a system of factory inspection where the eggs are examined, graded, opened, frozen, dried, or otherwise handled for the market would be an advantage to the consumer, the producer, and would greatly facilitate the sanitary authorities charged with the administration of our pure-food laws. It is my opinion, therefore, that legislation providing for a factory inspection of eggs is worthy of your careful consideration and encouragement.

Very truly, yours,

M. J. ROSEMAN,
Professor Preventive Medicine and Hygiene.

THE JOURNAL OF INFECTIOUS DISEASES,
Chicago, Ill., February 26, 1911.

Hon. HENRY CABOT LODGE,
Senate Chamber, Washington D. C.

DEAR SIR: I am deeply interested as a sanitarian and student on public-health questions in your proposed amendment covering factory inspection of canned and dried eggs. I sincerely trust that this amendment may receive favorable consideration. My reasons are briefly these:

1. The experience of the last 20 years in sanitation and preventive medicine has shown that it is much easier and more effective to control the sanitary quality of food substances at or near their source than in retail markets at the door of the consumer. This has become particularly clear in the case of milk supply where seizure of a few cans of milk in a large city may occasionally reveal adulteration or fraud, but never goes to the root of the matter, namely, the original character of the milk and the sanitary conditions under which the milk was produced. Disease germs can not be detected in the bottle of milk delivered to the householder. Inspection of the farm and

farmer's family, however, would in many cases result in cutting off all danger at its source and in preventing not 1 but 100 families from becoming infected with typhoid fever or other milk-borne diseases. For these reasons sanitarians universally recognize the prime importance of controlling conditions of collection, transportation, and distribution in contrast to an attempt to examine the contents of individual cans and milk bottles. The latter method, even if it could be carried out, would be not only wasteful, but relatively ineffective. Such principles which are of universal acceptance as regards milk should be applied as soon as possible to the supervision of other food substances. I may add at this point that inspection and control of the sources of water supply has long been recognized as more essential than attempts to control on the basis of merely analytical data.

2. In the case of egg supply the existence of a surplus for one-third of the year and a corresponding scarcity in the fall and early winter make necessary the adoption of some process of preservation for this important element of food supply. In my opinion, cold is one of the best preservatives for this purpose. This form of preservation is better adapted to the handling of egg substance removed from the shell than to eggs in their natural condition. Whatever method be employed it seems desirable that proper methods of candling, grading, and handling be carried out. Such methods might conceivably be left to the honesty and efficiency of individual dealers or they might be under the supervision and advice of experts appointed by the Federal Government. It is my belief that the method of Federal inspection should be adopted. This is necessary in order to protect the public against improper practices such as the use of chemical preservatives, the admixture of spoiled eggs, and the danger, however slight, of possible infection during the processes of handling and preparation.

3. Such a method of centralized control would be especially to the point in the case of eggs as compared with some other food substances. There is at present no recognized scientific standard whereby the quality of an egg may be determined in the laboratory. A sweet and wholesome egg may contain many more bacteria than a rotten egg. Chemical products of decomposition may often be detected more simply and readily by the sense of taste or smell than by refined laboratory methods. From a scientific standpoint therefore, endeavors to control the quality of the egg supply by analyses of frozen, dried, or shell eggs are premature and may even be misleading. Centralized inspection, on the other hand, would be more accurate, precise, and effective.

4. I would further urge such inspection on grounds of economy. At present a large part of the egg supply of the country is wasted and rendered unavailable by the prevalence of antiquated and unintelligent methods. The growing need for a conservation of our food supplies seems to emphasize this point especially. A large amount of valuable food could be saved annually through the encouragement of suitable means of preservation, and by education of the farmer and dealer in proper and cleanly methods of handling this food. Cooperation on the part of the Federal Government would seem plainly indicated. I firmly believe that a close and friendly contact of the Government experts with practical dealers in egg products would result in the solving of many problems and would be of great benefit to the whole country.

Very respectfully, yours,
EDWIN O. JORDAN,
Professor of Bacteriology, University of Chicago.

Mr. CARTER. I offer an amendment to come in on page 50, after the word "dollars," in line 2.

The PRESIDING OFFICER. The amendment will be stated.

Mr. WARREN. I will say to the Senator that his colleague has already secured the adoption of an amendment at that point, and the amendment which the Senator now offers should be to what will follow that, unless he wishes his amendment to precede that one.

The PRESIDING OFFICER. This is to come in previous to that amendment. The Senator desires to have his amendment, as the Chair understands, before his colleague's amendment.

Mr. CARTER. I desire to have the amendment inserted between the text of the bill and the amendment which was adopted.

The PRESIDING OFFICER. The amendment proposed by the Senator from Montana will be stated.

The SECRETARY. After the word "dollars" at the end of line 2, on page 50, it is proposed to insert:

Provided, That no part of this sum shall be expended to pay salary or expenses of any person for the examination of protest or contest of any mining claim upon which there is not a growth of timber of commercial value.

The amendment was agreed to.

Mr. CARTER. At the end of the bill I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Montana will be stated.

The SECRETARY. Just before the last paragraph in the bill it is proposed to insert:

That the Secretary of Agriculture shall prepare, or cause to be prepared, a statement showing all expenditures made each fiscal year by, through, or on account of the Forest Service from the year 1900 to the year 1910, both inclusive, stated as follows:

"For permanent forest improvements in each State and Territory; for salaries and other compensation of inspectors, forest supervisors, forest rangers, deputy forest rangers, assistant forest rangers, stating the number of each class; for part-time force to meet emergencies in extinguishing forest fires; for railroad fares, automobile hire, carriage and horse hire; for hotel bills; for freight and express; for telephone and telegraph; for statutory and lump-sum salaries of officers and clerks and the number thereof in the city of Washington, and all other expenditures made for the conduct of the bureau in the city of Washington, including rent, fuel, stationery, furniture, furnishings, typewriters (giving number purchased), miscellaneous supplies (giving classification of same); for salaries, clerk hire, hotel bills, automobile, carriage, and horse hire, miscellaneous supplies (giving classification thereof), office supplies, and all other expenditures made in connection with the conduct of the Forest Service outside of the city of Washington; for compensation of persons engaged in writing descriptive or other matter

for publication (giving names of persons so employed and amount paid to each therefor), and the names of publications accepting such matter for publication and amount paid to each therefor; for photographs, lantern slides, lecture equipment, and lecturers; for printing and binding; said statement to show also for the same period of time the amounts collected by the Forest Service for timber and the use of the forest."

Mr. WARREN. The committee does not propose to object to that amendment, although the greater portion of it is already covered by a former bill which carries the necessary legislation. I do not object to the amendment.

Mr. CARTER. I observe that the concluding paragraph in the bill provides for the repeal of the statute heretofore passed providing for an examination. Hence I have offered the amendment.

The amendment was agreed to.

Mr. WARREN subsequently said: I wish to call the attention of the Senator from Montana [Mr. CARTER] to an amendment which he offered and to ask him if he will not be willing to change its position and let it repeal the matter from line 18 on page 79 to line 3 on page 80, inserting in lieu thereof what he has proposed.

Mr. CARTER. I ask that the arrangement suggested by the Senator from Wyoming be made in the structure of the bill.

The PRESIDING OFFICER. Without objection, the change will be made.

Mr. PILES. I offer the amendment which I send to the desk. It should come in on page 47, line 4.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. On page 47, in line 4, before the word "dollars," it is proposed to strike out the words "one hundred and seventy-seven thousand and forty" and to insert in lieu thereof the words "one hundred and eighty-seven thousand and forty."

The amendment was agreed to.

Mr. CLARKE of Arkansas. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Arkansas will be stated.

The Secretary proceeded to read the amendment.

Mr. WARREN. Mr. President, I have been waiting during the reading to ascertain whether there was anything germane in the amendment or anything that should by right go into the bill. It seems to me it is general legislation of the very broadest type, and I will have to make the point of order against it.

Mr. CLARKE of Arkansas. Mr. President, I object to the Senator from Wyoming undertaking to dispose of the character of the amendment or deciding how wide or how narrow it is until it has been read.

Mr. WARREN. I make the point of order against the amendment.

Mr. CLARKE of Arkansas. Let the amendment be read, so as to see whether you will want to make the point of order on it. You may change your mind when you hear it all.

The Secretary resumed and concluded the reading of the amendment; which was to insert at the end of the bill the following:

Sec. —. That certain words used in this act and in proceedings pursuant hereto shall, unless the same be inconsistent with the context, be construed as follows: The word "message" shall mean any communication by telegraph, telephone, wireless telegraph, cable, or other means of communication from one State or Territory of the United States or the District of Columbia to any other State or Territory of the United States or the District of Columbia or to any foreign country. The word "person" shall mean any person, partnership, joint stock company, society, association, or corporation, their managers and officers, and when used with reference to the commission of acts which are herein required or forbidden shall include persons who are participants in the required or forbidden acts, and the agents, officers, and members of the boards of directors and trustees, or other similar controlling or directing bodies of partnerships, joint stock companies, societies, associations, and corporations. And words importing the plural number, wherever used, may be applied to or mean only a single person or thing, and words importing the singular number may be applied to or mean several persons or things.

Sec. —. That it shall be unlawful for any person to send or cause to be sent any message offering to make or enter into a contract for the purchase or sale for future delivery of cotton without intending that such cotton shall be actually delivered or received, or offering to make or enter into a contract whereby any party thereto or any party for whom or in whose behalf such contract is made acquires the right or privilege to demand in the future the acceptance or delivery of cotton without being thereby obligated to accept or to deliver such cotton; and the transmission of any message relating to any such transaction is hereby declared to be an interference with commerce among the States and Territories and with foreign nations. Any person who shall be guilty of violating this section shall upon conviction thereof, be fined in any sum not more than \$1,000 nor less than \$100 or shall be imprisoned for not more than six months nor less than one month, or by both such fine and imprisonment, and the sending or causing to be sent of such message shall constitute a separate offense.

Sec. —. That it shall be the duty of any person sending any message relating to a contract or to the making of a contract for future delivery,

of cotton to furnish to the person transmitting such message an affidavit stating that he is the owner of such cotton and that he has the intention to deliver such cotton; or that such cotton is at the time in actual course of growth on land owned, controlled, or cultivated by him, and that he has the intention to deliver such cotton; or that he is, at the time, legally entitled to the right of future possession of such cotton under and by authority of a contract for the sale and future delivery thereof previously made by the owner of such cotton, giving the name of the party or names of parties to such contract and the time when and the place where such contract was made and the price therein stipulated, and that he has the intention to deliver such cotton; or that he has the intention to acquire and deliver such cotton; or that he has the intention to receive and pay for such cotton: *Provided*, That any person electing to do so may file with the telegraph, telephone, wireless telegraph, or cable company an affidavit stating that the message or messages being sent, or to be sent, for the six months next ensuing by such person do not and will not relate to any such contract or offers to contract as are described in section 2 of this act, and any such company shall issue thereupon a certificate evidencing the fact that such affidavit has been duly filed and such certificate shall be accepted in lieu of the affidavit herein required at all the transmitting offices of such company during the life of said affidavit. Any person who knowingly shall make a false statement in any affidavit provided for in this act shall be punished by a fine of not more than \$5,000 nor less than \$500 or shall be imprisoned for not more than two years nor less than one year, or by both such fine and imprisonment. And in any prosecution under the provisions of sections 2 or 3 of this act the proof of failure to make any affidavit herein required shall be prima facie evidence that said message or messages related to a contract prohibited by section 2 of this act, and the proof of failure to deliver or receive the cotton called for in any contract for future delivery of cotton shall be prima facie evidence that there was no intention to deliver or receive such cotton when said contract was made.

SEC. — That it shall be unlawful for any person owning or operating any telegraph or telephone line, wireless telegraph, cable, or other means of communication, or any officer, agent, or employee of such person, knowingly to use such property or knowingly to allow such property to be used for the transmission of any message relating to such contracts as are described in section 2 of this act. Any person who shall be guilty of violating this section shall, upon conviction thereof, be punished for each offense by a fine of not more than \$1,000 nor less than \$500, and the sending of each message in violation of the provisions of this section shall constitute a separate offense.

SEC. — That in any proceeding under this act all persons may be required to testify and to produce books and papers, and the claim that such testimony or evidence may tend to criminate the persons giving such testimony or producing such evidence shall not excuse such person from testifying or producing such books and papers; but no person shall be prosecuted or subjected to any penalty or punishment whatever for or on account of any transaction, matter, or thing concerning which he may testify or produce evidence of any character whatever.

SEC. — The foregoing sections shall take effect and be in force from and after January 1, 1912.

The PRESIDING OFFICER. The Chair sustains the point of order made by the Senator from Wyoming.

Mr. CLARKE of Arkansas. Mr. President, there was, I think, no point of order made against the amendment after it had been presented to the Senate. For the first time the amendment is pending. I do not think that a premature point of order can have the effect of representing the present views of the Senator in charge of the bill.

The PRESIDING OFFICER. The question, then, is on agreeing to the amendment. The Senator from Wyoming, the Chair understood, made a point of order against it.

Mr. WARREN. I made a point of order.

Mr. HALE. Did the Chair rule on the point of order?

The PRESIDING OFFICER. The Chair ruled the amendment out of order.

Mr. CLARKE of Arkansas. It is not out of order in the absence of objection.

The PRESIDING OFFICER. The Chair understood the Senator from Wyoming to object.

Mr. CLARKE of Arkansas. That objection was withdrawn pending the reading of the amendment.

The PRESIDING OFFICER. The objection, the Chair understood, was withheld.

Mr. CLARKE of Arkansas. I can not draw the distinction.

Mr. WARREN. Mr. President, there was no withdrawal of the point of order, but I again make the point of order against the amendment, that it is general legislation.

The PRESIDING OFFICER. The Chair sustains the point of order. The amendment evidently proposes general legislation.

Mr. HALE. Mr. President, it is evident that we can not complete the bill now, but can do so very soon after a recess. I move that the Senate take a recess.

Mr. PENROSE. I ask the Senator to withhold that motion for a moment until I can give notice to the Senate that I hope to bring up the Post Office appropriation bill on the conclusion of the bill now pending.

Mr. HALE. That is the understanding. I move that the Senate take a recess until 8 o'clock.

Mr. HEYBURN. Mr. President, allow me, before that is passed upon, to send to the desk two amendments which I desire to have considered before the bill passes from the Committee of the Whole.

The PRESIDING OFFICER. The amendments will be received.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. J. Browning, its Chief Clerk, announced that the House had passed the following bills:

S. 10456. An act to restrain the Secretary of the Treasury from receiving bonds issued to provide money for the building of the Panama Canal as security for the issue of circulating notes to national banks, and for other purposes; and

S. 10883. An act authorizing the Erie Railroad Co. to construct a canal connecting the Hackensack River and Berrys Creek, Bergen County, N. J., as an aid to navigation, and for other purposes.

The message also announced that the House had passed a bill (H. R. 28436) to further increase the efficiency of the Organized Militia, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 10476. An act for the relief of Passed Asst. Paymaster Edwin M. Hacker;

S. 10808. An act to authorize the Greeley-Arizona Irrigation Co. to build a dam across the Colorado River at or near Head Gate Rock, near Parker, in Yuma County, Ariz.; and

S. 10882. An act to authorize the county of Ouachita, in the State of Arkansas, to construct a bridge across the Ouachita River.

RECESS.

Mr. HALE. I renew my motion that the Senate take a recess until 8 o'clock.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION.

At the expiration of the recess, at 8 o'clock p. m., the Senate reassembled.

AGRICULTURAL APPROPRIATION BILL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 31596) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1912.

The PRESIDING OFFICER (Mr. KEAN in the chair). The bill is in the Senate and open to amendments.

Mr. HEYBURN. There are two amendments pending.

The PRESIDING OFFICER. The Chair informs the Senator that two amendments can not be pending at the same time. Which amendment does the Senator desire to have acted upon first?

Mr. HEYBURN. Let them be acted upon in the order in which they come in the bill.

The PRESIDING OFFICER. The Secretary will state the first amendment proposed by the Senator from Idaho.

The SECRETARY. Strike out all after "For," on page 32, line 24, down to the word "dollars," line 2, page 50, and insert:

For maintenance and protection of national forests, \$1,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HEYBURN. Mr. President, just a remark. That brings the Forestry Service within \$1,000,000, that is, so far as maintenance is concerned. I think this is a proper time to enter upon this reform. One million dollars for the maintenance of the forests ought to be quite sufficient, and if it requires more than that then there is something wrong with the system.

This amendment is not offered in any other than with the serious intention of trying to reform the service. I should like to have the Senate here to vote by yea and nay vote upon the question.

Mr. WARREN. May I call the attention of the Senator to his amendment? I wish to know where the words to be stricken out end.

The SECRETARY. On page 50, line 2.

Mr. WARREN. What I wanted to say to the Senator is, if he strikes that out he strikes out the total for the Forestry Service, five million five hundred and odd thousand dollars.

Mr. HEYBURN. Yes; and I insert \$1,000,000.

Mr. WARREN. He inserts that, but he leaves some \$3,000,000 preceding which by law would be then payable, although the amount would not be appropriated for it.

Mr. HEYBURN. A little entanglement like that would, perhaps, improve this measure.

Mr. WARREN. I wanted the Senator to know what he would do.

Mr. HEYBURN. I am starting in here with a reduction of only a little over \$4,000,000. It may be that there will be other work with the pruning knife later; but this is a clear-cut item leaving a vicious principle in this service. If we start in upon our reformation at this point I care not what other reformation becomes necessary.

I do not like to have a call, but I wish Senators would come in in order to vote on this question.

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Washington?

Mr. HEYBURN. The Senator from Washington has called for a quorum.

The PRESIDING OFFICER. The Chair has not recognized the Senator from Washington for that purpose. He asked if the Senator from Idaho would yield to the Senator from Washington?

Mr. JONES. No; I addressed the Chair. I simply ask that a quorum be present.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll and the following Senators answered to their names:

| | | | |
|-------------|--------------|-------------|------------|
| Beveridge | Clark, Wyo. | Johnston | Richardson |
| Borah | Clarke, Ark. | Jones | Root |
| Bourne | Culberson | Kean | Shively |
| Bradley | Cummins | La Follette | Smoot |
| Bristow | Curtis | Lodge | Stone |
| Brown | Dick | McCumber | Sutherland |
| Bulkeley | Dillingham | Martin | Thornton |
| Burnham | Fletcher | Nelson | Warner |
| Burrows | Foster | Overman | Warren |
| Burton | Gallinger | Page | Westmore |
| Carter | Gamble | Paynter | Young |
| Chamberlain | Hale | Perkins | |
| Clapp | Heyburn | Piles | |

The PRESIDING OFFICER. Fifty Senators have answered to their names. A quorum is present.

Mr. WARREN. Mr. President, I think I ought to ask for the reading of the second amendment. There are two amendments. I will ask the Senator from Idaho whether one depends in any way upon the other.

Mr. HEYBURN. One of them might very properly follow the other. I have not a copy. I will get a copy.

The PRESIDING OFFICER. The amendment has not yet been read.

Mr. HEYBURN. Mr. President, since the Senator is present I will restate in a word the purpose of this amendment. It proposes to strike out this long enumeration of local subdivisions of the Forest Service with its officers, commencing on page 32, line 24, down to the end of that subject, and it will then read:

For maintenance and protection of the national forests, \$1,000,000.

That will enable them to adjust themselves to a million-dollar business. It cuts the appropriation for the item down a little over \$4,000,000. That is a sum of money worth considering. The matter has not been discussed at length, but I am going to give Senators who do believe in this retrenchment an opportunity to vote on it. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho, upon which he demands the yeas and nays.

The yeas and nays were ordered.

Mr. WARREN. I wish to call the attention of the Senator to the proposition, to ascertain whether I understand it aright. The "Forest Service" in the bill commences on page 26 and extends to page 50, carrying with it definite positions and salaries for different officers and employees, and ends with an appropriation of \$2,318,680. Following on under "General expenses" to page 50, the total, which includes the one I have just mentioned, and for general expenses, is \$5,523,100.

The amendment does not include the first pages and therefore while the five million five hundred and odd thousand dollars would be reduced to \$1,000,000 there would still be in the law appropriations between two and three million dollars, definitely stating where it should go, but with merely the total stricken out, so that the law would provide for the employment just the same, and the payment would have come in later as a deficiency.

Mr. HEYBURN. Mr. President, of course the totals can be arranged. There will be no difficulty about that. The totals should be made to conform with the appropriations.

Mr. SMOOT. I should like to call the Senator's attention—

Mr. HEYBURN. Let me first answer this. As to the number of men employed, that is cut out by the amendment. The Forestry Service would then employ only so many men as could be employed within the appropriation.

Mr. SMOOT. I wish to call the Senator's attention to the fact that the amendment is rather inconsistent in this way, that it takes out all of the Forest Service local employees of the States with the exception of the number \$1,000,000 would employ.

Mr. HEYBURN. No; it simply disenumerates them, if I may use such a word, and leaves the employment to be governed by the amount of money to be expended. I propose to take out the enumeration.

Mr. SMOOT. I was about to say if we are going to employ only men to the amount of \$1,000,000, then the first part of the Forest Service would be altogether more than is necessary.

Mr. HEYBURN. It would be out of proportion.

Mr. SMOOT. It would be out of proportion not only because they could not use so many men here, but their work depends largely upon the number who are available for the field.

Mr. HEYBURN. That is a very proper suggestion, and one that I have given attention to and marked, but it is a proper subject for another amendment. In other words, I do not want to make an amendment that covers a part of two subjects matter. But first let us deal with this, which is complete within itself. It is an enumeration of the employees, and it provides for an appropriation of something over \$5,000,000.

I leave the provision for the performance of the necessary work to be done by a proper number of men within the appropriation of \$1,000,000, giving them a million dollars instead of \$5,000,000. The only result will be that they will have to cut their work, or the number of men, down to suit their appropriations.

The other question of the preceding section—that is, the executive departments here in Washington and elsewhere—is not at all disturbed by the amendment. I do not want to amend two parts of the bill in one amendment.

Mr. SMOOT. If this amendment passes without changing the other provision, it will be so out of proportion that it will virtually destroy the Forest Service, and if that is the object—

Mr. HEYBURN. No.

Mr. SMOOT. We might as well destroy it at once and have done with the whole thing.

Mr. HEYBURN. A million dollars for field work can not be said to destroy any enterprise. It is a considerable sum of money. We were promised that \$50,000 would be sufficient, and then we were promised that one hundred thousand, two hundred thousand, and so on, would be sufficient.

Now, let us go back to first principles and reduce the number of employees to a number commensurate with the appropriation. We have got to commence somewhere, or we have got to allow this thing to grow, and it will rival the Army and Navy bills in a few years if we do not stop it. It was the statement of the Chief Forester, a year or two ago in a public address, that this would require something like 160,000 men. One hundred and sixty thousand is a pretty large body of men, and the expense at an average of \$1,000 a year, which is not far from the average, would be a very large item, and we would be dealing here as we do with items that go to the protection of the Government. I would be willing to cooperate with the Senator from Utah to adjust the preceding paragraphs to this, but let us vote upon this and adopt it and then fit the bill to it.

Mr. WARREN. Mr. President, I am forced to say that the amendment will not do what its mover evidently thinks it will, because it leaves intact here the language of the bill, which provides for the improvement of the national forests and states how much shall be expended for them. It leaves the statement that there shall be one forester at \$5,000, or, rather, a chief of division, so many officials at so many dollars per annum salary, and so forth, and the two lines which he proposes to strike out would simply strike out the assembled total. Putting a million dollars in its place would be, of course, contrary to the footing that preceded it; and, under the order of the Senate, the grand totals are to be completed by the clerks at the desk. So I shall have to ask that the amendment be voted down, although I desire economy, as does everyone else.

The PRESIDING OFFICER. The question is on the amendment.

Mr. SUTHERLAND. Let the amendment be again stated.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Beginning on page 32 with line 24, it is proposed to strike out all down to and including line 2, on page 50, and to insert in lieu thereof the following words:

For maintenance and protection of the national forests, \$1,000,000.

Mr. BORAH. Mr. President, I desire to ask the Senator in charge of the bill, if this amendment should be adopted, how much of an appropriation would be left to the Forestry Department for the conduct of its business for the next year?

Mr. HEYBURN. One million dollars.

Mr. BORAH. Am I to understand that \$1,000,000 is proposed to be appropriated to this particular work?

Mr. HEYBURN. No. I propose to follow this amendment with an additional amendment to strike out from line 23, on page 26, down to the place where the amendment under consideration commences.

Mr. BORAH. I understood the chairman—

Mr. HEYBURN. That will give them a million dollars for the maintenance and protection of the national forest reserves, without any details whatever. They will have a million dollars, and they will have to get along the best they can with that.

Mr. GALLINGER. Why did the Senator not make it one amendment?

Mr. HEYBURN. I might have made it one amendment. I might, perhaps, get at it more quickly by modifying the amendment. I will modify the amendment by moving to strike out all after line 23, on page 26, down to and including the provision on page 50.

Mr. GALLINGER. That makes it clear.

Mr. HEYBURN. That gives them a round sum of money. Let them cut their coat to fit the cloth and organize themselves, knowing that they are not allowed to spend over \$1,000,000. That is a good bit of money to spend on the Forestry Service.

Mr. SMOOT. Does the Senator mean, then, to begin the amendment on page 26, after line 23, and to strike out all of the text, with the exception of the appropriation of \$1,000,000?

Mr. HEYBURN. Yes. It will then provide—

Mr. SMOOT. Then it provides for the Forest Service \$1,000,000?

Mr. HEYBURN. I would probably consider it if the Senator would suggest that amendment, but I intended that it should provide for the maintenance and protection of the national forests, and I prefer those words.

Mr. SMOOT. I was not suggesting the words that should be used; I was only suggesting my understanding of the amendment.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to his colleague?

Mr. HEYBURN. Yes.

Mr. BORAH. Mr. President, I do not desire to delay this bill; but while I am very much in favor of reducing the amount of the appropriation, there seems to be an involved understanding as to what we are doing. I should like to see the amount reduced very materially, and yet I think it would be unwise to reduce it to such an extent that it would leave the Government without the power to take care of that which it must necessarily take care of now, as it has done in the Forest Service. We do not understand here what the effect of this amendment is going to be.

Mr. SMOOT. It would destroy the Forest Service.

Mr. BORAH. The Senator from Utah says it means the destruction of the Forest Service.

Mr. SMOOT. Mr. President, I think if the amendment is carried, that the Forest Service will be so crippled that \$1,000,000 will not do it any good at all. We collect to-day from the sale of timber within the forest reserves more than \$1,000,000.

Mr. HEYBURN. Well, Mr. President, it was not intended, nor do we now contemplate, that the Government shall go into the lumber business. I realize that this is a radical proposition and I realize that this is a radical step, and you have got to deal with it in that way. The \$1,000,000 to be used by the Agricultural Department can protect and maintain the forests of the United States so far as it is necessary to do so.

I hope to see at an early day these lands no longer in a forest. I will read as a part of my suggestion the amendment which I shall propose to follow the pending one:

Provided, That all lands upon which there is growing less than 4,000 feet of merchantable timber, board measure, shall be excluded from the forest reserves, and no part of any appropriation herein made shall be expended upon any lands thus precluded.

That will eliminate fully one-half of the lands from the existing forest reserves. That is an admitted fact; nobody will controvert that who knows the figures and knows the lands. With this amendment bringing the appropriation down to a million dollars, to be expended for the maintenance and protection—that is all; those two words embody it all—of the national forests, and providing for the elimination from the national forests of untimbered lands, or lands with less than 4,000 feet of lumber upon them, you will have a forest-reserve law that will eventually result in the lands being thrown open to settlement.

Mr. SUTHERLAND. Mr. President, I wish to ask the Senator from Idaho a question.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. Certainly.

Mr. SUTHERLAND. I was not in the Senate when the pending amendment was proposed. As I understand it, the Senator from Idaho proposes to strike out of this bill all of the language beginning with line 24, on page 26, down to and including line 6, on page 31.

Mr. HEYBURN. On page 50.

Mr. WARREN. The Senator from Idaho proposes to go further than that and to strike out the text of the bill down to and including the first two lines on page 50; in other words, to cover—

Mr. SUTHERLAND. And to insert the general language which he has stated?

Mr. WARREN. In other words, to strike out the entire forestry work of the bill and to insert therein the language "one million dollars" in place of "five million five hundred thousand dollars."

Mr. SUTHERLAND. Then, if the Senator will permit me, what he proposes to do is to make an appropriation of \$1,000,000 instead of \$5,000,000, without any investigation as to details, as to what may be needed by the Forest Service; and, in addition to that, the Senator proposes to make a lump appropriation one \$1,000,000, to be expended by the Forester as he pleases, without any limitation whatever.

Mr. HEYBURN. No; the Senator from Utah has not heard all of this. The section will read when it is amended:

For maintenance and protection of the national forests, \$1,000,000.

That is to maintain and protect them.

Mr. SUTHERLAND. I know; but the Senator proposes to turn the million dollars over to a bureau chief, to be expended in his discretion.

Mr. HEYBURN. We have been doing that in every appropriation bill since we have had a Forest Service.

Mr. SUTHERLAND. Oh, no.

Mr. HEYBURN. An amendment adopted four years ago gave the Forest Service a million dollars, I think, to expend, without any limitation.

Mr. SUTHERLAND. This bill enumerates the various officials who shall be paid and fixes their salaries. Now, the Senator proposes to turn over the vast sum of a million dollars to the forester to pay to whomsoever he pleases, without any limitation upon him at all. It seems to me a most remarkable proposition.

Mr. HEYBURN. The reduction I propose is a limitation of some consequence. It will save the Government several million dollars and still leave an effective provision for the maintenance and protection of the forests.

Mr. ROOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from New York?

Mr. HEYBURN. Certainly.

Mr. ROOT. This amendment is proposed by the Senator from Idaho as an open, frank, and avowed enemy of the forest policy of the United States. With the frankness that always characterizes him he says that he is an enemy of it.

Mr. HEYBURN. No; I did not use the term "enemy."

Mr. ROOT. I shall not make a speech, but shall state my protest against the abandonment of a settled policy by a vote of the Senate of the United States upon the proposal of a single enemy of that policy, without consideration, without the report of a committee, and without grave and substantial reasons convincing the judgment of the Senate.

Mr. HEYBURN. Well, Mr. President, much of the demand of the Senator has already been supplied in his absence. The question was under consideration for about an hour before the recess was ordered.

Mr. ROOT. Upon the report of what committee, Mr. President, is this change to be made?

Mr. HEYBURN. Mr. President, we do not act upon amendments to appropriation bills upon the report of a committee where the amendment is to strike out or reduce. I know of no such procedure in this body.

Mr. ROOT. I observe that this amendment has no such basis.

Mr. HEYBURN. Mr. President, there is not the slightest reason why an amendment of this kind should be submitted to or reported from a committee. It is an amendment proposed within the rules of procedure of this body, at a proper time and in a proper manner, to amend an appropriation bill by reducing the appropriation proposed in the bill; and it is not open to any objection under any rule of this body.

Mr. BORAH. Mr. President, I want to ask my colleague if he would not be willing—

The PRESIDING OFFICER. Does the senior Senator from Idaho yield to his colleague?

Mr. HEYBURN. I do.

Mr. BORAH. I will ask the Senator if he would not be willing to change his amendment so as to leave a larger sum—say, \$2,000,000 or \$2,500,000—for the Forestry Bureau? I am very anxious to see the amount reduced, because I have no doubt my colleague is entirely correct as to the extravagance in some of these matters, and it should be reduced; but I am not willing to leave the Government in a crippled condition to do what it ought to do.

Mr. HEYBURN. Well, Mr. President, one of the purposes that I had in mind in proposing the amendment was to reduce the expenses of this bureau. The fact that I suggested \$1,000,000 is not conclusive of the fact that I would insist upon that exact amount, but \$1,000,000 is more than the department ever claimed up to two years ago that it would require for the Forestry Service, and I was practically taking them at their word.

If my colleague thinks a larger sum should be expended, and will propose an amendment without affecting the integrity of the amendment I have offered, I will not be illiberal or obstinate about it. I want some definite time fixed when this policy is to stop. Let us quit dealing in politics of government and deal in the law of the land. I care not whose policy it is; it is not the law; it does not appeal to me. Of course, this is the only part of the Government where policy or a reference to a policy is appropriate, because we take up policies here and crystallize them into statutes. I care nothing at all about the policy of anybody outside of the membership of Congress. It does not appeal to me.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from New Hampshire?

Mr. HEYBURN. Certainly.

Mr. GALLINGER. I am in sympathy, Mr. President, with the desire of the Senator from Idaho to reduce this appropriation. I believe we have drifted into an unwise and extravagant policy in regard to forest reserves, but I am troubled about the Senator's amendment in one respect, and desire to call his attention to that. The first portion of the section which the Senator proposes to strike out deals with the organization of the Forest Service. It provides for a Forester and states his salary, for forest supervisors, and so on. If the Senator's amendment is adopted, that goes out of the bill, the entire Forest Service will be necessarily disorganized, and the money be left in the hands, I suppose, of the Secretary of Agriculture to expend. I think that probably would not be a desirable change to make—to utterly disorganize a service so far as its present organization is concerned, and put this money in the hands of the Secretary. I think, if the amendment could be in some way reconstructed so as to leave the same organization as at present, that would be better than to strike it entirely out. I may be wrong about it; but that is the way it impresses me just now.

Mr. HEYBURN. I would suggest to the Senator from New Hampshire that did I not think that the existing machinery of the Government in the Agricultural Department was sufficient and competent to deal with it, I would not have offered the amendment in this form.

Mr. SMITH of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. HEYBURN. Yes.

Mr. SMITH of South Carolina. I merely want to state to the Senator from Idaho that as one member of the Committee on Agriculture, from which this bill comes, I was in some doubt as to a great many of these items, but the rule seems to have been to rely largely on the heads of the departments. For instance, the Secretary of Agriculture is in the confidence of all, and it was felt that he would not make a recommendation that was not clearly within the scope of what he considered to be for the best interests of each bureau under his department. I acknowledge that I was totally ignorant of what was essential for the various forest reserves. They are in a section of country which made it inconvenient for me to see and to study them and I felt my inability to judge as to their needs. As I mentioned to a member of the committee, I did not feel that I ought to assume the responsibility of making a report when I did not know the minute details and the needs of that upon which I was assuming the responsibility of reporting.

But I want to call the Senator's attention to the fact that the bill, coming from the House, was printed and at his

service and the service of other Senators. The committee had a stated day for meeting, and it seems to me that, in fairness to the committee and in fairness to the American people, the thing for the Senator to have done was to have come to the committee, to have laid the facts before us, and then let us assume the responsibility, either pro or con, with the facts as the Senator has given them to the Senate. Then we could have defended any action that might have been taken in accordance with the facts as submitted by the Senator from Idaho, in whose integrity I have implicit confidence.

Mr. HEYBURN. The suggestion that the matter should have been presented to the Committee on Agriculture is in one sense entirely correct, but the Senator should bear in mind that this is the Committee on Agriculture now in session. We are sitting here as the greater Committee on Agriculture, with the rights to amend any bill that comes before us to the extent or within the limits of the practice and procedure of this body.

Mr. SMITH of South Carolina. If the Senator from Idaho will permit me, if that be true, it is true in the larger sense, and we had as well dispense with all of our committees in reference to the Senate, because those of us who have passed upon this bill do not feel like it is exactly fair to us to meet in all good faith and digest a bill when Members who think that they could correct it refuse to meet with us. I think these committees were appointed for the expedition of business, and we are not certainly meeting with closed doors.

I will admit to the Senator from Idaho that some facts he has brought out this afternoon I knew nothing about. I was not in a position to know them. I suppose I should have held the bill up, according to his contention, until such time as I knew these facts, or not being given a satisfactory answer, refused to acquiesce in it until I did get a satisfactory answer.

But I went upon the presumption that the chairman of the committee and Senators who came from that section, plus the Secretary of Agriculture, would not recommend a thing which was to the detriment of the American people. Possibly I am getting wiser. I hope the Senator from Idaho will help me to get wiser.

Mr. HEYBURN. The recommendation of the Secretary of Agriculture is simply a suggestion. The Secretary of Agriculture has no function involving the suggestion of legislation, and it is purely a matter of convenience. He is the convenient vehicle, rather, through whom the committee gathers information. That is all. His recommendation carries no weight whatever with it.

Mr. SMITH of South Carolina. The Senator from Idaho will permit me to suggest that as the Secretary of Agriculture is charged with these subdivisions—

Mr. HEYBURN. No; he has charge of nothing. He has charge of carrying out the expressed will of Congress; no other. They have grown to think that they have policies that they are in charge of, but he is purely an executive officer, and he violated, or some one under him violated, the law, the written law of this land, to the extent of \$900,000 or thereabouts by expending money in advance of appropriations—

Mr. SMITH of South Carolina. That may be true.

Mr. HEYBURN. Which he had no right to do, and we put it in the urgent deficiency bill to allow them to recoup the fund.

Mr. SMITH of South Carolina. That may be true.

Mr. HEYBURN. I would suggest to the Senator not to give too much weight to the recommendations of officials in regard to appropriation bills. They are more often warnings than they are of assistance. The departments are more or less ambitious to spend large sums of money, and I say it with all due regard to the personnel.

I hold them in as high regard as any other member of this body, but I have learned something in regard to it in the years that have gone by as to the estimates and the desire to have money to spend.

Mr. SMITH of South Carolina. If the Senator from Idaho will allow just one word, I would hate to arrive at that state of mind with reference to the heads of our departments where their recommendation would come to me as a member of the committee as being a warning for me to go in the other direction. Then I should certainly vote, and I think I would introduce a bill to the effect that—

Mr. HEYBURN. The Senator states it more strongly than I stated it, or intended to state it.

Mr. SMITH of South Carolina. I was inferring—

Mr. HEYBURN. I said they were more often a warning to be on guard against excessive appropriations.

Mr. SMITH of South Carolina. In a word I just meant to say this. It seemed to me that the head of the department, with all of its subdivisions, charged with the discharge of a duty which we have delegated to them or which under our law

rightly belongs to them, would of necessity be more familiar with all the detailed workings and the needs of it than any member of the committee might be. I mean the personnel, the aggregate of the committee.

There may be some on the committee who are more familiar than he, but with his advice, plus the advice of others who knew, it seems to me that he would, in general terms, know more about what was necessary for the proper discharge of the functions of his office than any other member, providing he was an honest man, efficient and hoping to serve the people in his capacity.

Mr. HEYBURN. I would suggest to the Senator from South Carolina that I think it is only four years ago since the Secretary of Agriculture was introduced to the forestry subject. We only transferred it to that department four years ago, and it is of not such ancient authority or experience as to make his opinion of very great value.

The responsibility is upon the Senate, and there are members of the committee now dealing with this who have had that subject under consideration for as long as or twice as long as—

Mr. SMITH of South Carolina. The Senator from Idaho will please understand me. I am not defending this expenditure. I am simply stating why I, as a member of the committee, acquiesced in it. I want the Senator to understand that, if he can show where it is an extravagance, I will vote for his resolution as quick as though I were on the committee, because I did not have sufficient facts to vote intelligently while in committee.

Mr. FLINT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from California?

Mr. HEYBURN. Yes.

Mr. FLINT. May I ask the Senator what is his proposition?

Mr. HEYBURN. I will state what the bill will be after this is stricken out. We propose to strike out a number of pages. This part of the bill will read, when amended: "For maintenance and protection of national forests, \$1,000,000." There are rules and regulations in existence that provide for all of the details of the management of the forests. Those rules can be changed by the department in charge of them, and he can immediately adapt those rules to the sum of money he has to spend.

Mr. FLINT. Let me call attention to the fact that this amount of money that the Senator has asked to be stricken out, or to have the amount reduced, is to be expended for trails, for fire brakes. I trust that the Senator—

Mr. HEYBURN. That is in the judgment of the department; whatever is included within the meaning of the words "maintenance" and "protection." Those words are very comprehensive. It leaves it to the department to maintain and protect the forests. That is all that should be left to the department, and it gives it a million dollars, if we agree upon that sum. I am perfectly free to say that if Senators think that sum should be increased some, I would not protest.

Mr. FLINT. I take it the Senator is not in favor of making the appropriation so low that we could not have sufficient trails and firebreaks.

Mr. HEYBURN. I am proposing to make it three or four times the amount that they said to us, well within the memory of the Senator from California and myself, would be sufficient. I am proposing to make it more than double the sum they told us—I think it was four years ago—would be sufficient.

Now, at that time there was practically the same amount of land in forest reserves that there is now—not a very great difference. I am also coupling with this an amendment providing for the elimination of nontimbered land. That will take at least one-third, according to the official report in our State. It takes more than one-third of them out of the forest reserves, and provides that no part of the money shall be expended in connection with the lands that are to be eliminated from the forest reserves. I am starting—I will say to the Senator from California—I am trying to start in the right direction. First stay the hand and then look over the field between now and the next Congress and let us see what the expenditure of a million dollars will do. It may be that upon a proper reorganization of the working forces of the Forest Service a million dollars will be sufficient. They told us it would be more than sufficient so recently that I am inclined to give some credit to them for having tried to make a truthful statement and an intelligent statement. They told us not only that it would be sufficient, but at that time, or at least within the next two years, it would be self-supporting and it would be contributing to the National Treasury instead of withdrawing from it. Let us try. We know the present condition is intolerable; but let us try.

Mr. FLINT. Assuming that the forester, or whoever had charge of the Forest Service, made a mistake, certainly we should not now stop the trails and firebreaks when we know the disasters that have taken place during the last few years.

Mr. HEYBURN. I do not know, of course, upon what the Senator from California bases his statement with reference to trails and roads.

Mr. FLINT. Firebreaks.

Mr. HEYBURN. The trails that were builded up in the forests in the northwestern country afforded no assistance whatever to the fire fighters. The men were found burned and lying dead in the trails.

Mr. FLINT. I want to say to the Senator from Idaho, as far as my part of the State is concerned, they are not likely to reach places where they are likely to have fires, because they do not have trails. Instead of this appropriation being decreased, it ought to be increased, as far as concerns the building of trails and firebreaks. It would be a great misfortune, even though the Senator's view may be carried out of reducing this expenditure, to take and provide that this part of the forest-reserves system shall be reduced, so far as the appropriations are concerned.

Mr. HEYBURN. If it is so important, and the Secretary is convinced of that, he probably will spend a large proportion of this million dollars for that purpose.

Mr. BRANDEGEE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Connecticut?

Mr. HEYBURN. Yes.

Mr. BRANDEGEE. If I understand the Senator from Idaho, he proposes to reduce the total appropriation for the Forest Service from \$5,500,000, as proposed by the bill, to a round sum of \$1,000,000.

It appears on page 31 of the bill that it now takes \$2,318,680 to pay for the salaries of the various officers in the department and the rangers in the field in this service. If I understand it correctly, the Senator would limit the total appropriation for use in the field and in the offices of the Forest Service to \$1,000,000, which would be less than one-half of what is spent at present for the salaries of officers employed in the service, and would leave nothing whatever for actual service in the forests.

Mr. HEYBURN. I think I can show the Senator wherein he misunderstands the amendment. The amendment was amended so as to commence on page 26.

Mr. SMITH of Michigan. We can not hear the Senator.

Mr. HEYBURN. I am simply stating that the amendment was amended so as to commence on page 26. The Senator from Connecticut [Mr. BRANDEGEE] was referring to the amendment as it was first proposed.

Mr. BRANDEGEE. As I understand, the amendment as first proposed was the pending amendment coupled with a notice by the Senator that if that was adopted he then would move to strike out all from the bottom of page 26 to line 6 on page 31.

Mr. HEYBURN. Upon the suggestion of Senators, I consolidated and made one amendment of it.

Mr. BRANDEGEE. That I did not know. Let the amendment be reported to the Senate.

The PRESIDING OFFICER. The Secretary will read the amendment.

The Secretary read the amendment, as follows:

The SECRETARY. On page 26, after the heading "Forest Service," strike out all of the bill down to and including line 2 on page 50, and insert:

For maintenance and protection of the national forests, \$1,000,000.

Mr. BRANDEGEE. That is substantially as I understood it. It reduces the amount appropriated for salaries for all officials and employees of the bureau, estimated to be over \$2,000,000, to \$1,000,000, and leaves nothing for service in the forests.

Mr. HEYBURN. It might be a good thing if we would eliminate some of the office appropriation—the officers who live in Washington. The place to protect those forests is in the forests. No man can protect a forest in Montana or Oregon by remaining in Washington. There is nothing that he can do in Washington that will extinguish a fire in Montana.

It is suggested to me that it might be done by wireless telegraph. That is about as practicable as some of the schemes that have been indulged in.

Mr. SMITH of Michigan. The Senator from Idaho has referred to the impression which was left upon us several years ago that this branch of the service would be self-sustaining. I remember very well when that suggestion was made and how deeply impressed we all were with the fact that the down and fallen timber upon these reserves would soon afford a fine income to the Government over and above the expenses of operation.

I should like to ask the Senator from Idaho whether he has any figures to show the income of the Government from these forest reserve lands?

Mr. HEYBURN. The Senator from Michigan has given one of the nicest demonstrations of the reasoning in regard to this matter and its practical effect that I could possibly want. It was promised that the sale of the dead and down timber would result in a revenue to the Government toward the payment of the expenses of the Forest Service.

Where the dead and down timber in the forests can be found, there is no market for it, because it being in a forest reserve there is nobody around to buy it, and it is not worth hauling out.

Mr. SMITH of Michigan. And it has not been marketed?

Mr. HEYBURN. It has not been marketed to any extent when you compare it with the existing conditions—none whatever. The dead and down timber in the forest reserves has no market value, because there is no market for it.

Take a forest reserve like the forest reserve in Idaho, the first one created there. It is about as large as the State of Connecticut. Everybody is excluded from it. One of the first acts that I did was to get the little town of Elk City eliminated, with a township or two. All outside of that it is a howling wilderness, and the howls do not come from men but from beasts. Where are you going to find market in a country like that for anything—for lumber or vegetables or energy or anything that a man has to sell?

Mr. SMITH of Michigan. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Michigan?

Mr. HEYBURN. Yes.

Mr. SMITH of Michigan. I was somewhat impressed by the statement made by the Senator from Idaho this afternoon that the wardens, I believe they are called, had an exclusive monopoly of the hunting privileges in the forest reserves, and that they were enabled to draw large sums of money for killing undesirable animals infesting those forests. If that is true, and they do draw extra compensation from that source, I do not think there should be any great apprehension about the ability of the department to secure the services of young rangers for the service that is required.

Mr. HEYBURN. There is no difficulty about securing the services of sufficient people for this work. They are glad to get the job of idleness.

I do not desire to continue the discussion of this question. I desire to start the wedge that shall ultimately split this vicious system.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Idaho.

Mr. HEYBURN. Upon that I ask for the yeas and nays.

The yeas and nays were ordered and taken.

Mr. DILLINGHAM. Noticing the absence of the senior Senator from South Carolina [Mr. TILMAN], with whom I have a pair, I withhold my vote.

Mr. BACON (after having voted in the affirmative). I will inquire whether the junior Senator from Maine [Mr. FRYE] has voted.

The PRESIDING OFFICER. The Chair is informed that he has not voted.

Mr. BACON. I withdraw my vote, as I have a general pair with that Senator.

The result was announced—yeas 19, nays 50, as follows:

YEAS—19.

| | | | |
|-------------|--------------|---------|--------------|
| Bailey | Clarke, Ark. | Nelson | Smith, Mich. |
| Borah | Gallinger | Overman | Stone |
| Bradley | Heyburn | Penrose | Swanson |
| Bulkeley | Johnston | Piles | Taylor |
| Clark, Wyo. | Martin | Shively | |

NAYS—50.

| | | | |
|-------------|------------|-------------|--------------|
| Beveridge | Culberson | Jones | Richardson |
| Bourne | Cullom | Kean | Root |
| Brandeggee | Cummins | La Follette | Smith, S. C. |
| Bristow | Dick | Lodge | Smoot |
| Brown | Dixon | McCumber | Sutherland |
| Burkett | du Pont | Money | Thornton |
| Burnham | Fletcher | Newlands | Warner |
| Burrows | Flint | Owen | Warren |
| Burton | Foster | Page | Watson |
| Carter | Gamble | Paynter | Wetmore |
| Chamberlain | Gore | Percy | Young |
| Clapp | Gronna | Perkins | |
| Crane | Guggenheim | Rayner | |

NOT VOTING—22.

| | | | |
|----------|------------|------------|------------|
| Aldrich | Davis | Lorimer | Stephenson |
| Bacon | Dewey | Nixon | Tallaferro |
| Bankhead | Dillingham | Oliver | Terrell |
| Briggs | Frazier | Scott | Tillman |
| Crawford | Frye | Simmons | |
| Curtis | Hale | Smith, Md. | |

So Mr. HEYBURN's amendment was rejected.

Mr. HEYBURN. I send the following amendment to the desk to be inserted on page 49, at the end of the page.

The PRESIDING OFFICER. The amendment will be stated. The SECRETARY. On page 49, after the words "Forest Service," insert the following proviso:

Provided, That all land upon which there is growing less than 4,000 feet of merchantable timber, board measure, per acre, shall be excluded from all forest reserves, and no part of any appropriation herein made shall be expended upon any area thus excluded.

Mr. HEYBURN. I think that amendment should be amended so as to define that these lands should be lying outside of the general body of the timber. That is the limit fixed by the Secretary of Agriculture. After the Secretary of Agriculture had visited the forest lands of the United States he was accredited with a statement, purporting to be official, that in his judgment, unless the land had growing upon it 4,000 feet or upward of timber per acre, it should not be classed as forest lands. I have said "board measure." That is merely to designate it with certainty.

This amendment proposes to eliminate those lands from the forests of the United States. They would then, of course, pass under the jurisdiction of the Secretary of the Interior and might be taken up as other public lands.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. HEYBURN. I do.

Mr. McCUMBER. Will the Senator give us a little explanation? I conceive that 1 acre might not have 4,000 board feet, and that 159 acres might have that much. The Senator does not designate in his amendment what body this is to cover, but simply, the way the amendment reads, if there is an acre that has not 4,000 feet of board measure in lumber that acre should be excluded, even though that acre might be far up in the mountains and would be required possibly for the purpose of growing timber to protect the water, and so forth. I think there is a great deal in the Senator's proposition, but it ought to be couched in such language that there can be no misconstruction of it.

Mr. HEYBURN. I think the Senator failed to take into account the suggestion I made when I had it read. I suggested, after hearing it read, that there should be a designation of the area to be taken into consideration, and I would amend the amendment by providing that at least the size of a homestead, 160 acres of land, should not be in the forest reserve.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. HEYBURN. I have corrected it, and I call the attention of the Senator from North Dakota to it.

The PRESIDING OFFICER. The Senator from Idaho will send it to the desk.

Mr. HEYBURN. I can perhaps explain it quite as well here.

Provided, That all land upon which there is growing less than 4,000 feet of merchantable timber board measure per acre, in contiguous areas of 160 acres, shall be excluded, etc.

That is a whole farm.

Mr. DIXON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Montana?

Mr. HEYBURN. Certainly.

Mr. DIXON. I want the Senator to bear in mind this. He certainly does not want to make a joke out of this appropriation bill so far as the forest reserves are concerned. Under the orders of the Secretary of Agriculture now any agricultural land that contains less than 4,000 feet per acre will be eliminated on application. Three-fourths of the forest reserves are not even surveyed. If you attempted to eliminate every 160-acre plot from the Canadian border to the Mexican boundary line, including the top of bald mountains and rock slides on the hills, it would cost \$20,000,000 for the Forest Service to make the inspection and surveys and to report and to do what this amendment would call for, which the order of the Secretary now eliminates when there are less than 4,000 feet of timber per acre on agricultural land by merely making an application to him.

Mr. HEYBURN. I should like to interrupt the Senator.

Mr. DIXON. It would make a million holes in the forest reserves in a million places.

Mr. HEYBURN. This is just that kind of red tape and machinery at the expense of the Government that I desire to do away with. Of course if you would carry out the system that is now in operation it would cost perhaps more than that, because these men insist on escorting you from your farm through an intervening forest reserve or making you go 100 miles around. They have all sorts of tantalizing and interfering processes. There is no reason on earth why if there are 160 acres

of farm land or land upon which a man is willing to make his home within a forest reserve he should not be entitled and encouraged to use it.

The proposition that you may do it now is a myth. You can not do anything of the kind. I can show a stack of letters, and so can every other Senator from the Western States who is supposed to be in sympathy with the settler, appealing against the interference of the forester, who makes it absolutely and practically impossible to take advantage of a provision that never was intended to be made available to the settler. The first thing they do, if the settler has a case that they can not answer in any other way, is to declare that the land is necessary for administrative purposes. That is the first thing they do. Then if they can not make that stick longer there is sufficient time to hunt up some other reason. They will prove that he was off his land overnight, or that he went to town to get groceries and violated what they call their rules and regulations.

Mr. FLINT. Mr. President—

Mr. HEYBURN. I yield to the Senator from California.

Mr. FLINT. I realize what the Senator from Idaho is trying to accomplish by this amendment, but I want to point out to him the great injustice it would cause if it should be adopted.

Mr. HEYBURN. To whom?

Mr. FLINT. If the Senator will permit me, to the people in the southern part of my State and I think in some parts of his State, where the land has not been reserved for the purpose of its timber, but for the water supply, if we permit this land to be taken up. The mountains can not be cultivated. There is chaparral on them and small growth that would not be used for timber, and it would not have the amount of timber the Senator indicates in his amendment. Yet that land would be thrown open to settlement.

Mr. HEYBURN. Are not settlers worth more than the chaparral on the mountain?

Mr. FLINT. No; I say to the Senator, it is not possible to cultivate the land.

Mr. HEYBURN. Then settlers probably would not go there if it is not profitable to cultivate the land.

Mr. FLINT. I am not so certain of that. They would go there and attempt to make a homestead on the land and destroy it for a watershed.

Mr. HEYBURN. That illustrates the evil of this whole system. Instead of allowing a man to select a homestead for himself—and each man has a different standard according to his own qualifications—they insist on selecting it for him. By virtue of what principle, written or unwritten, in the laws of this country is one man entitled to constitute himself a guardian of another to determine whether his judgment is sufficient to enable him to carve out a living?

Mr. FLINT. No; but a whole community should be looked after rather than the individual. Where we have a community it would be absolutely on the mountain streams with the chaparral there holding back the winter waters. Would the Senator permit that to be taken up and destroy that watershed and destroy the entire community? It seems to me it would be a great mistake. I do not think the Senator wants to accomplish that at all.

Mr. HEYBURN. Mr. President, I can hardly think that the Senator from California has given serious thought to that proposition. Here is land that he suggests is of sufficient value to induce settlement, and because, forsooth, some other settler might be inconvenienced by it, you would leave half the land idle. I do not think upon further thought the Senator from California would enunciate a doctrine of that kind. Some people prefer to live in the hills, some prefer to live in the valleys, some prefer to live in the open plains, and some prefer to live in the mountains.

Mr. FLINT. If the Senator will permit me, the valleys are where the great crops are produced.

Mr. HEYBURN. Whose crops? It is not the crop of the man who wants land on the top of the mountain; and his rights are equal. Let us share the benefits of climate and soil and conditions among all classes of people. The idea that the men in the valley shall say that great areas of land valuable for cultivation shall lie idle because it would inconvenience them! There is no principle of this Government that recognizes such a thing as that.

Mr. FLINT. It is not to inconvenience them, but to absolutely destroy them.

Mr. HEYBURN. Well, let us see. Of course there is not a thing on earth in the proposition that the snow lies longer in the timber than it does in the plains; it is quite the contrary. I went West two or three years ago with some of these enthusi-

astic people from the northeast corner of the United States. We were traveling along on the railroad, on the Oregon Short Line, up through the mountains, and those hills and mountains there afforded one of the nicest examples and demonstrations of that question in the world. There were the bald mountains, with the snow on them, and the timbered mountains without any snow; the dandelions were growing under the trees; the snow had disappeared there first, because it falls lighter and the drippings from the trees tend to crystallize the snow. All at once it goes; you do not know just when it goes, but that solid, frozen snow will lie on those mountains until July and August. I have walked over it in July and August when it was 30 feet deep under my feet, and it was hard and frozen. It would remain there until the fall rains, which were the first things that had any influence on it. Those were the conditions; and I have known them in all of the Rocky Mountain States. You have only to look at it, and the fact there is worth more in determining this question than the theory of how nature ought to do things. There is nothing in the statement that timber holds snow back. It does not.

Mr. FLINT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from California?

Mr. HEYBURN. Yes.

Mr. FLINT. I simply want to say to the Senator that I did not mention snow. I am not at all out of harmony with the argument the Senator makes in reference to snow and water falls.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HEYBURN. Mr. President, I understand that the amendment will be accepted.

Mr. WARREN. Mr. President, rather than extend this colloquy any further, I am willing the amendment shall go into the bill. It will then go to conference, and we will view it there and see if we can save it.

Mr. HEYBURN. Mr. President, I have great confidence, when the Senator from Wyoming tells me that he will attempt to save the amendment in conference, that he will do so.

It is not a waste of time. We have wasted the time of the Senate on matters which are absolutely unimportant as compared with this. I am speaking for a large portion of a great country, and I am speaking in earnestness and seriousness and from experience. I know something about it. I have not much patience with the declarations of those who have never seen a mountain or known the snow to lie upon it. They talk about its effect upon streams. I am not going to waste the time of the Senate. I never felt that I was more justified in any act that I have performed in my life than when I have stood here to protect that great country against the ravages and the impositions of a lot of theorists, who only go there when they come to disport themselves and to kill the animals. It is the man who lives there year after year, it is the man who wants to go there and live, that I care for. You are going to make those men so poor along the Canadian border and through this eastern country that you had better begin to get some land ready for them, because they will have to go somewhere—migrate to Canada or take to the ocean.

Mr. CLARK of Wyoming. Mr. President, I voted yea on the first amendment of the Senator from Idaho, not with any view that the amendment would carry or with any great desire that it should carry, for I thought the Senator from Idaho realized as much as I did that in the hurry incident to the close of the session it was almost impossible to frame a just amendment to meet the conditions as they are presented in this bill to-day. But I voted yea on that amendment as a protest—a solemn protest—against a policy that has worked as has the forestry policy. I want here and now to make my meaning perfectly clear when I say I protest now against the idea that the lands and that the resources of our new States are the common property of the whole people in the sense that is urged on this floor. The waters in our streams, the gold in our hills, and the coal in our deserts are the common property of the people of the United States, but they are only the property of the people of the United States when the people come there to make use of them.

This Government of ours, Mr. President, has never been intended as a commercial or a mercantile or a money-making proposition. The true function of a government is to govern, and not to buy and sell. The true function of a nation is to make use of what God has given it. The true function of the nation is to raise up citizens for that nation and, as much as it can, contribute to their happiness, their comfort, and their prosperity.

My vote upon this amendment was cast as a protest against a policy that would harness the streams of the West for

revenue to the Government; as a protest against a policy that would harvest the timbers of the West to go into the coffers of the Government; as a protest against a policy that would lock up the coal and the fuel supply of this country when it is needed. We know how badly it is needed for use upon our hearths and to turn our wheels. Guard as much as you can the use of this property, of these resources, but let them be used.

Mr. President, if this policy had been in force 100 years ago, not one-third of the area of New England would ever have passed into private ownership. Every horsepower in your beautiful streams that gives you wealth and riches and happy homes would have been taxed—the water would have passed over taxed wheels. Do Senators know that water power practically is impossible in the Rocky Mountains to-day? Do Senators know that the policy of the Government to-day is to impose a tax upon every horsepower that passes in water down our mountain sides? Do Senators realize that some of us who are opposing that policy feel as though the iron hand of the Republic was laid upon the throat of our sovereign States?

It has come to be thought a joke when anybody rises and opposes this policy. I say to the Senator from New York it is because we are so vitally interested that we bring this subject up from time to time; it is not because we would lay hands upon things that are sacred in the Republic; but it is because, if we can, we want to maintain what we have got and grow into something in the future; it is because we do not want to live in that country as tenants of this Government; it is because we want the opportunity to use the resources within the borders of our State; and I serve notice here and now that the next agricultural bill that comes before the Senate has got to show some reason for this tremendous expenditure of money.

Four years ago we wrote into the law on an agricultural appropriation bill a direction to those in authority to give the items of the estimates for this tremendous expense, to classify them, and when the expense was made, we directed them to make reports to Congress. We all remember that up to that time Congress had never asked for such an estimate.

Congress had never demanded a report of how the money had been spent; and the service lifted up its hands in horror when Congress assumed to direct that it should give some account of its stewardship, and it gave but a lame and incomplete account of it.

To show, Mr. President, the spirit that still animates that service, the desire to rise superior to and above the law, the desire to throw off all restraint of Congress upon this bureau, we are asked in this very bill—it was written into the bill as it passed the other House—to repeal the law which we passed requiring an estimate to be made of the appropriations, and requiring a report to be made of expenditures.

Mr. HALE. Is that in this bill?

Mr. CLARK of Wyoming. That is in this bill, Mr. President. It is not in the bill now as it appears in the Senate, because we have amended it as it came to the Senate, but I want to read to the Senator from Maine exactly what the bill called for as coming from the House. I do this simply to show, as I have said, how the desire is to create a great bureau in this Nation that shall control a great commercial enterprise; that shall handle, if you please, the entire destinies of a strip of land in forest reserves 200 miles wide that would extend two-thirds of the way across this continent.

I am afraid that we do not more than half appreciate the situation; I am afraid we do not more than half appreciate that if the forest reserves in the Rocky Mountains were put upon the Atlantic seacoast there would be no Senators here from New England; there would be no Senators in this Chamber from the Imperial State of New York; there would be no Senators here from Pennsylvania or Ohio; and more than that area is taken away from the use of the people in the Rocky Mountain country. We do not appreciate the scope of this matter.

I will say to the Senator from Maine that here is the paragraph to which I refer:

That the provisions of the act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1908," requiring the Secretary of Agriculture to submit to Congress classified and detailed reports of receipts and classified and detailed estimates and reports of expenditures by the Forest Service, and classified and detailed estimates and reports of every subject of expenditure by the Agricultural Department; statements showing all appointments, promotions, or other changes made in the salaries paid from lump funds, are hereby repealed.

Mr. President, I protest against making this a commercial proposition.

Mr. HALE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Maine?

Mr. CLARK of Wyoming. Certainly.

Mr. HALE. Mr. President, we can not take cognizance of nor keep informed upon everything, so various are the measures before the Senate. It is to me, Mr. President, a surprise and a wonder that the provision which Congress put upon that appropriation bill holding this department and the bureaus of this department to accountability in reporting to Congress has ever been—I will not say repealed by the law—but that a suggestion of repeal should have been made. Will the Senator inform the Senate whether the provision he has read was in the House bill?

Mr. CLARK of Wyoming. The provision which I have read comes from a document which I hold in my hand, calendar No. 1138, House bill 31596, which purports to be the agricultural appropriation bill, which passed the House of Representatives and is now in the Senate, reported from the Committee on Agriculture and Forestry.

Mr. WARREN. Mr. President, if the Senator will permit me, there is a general law that provides for making in detail reports of expenditures of the departments. When the money which came from the Forestry Service went straight into a general forestry fund for expenditure, instead of into the Treasury, and when there were no appointments under the civil-service regulations, and when the appropriation was in a lump sum for payment of salaries, hire of laborers, and so forth, there was a call made by law requiring a report, stating the name of every man in the Forest Service, when he commenced and when he finished, the amount paid him, and so forth. For some reason the House seemed to think that the general law requiring these reports was sufficient; and, therefore, they put in a clause in the pending bill repealing the particular act which requires such procedure, under which the matter was gone into in such detail that some seven or eight hundred pages were required. That is the whole story.

Mr. HALE. I think the repeal of that provision of law is very offensive and ought not to be consented to by the Senate.

Mr. WARREN. The bill as it came from the House has already been amended by the amendment offered by the Senator from Montana [Mr. CARTER], which not only strikes that out, but which requires a report far more in the line of particularity, a report which will require the bureau to go in extenso into a great many matters; for instance, as to how many dollars and cents are expended for each meal when traveling, the amount expended for each mile of travel, and so forth. That amendment is now in the bill.

Mr. HALE. I think that is right.

Mr. CARTER. Mr. President, will the Senator from Wyoming permit an interruption?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. CLARK of Wyoming. Yes.

Mr. CARTER. Mr. President, the section referred to should not only be left on the statute book, but there should be insistence by the Secretary of Agriculture or by the Congress upon compliance with the statute. For many years the Forest Service made general collections for forest use and the sale of timber. This amounted in one year to \$750,000.

There was no law fixing anybody's salary. There was no provision of law directing the method of expenditure. Expenditures were made according to the sweet will of the bureau and the department, and there never has been any satisfactory statement rendered of the disbursements of that fund. Called upon at one time for a statement, it was presented in such jumbled and confused form that the law officer of the Department of Agriculture informed me within a week that there was no data within the possession of the Agricultural Department from which a statement could be made of the manner in which that large amount of money had been disbursed; that it would be necessary to go back to the vouchers in the Treasury Department in order to get some light upon the subject, and that that would require a considerable length of time.

I introduced an amendment covering the period of time from 1900 to 1910, inclusive of those years, directing specific questions to the department, which I hope will elicit an answer covering that large sum of money for which no adequate or satisfactory account has ever been given to Congress or the department.

Mr. CLARK of Wyoming. I called attention to this part of the bill simply to show the apparent determination to build up a great institution or a great bureau in this Forest Service, and I called attention to it so that I might protest against the Western States of this Nation being exploited by any bureau as a business or commercial proposition. But it seems to me that that protest has been unheeded in the years that are past.

Now, I want simply to say that if it is to be exploited as a business and a commercial proposition, it is only just to demand from those who are at the head of that great commercial enterprise that they render unto the people and unto the Congress a true, just, and accurate statement of their expenditures.

As I said, Mr. President, I have only done this to record my protest, but I do believe that the time is coming when in the Congress of the United States a different policy will be determined upon and demanded, and if it were not for living in the hope of that better day the people of the Rocky Mountain States might just as well bid farewell to any hope of future prosperity.

Mr. PENROSE and Mr. WARREN. Question!

The PRESIDING OFFICER. The question is on the amendment.

Mr. WARREN. Which the committee has accepted.

The amendment was agreed to.

Mr. OWEN. I offer the following amendment, and while I am aware that it is subject to a point of order, at the same time I should like to explain in a few words to the Senate the meaning of it. The amount is \$50,000.

Mr. WARREN. Of course, I must make the point of order if the Senator says the amendment is susceptible of it. On the other hand, the making of the point of order shuts out debate. I am perfectly willing to withhold the point of order for a moment if the Senator from Oklahoma wishes to explain it briefly.

Mr. OWEN. That is what I wish.

The amendment is:

Fifty thousand dollars for rewards and premiums to be distributed to the members of the corn clubs which have been or may be established by the Agricultural Department.

Of course the corn crop in this country is the greatest producer of value of any product, and the Agricultural Department has been stimulating the boys of the country with these corn clubs. In the State of Oklahoma there are over 5,000 members of these corn clubs. In some other States the membership is still larger, and it has been of very great value, not only stimulating the boys in the cultivation of corn, but, what is perhaps of equal importance, it has stimulated the attention of men engaged in the cultivation of corn.

The State of Iowa has doubled its production of corn by giving care to the question of seed selection and of proper cultivation, and the stimulation of these boys by offering them a small reward would be of very great commercial value to the people of the United States.

The PRESIDING OFFICER. The Secretary will report the amendment.

The SECRETARY. Insert in the bill the following words:

Fifty thousand dollars for rewards and premiums to be distributed to the members of the corn clubs which have been or may be established by the Agricultural Department.

Mr. WARREN. I make the point of order that it has not been estimated for and has not been recommended by any standing committee.

The PRESIDING OFFICER. The Chair sustains the point of order.

The bill was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TARIFF BOARD.

Mr. PENROSE. I desire to call up the appropriation bill for the Post Office Department.

Mr. BEVERIDGE. Mr. President—

Mr. PENROSE. I yield to the Senator from Indiana.

Mr. BEVERIDGE. I prefer to proceed now with the unfinished business if it is agreeable to the Senator from Pennsylvania.

Mr. PENROSE. I am extremely solicitous to have this bill acted on some time or other. I have been waiting around here for considerably over a week to be present when the bill could be called up, but, of course, I recognize the right which the Senator from Indiana has to have the unfinished business fairly and fully considered, and I will yield this time whatever claim I may have on the attention of the Senate for the appropriation bill. But I hope some time or other, to-night or to-morrow, certainly at the latest, I can have the Senate consider it.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 32010) to create a tariff board.

The PRESIDING OFFICER. The question is on agreeing to the amendment to section 7, which the Secretary will report.

The SECRETARY. On page 5, section 7, line 17, after the word "investigations," insert "as hereinbefore provided, including all testimony."

Mr. STONE. What is the amendment?

The PRESIDING OFFICER. The Secretary will again report the amendment.

The Secretary again read the amendment.

Mr. STONE. Mr. President, before proceeding further, I desire to make an inquiry and also a statement. I am curious to know who is in charge of this bill, now being the unfinished business before the Senate. I have the honor to be a member of the Finance Committee. There were amendments offered in the committee to the bill which were voted down, as is well known, and notice was given that amendments would be offered on the floor of the Senate. Those amendments will be offered in due time, and I have no doubt will be debated to a greater or less extent.

Mr. President, it is a rule or practice which has been followed long and consistently in the Senate—so far as I know it is practically without exception—that some member of the committee takes charge of the conduct and management of its bills on the floor. I am sure it will be difficult to find any striking exception to that rule when important bills—controversial measures—were under consideration.

This bill was reported to the Senate by the senior Senator from Massachusetts [Mr. LODGE], and I presumed, of course, he would have charge of it. But he seems to have disappeared—whether willingly or unwillingly I am not advised—but he has withdrawn by persuasion or force from the management of this bill which was committed to his hands by the committee.

Mr. President, this is a House bill. It passed the House of Representatives, in which body it was first introduced. It came to the Senate in due course and was referred to the Finance Committee. There it was debated at length and fully considered, and a majority of the committee determined to report it favorably. The Senator from Massachusetts was selected to discharge the important duty of reporting the bill and managing it on the floor of the Senate. I am curious to know why that Senator has surrendered this important right and duty.

Mr. HALE rose.

Mr. STONE. Just a moment, and I will yield to the Senator from Maine, who maybe can answer the inquiry I am about to propound. I hope he can. Is it possible that no Republican member of the Finance Committee is willing to take charge of this bill? It has been said, and so far as I know not denied, that there was not a member of the Finance Committee who favored this measure, and that those who voted to report it did so reluctantly. It may be that their opinion of it is so bad that no member of that committee dares to take the responsibility of trying to conduct it through the Senate of the United States.

I am curious to know how this unusual thing was brought about. The Senator from Maine is on the floor. He is an old and distinguished Senator of long service on the Finance Committee, a Republican of prominence and power and influence, and it may be that he can inform me upon this interesting subject.

Mr. HALE. I am in a condition of surprise. I supposed the Senator from Massachusetts was in charge of this bill. When it came up last night, he made the motion, and as a kind of insignia of authority when the motion had passed making it the unfinished business, he made the important motion, indicating leadership and control, to adjourn. I am surprised at what the Senator says. I supposed the Senator from Massachusetts was and is in charge of this bill.

I do not know of any process of legerdemain that ousts a member of a committee who has been directed to report a bill to the Senate, it having been duly referred to the committee, of the control and management of it, and I do not think my modest friend, the Senator from Indiana [Mr. BEVERIDGE], would for a moment undertake to assume—I use that word with some knowledge of the extent of it—to take charge of this important bill, which was matured by the Ways and Means Committee in the House and referred to the Finance Committee of the Senate, duly considered there, if not, I will say, in a very enamored way, but with a feeling that it ought to be reported and submitted to the Senate by the committee to which it was intrusted; and under those conditions, I will not say groping about for somebody to report it, but being desirous that it should be reported by somebody who was in favor of it, the committee selected the eminent Senator from Massachusetts, not a novice, not a new, untried man, to launch this measure upon this body and to manage it here.

I am inclined to think certain members of the committee reserved the right as members of the committee to vote according to their own views of public policy upon it, but the Committee

on Finance intrusted the measure to the Senator from Massachusetts, and until this moment I did not know, after what took place last night, the Senator from Massachusetts moving to adjourn when the bill had been taken up, that it was not an abandonment of his leadership, but an assertion of his leadership. I do not know, until the Senator who is a member of the committee made his protest, that the Senator from Massachusetts is not in charge of the bill. I agree with the Senator from Missouri, if there has been any process, any mechanical arrangement by which the cogwheels of ordinary senatorial procedure have been reversed and the Senator from Massachusetts has been displaced and has been succeeded by the eminent, eloquent, and able Senator from Indiana, I must assume without his consent, I would like to know what that process has been.

Mr. OWEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Oklahoma?

Mr. HALE. Yes.

Mr. OWEN. Mr. President, I should like to ask the distinguished Senator from Maine a courteous question.

Mr. HALE. All the Senator's questions are courteous.

Mr. OWEN. I should like to be informed if this interesting colloquy between the Senator from Maine and the Senator from Missouri is a conspiracy.

Mr. HALE. Yes, Mr. President; it is the conspiracy which results from the union of two serious and honest minds in the same direction, if that is a conspiracy.

Mr. MONEY. Will the Senator allow me a word there?

Mr. HALE. Yes; two or three words.

Mr. MONEY. I do not want two. I would like to know if it is not an attempt to uncover a conspiracy.

Mr. HALE. I am an old hand here, and I have not seen anything like this before. I am used to mutations. I have seen majorities turned into minorities by the vote of the Senate. But I have never before known the charge of an important bill somehow, somewhere turned from one Senator, representing the committee, to another Senator, who does not represent the committee.

As to a conspiracy, as I said, the mind of the Senator from Missouri runs as mine does. I am curious to know, and I wish somebody would tell us, what this process or transformation was that ousted the Senator, if he is ousted—I did not suppose he was—from the control of this bill. I am free to say if the matter was in the air and it was a question that somebody should take charge of it, the eminent Senator from Indiana is a most proper man to take charge of it; but I should like to have the process unfolded. Would not the Senator from Missouri like to have the process unfolded?

Mr. STONE. The purpose of my inquiry was to unfold it.

Mr. HALE. There is another instance of the conspiracy between the Senator from Missouri and me. I await the disclosure of some *deus ex machina*.

Mr. STONE. If the Senator will permit me, I am not only desirous, but I am overanxious, to know by what means this unusual proceeding took place.

Mr. HALE. I thought so.

Mr. STONE. There seemed to be an abandoned child.

Mr. HALE. Yes; a foundling.

Mr. STONE. I wanted to know if the Senator from Massachusetts had laid it on the doorstep of the Senator from Indiana. [Laughter.]

Mr. HALE. I think we ought to know whether this tariff-board bill is actually a foundling, that had nobody to assume its control, and was at last laid at the doorstep of the Senator from Indiana.

Mr. OWEN. Mr. President, this foundling, so called, came to the Senate of the United States from the House of Representatives. Its paternity is of unquestioned respectability. It has been reported to the Senate of the United States, and while I do not wish to impute any discredit to the Senator from Massachusetts, who is absent, by charging him with the maternity of the bill, his absence is a necessary excuse for not discussing this matter when he is not here. But at all events, it is before the Senate, and the Senate is abundantly capable of handling any bill which is brought before it and requires no leadership. There is every reason in the world why the bill should pass.

Mr. STONE. Allow me to correct the Senator. Do I understand the Senator to say that the Senator from Massachusetts was absent?

Mr. OWEN. I had not observed him in the chamber.

Mr. STONE. He has been here all the evening.

Mr. OWEN. I assumed that he was absent. But whether he is absent or present, this matter is now before the Senate as a Committee of the Whole, and each Member of the Senate is able to take charge of the bill if every other Member outside

of a quorum were absent. I do not understand the extraordinary colloquy between the Senator from Maine and the Senator from Missouri. I thought perhaps it might be explained.

Mr. MONEY. Mr. President, I have no desire to be facetious, for this is a serious inquiry into the proper conduct of the affairs of the Senate. It should be explained by some one who knows how it happened that when the greatest committee in the Senate, in charge of a very important measure, had reported it and put it in charge of one of its members, here, at this stage, we find it now in the hands of a very distinguished gentleman, it is true, but not a member of that committee. We should be informed how that came to be. If there has been a precedent like this, I do not recall it in my pretty long service. It is very important, in order that the Senate may conduct its business in a proper way, that the committee that has had referred to it by the Senate a measure should also have charge of that measure when that committee reports it back to the Senate.

It would be a most disorderly proceeding if any man here, as was suggested by the distinguished Senator from Oklahoma, could take charge of a bill with which he had nothing to do in committee, a bill coming from a committee of which he was not a member.

Now, I do not know how this happened. There is some irregularity here just as patent as that we are here on this floor, and it is due to the Senate that somebody should explain to us before we proceed how this bill should suddenly disappear from the control of the Committee on Finance and get into the hands of the Chairman of the Committee on Territories.

This is no laughing matter. No man has a right to take charge of a bill unless by instruction of the committee which reports it. I deny that the Committee on Finance has had a meeting for this purpose or to consider this measure since it reported it. I for one supposed that the senior Senator from Massachusetts [Mr. LODGE] had charge of the bill. He was authorized to report it and to take its management on the floor.

I do not know that there is any rule bearing on this question, but there is a uniform practice, and common decency and common sense are quite sufficient to carry home to the mind of every Senator here that there is no man on this floor outside of the committee that reports a bill who has any right whatever to take it in his keeping. It was not done by some sort of consent of the committee. I deny that that committee has consented to part with the management of this bill. I know that no Democrat here is aware of any such transaction or agreement between anybody. How did it happen, and when, and where, and by whom?

The Senator from Oklahoma speaks about a conspiracy here between two gentlemen to call up these questions. Of course he says that facetiously, and it is one of the vices of this age that nobody can talk about a serious question without being funny. A newspaper can not announce a death scene without being a little bit facetious. It is the vice of the time. This is a matter which can not be laughed down or explained away with a joke. The Senate owes it to itself to have it explained fully how the Committee on Finance has lost the charge of its own bill. I assure Senators that that must be explained.

I for one am not satisfied with this condition. The Senator from Indiana understands me well enough to know that there is no disparagement of him personally when I make this suggestion. I would say the same thing of any other Senator in the Chamber not a member of the committee who took charge of the bill, for certainly it is all wrong. It is out of the order of business. It is a severe reflection on the committee that sent it here, and, in some measure, it must be a reflection upon the gentleman who has been somehow or other ousted from the management. Whether he feels anything about it or not I do not know, but it is a serious matter for you to consider, Senators—whether this shall be a precedent. It certainly is a bad one and would lead to any kind of disorder. To-morrow any man could get up here and claim to manage one of your appropriation bills, and why not, if this is to go without any explanation whatever?

I do not believe it can be explained to the satisfaction of the Senate. It can not be explained to the satisfaction of the five Senators sitting on this side of the Chamber who are members of the committee that had charge of this measure. If this is a beginning here, where is it going to end? Instead of the orderly process of business it leads to a disorderly scramble to rise first and say, "I have charge of the bill." It is time it was settled, and it ought to be settled right now before we proceed with any consideration of the bill; and I would add that I do not know anybody more competent than the Senator from Indiana, who has charge of it, to tell how he got it.

Mr. BEVERIDGE. Mr. President, more than four years ago I introduced in this body, as all Senators will remember, a bill substantially like the bill under discussion. Senators will find there is very little difference, certainly none in substance. I immediately spoke upon that measure after careful preparation. It was discussed, debated, and fought over for a long time both on the floor of the Senate and throughout the country. There are other Senators here who have given even more arduous service in behalf of a tariff board or a tariff commission than I have.

I moved to proceed to the consideration of this bill after I had conversed with the Senator from Massachusetts [Mr. LODGE], who said he was agreeable to that proposition. I take it, Mr. President, it is not so much a question as to who moves to proceed to the consideration of a measure as it is whether the measure is wise.

Mr. MONEY. Mr. President, I listened with care and respect to what the Senator from Indiana said, but that does not explain how he gets this bill. It makes no difference if he made speeches 104 years ago. This is a House bill. It is not the child of the Senator from Indiana. It comes here in its regular way and it is referred to the Committee on Finance, which has charge of it. It has charge of it until the Senate has considered and passed or rejected it, and there is no authority on that side of the Chamber or in the whole Senate, as far as I know, unless unanimous consent will carry everything, that any other man except a member of that committee shall be put in charge of this important measure.

I would like to move to recommit this measure to the Committee on Finance that we may have a clearing of the atmosphere, and then if anybody has got a confession to make I should like to hear it. There is something rotten in the State of Denmark, or dead, or whatever the expression is. Something has been agreed to which the Senate has not heard of.

I was told this morning that there has been an agreement reached, by which two important matters before the Senate were to be taken up, by the gentlemen who opposed one and advocated the other and vice versa. Is this a part of that agreement? Let us be honest and frank with one another. We will all be away in three days. Why this shuffling at the very last moment? I want to enter my serious protest against this whole business.

Mr. President, I make the motion now that the bill be recommitted to the Committee on Finance, and I hope the chairman will call that committee together and report it back as he did a few days ago. I will say with all respect to the senior Senator from Massachusetts [Mr. LODGE], whom I esteem as one of the first Members of the Senate, that if he does not want to take charge of it I think some one else can be found on the committee to represent the committee in the management on this floor.

I make the motion, Mr. President, to recommit the bill.

Mr. PENROSE. I hope that motion will not prevail. I believe the Senate could devote its time much more profitably to discussing the bill on its merits than to wrangling over who is technically in charge of it. I do not believe it is disclosing any secrets of the committee room to say that while many Senators who had been brought up in the old-fashioned school of protection were ready to vote for this measure, they were not full of enthusiasm for it. It seemed, however, to be demanded by many persons, and in deference to an unquestioned public sentiment they voted in favor of its report to the Senate, as any friend of the bill ought to do, with the amendments which I understand are entirely acceptable.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from North Dakota?

Mr. PENROSE. I do.

Mr. McCUMBER. I wish to say to the Senator from Pennsylvania that I do not wish him to convey the impression that the members who voted for this bill were not in favor of it. I was one of the members on that committee, and as a member of the committee I am in favor of the passage of the bill and said in the committee—not simply that I was willing to let it pass but I want to see it pass the Senate.

Mr. LODGE. Mr. President—

Mr. PENROSE. I entirely agree with the statement of the Senator from North Dakota, and I anticipate the statement of the Senator from Massachusetts that he was likewise one of its zealous members. Perhaps in making my statement I rather disclosed my own feelings on the matter, and while I am ready to vote for this measure I was not one of the original advocates of it.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Massachusetts?

Mr. PENROSE. Certainly.

Mr. LODGE. I merely desire to say, Mr. President, that I took a very great interest in this measure. I was thoroughly and heartily in favor of it. I was very glad to have the opportunity to report it and cause it to take its formal reading and have the amendments of the committee adopted.

My withdrawal from its charge was a matter which I assented to, so far as I am personally concerned, merely because I wished to facilitate the progress of the business of the Senate. I can only act for myself; the action of the Finance Committee is another matter.

Mr. PENROSE. The Senator from Massachusetts is correct. I would hardly call him one of the original advocates of the tariff-board plan, but he has lately become a zealous advocate of it.

If there are any other members of the committee who were original and zealous friends of the measure, I will wait until they can make their statements, but, in the absence of others, I will say for myself that I am only too glad to have the help of the Senator from Indiana in bringing about the passage of this measure. He has been a genuine and original advocate of the proposition; he has addressed gatherings all over the United States in its favor; his public career is preeminently identified with it; and if the motion to recommit is made to kill the measure everyone who sincerely believes in the bill should endeavor to retain it before the Senate and let us have a chance to vote on it one way or the other.

Mr. MONEY. Mr. President, I do not understand that the Senator from Pennsylvania means to affront anyone on this side by saying that the purpose of raising this point is to defeat the measure. If he conceives that to be the idea, he is entirely mistaken. I am opposed to the proposed tariff commission, and I think it is pretty well known that I have some amendments to offer to the bill; but I shall not filibuster a moment, and I have never done so. I am not delaying anything here, but I am proceeding to a point which the Senator has carefully dodged.

I want to ask the Senator from Massachusetts what prevailed upon him or what made him believe that he was facilitating the passage of this measure when he resigned its charge to the Senator from Indiana [Mr. BEVERIDGE]? Why does the Senator from Massachusetts think that under the management of the senior Senator from Indiana, not a member of the Finance Committee, this bill would fare any better than under his able management, with his zeal for its passage?

Mr. LODGE. Mr. President, it would not be proper for me to reveal a private conversation, but I was satisfied that my standing aside would facilitate the agreement which has enabled us to dispose of the Lorimer case and to bring this matter before the Senate. I did not desire any personal feeling on my part, or any desire on my part to conduct the bill, which I should have been very glad to have done, to stand in the way of the settlement of the Lorimer case, on which I thought we ought to vote, or the bringing of this measure before the Senate, which I was most anxious to have done.

Mr. MONEY. Now, Mr. President, we are getting a little information.

Mr. LODGE. And I very gladly yielded to representations that were made to me on that point.

Mr. MONEY. Mr. President, I feel like a woman picking a cork out of a bottle with a hairpin. I now understand that there was some sort of an agreement made by gentlemen who wanted to vote for Mr. LORIMER with the gentlemen who wanted this bill considered, that the two should unite, and then the bill was transferred from the Committee on Finance to the Committee on Territories. I do not understand that under any rule of the Senate such a thing has ever been done before, and I do not believe it is proper now. I gave good reasons for what I mean by this awhile ago, and it is unnecessary to repeat them, but I say the Senate ought not to proceed with this measure until we know how the Senator from Indiana got control of a bill that belonged to the Finance Committee. If any gentlemen here thinks I am delaying, he is mistaken.

I do not consume time for nothing. This is an important question. It is not simply the fate of this bill that is involved, but it is the fate of measures that will come up hereafter, whether they shall be proceeded with or whether they shall not, or whether some agreement or some logrolling by gentlemen on one side or the other of this Chamber shall dispossess the committee—the whole committee, the Democratic as well as the Republican side—of its charge and commit it to a gentleman, of distinction, it is true, who is not on the committee and whom the Senate never did intrust with it; it never sent it to the committee to which he belonged; it was not intended by the Senate that he should have charge of it. If the gentlemen on the other

side are so reluctant to proceed with it, I think they can find some one on this side who would take it up and present to the Senate amendments reported by the committee, as well as other amendments, and give the bill a fair show. Certainly it is a most serious thing to the Senate whether this disorderly business shall go on in this way by an agreement made in secret and not in the face of the whole Senate. It ought to be determined by the Senate, and the only way I know of to determine it is to recommit the bill and let it come back to-morrow morning. I do not know any other way, unless somebody will tell us a little more of what was done in the secret room.

The PRESIDING OFFICER. The question is on the motion of the Senator from Mississippi to recommit the bill.

Mr. MONEY. I shall ask for the yeas and nays on that.

Mr. PENROSE. Unless the Senator desires to press that motion, I will ask the Senate to proceed to the consideration of the Post Office appropriation bill.

Mr. HALE. Mr. President, I hope the Senator from Mississippi, so far as he is concerned, will let this matter stand for the present to-night, and let us go on with the appropriation bill.

Mr. MONEY. I have no objection to this matter standing, and I have no objection to it coming up and passing; but it certainly must be settled in some way.

Mr. HALE. Well, let it go over.

Mr. MONEY. I am perfectly willing to let it go over, or I am willing to vote on it or do anything else with it. I myself would prefer that we go on with the appropriation bills before we call this up. We have only got two or three more days to pass upon them. Another thing: The Senator will recollect that there is important executive business that ought to be attended to, and it was very much desired and hoped that there would be an executive session to-night. I am one of those who would like to have it to-night, and there are quite a number of others who have spoken to me about it.

Mr. HALE. I think we ought to have it.

Mr. MONEY. I think so. So far as the bill in charge of the Senator from Pennsylvania [Mr. PENROSE] is concerned, I think the bill ought to be brought up and ought to be considered; but I would dislike very much to see a gentleman from the Committee on Territories in charge of the Post Office appropriation bill.

Mr. BROWN. Mr. President, I call for the regular order.

Mr. PENROSE. I withdraw my request, if it is not satisfactory to the Senator from Mississippi.

The PRESIDING OFFICER. The regular order is the motion of the Senator from Mississippi to recommit the bill.

Mr. MONEY. Mr. President, I will withdraw that motion if the Senator from Pennsylvania is permitted to go on with the Post Office appropriation bill. I do not want to delay any matter here. I should like to see the Post Office appropriation bill acted on, and I am willing to vote on this measure whenever I can, but it ought to be here under proper management. If the Senator from Pennsylvania wants to proceed with the Post Office appropriation bill, I shall not object.

The PRESIDING OFFICER. Does the Senator from Mississippi withdraw his motion?

Mr. MONEY. I do if the Senator from Pennsylvania can get consent to go on with his appropriation bill.

Mr. PENROSE. Mr. President, if it is satisfactory to the Senator having the unfinished business in charge, I will make the request; if it is not, I will withdraw it. The hour is getting late and probably we could make some progress with the Post Office appropriation bill and take up the other measure in a better frame of mind to-morrow.

Mr. BEVERIDGE. Mr. President, the friends of this measure, who I trust are in a substantial majority, and whose frame of mind I hope I apprehend correctly, think, and I myself think, speaking for myself, that we should proceed with the consideration of the pending measure.

Mr. PENROSE. Then I withdraw my request.

The PRESIDING OFFICER. The question is on the motion of the Senator from Mississippi.

Mr. MONEY. Mr. President, I could not understand exactly the remarks made by the Senator from Indiana. If he wants to go on with the bill, I move to recommit, and I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. The Senator from Mississippi moves to recommit the bill to the Committee on Finance; and on that motion he asks for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). Again I announce my pair with the senior Senator from South Carolina [Mr. TILLMAN], who is absent. I therefore withhold my vote.

The roll call was concluded.

Mr. OVERMAN. I am requested to state that the Senator from Maryland [Mr. RAYNER] is unavoidably absent. He is paired with the Senator from Delaware [Mr. RICHARDSON].

Mr. BACON (after having voted in the affirmative). I am informed that the Senator from Maine [Mr. FRYE] has not voted. I have a pair with that Senator and therefore withdraw my vote.

The result was announced—yeas 22, nays 51, as follows:

| YEAS—22. | | | |
|----------------|-------------|--------------|--------------|
| Bankhead | Johnston | Shively | Tallaferro |
| Chamberlain | Martin | Simmons | Taylor |
| Clarke, Ark. | Money | Smith, Md. | Thornton |
| Culberson | Overman | Stone, S. C. | Watson |
| Fletcher | Paynter | Stone | |
| Foster | Percy | Swanson | |
| NAYS—51. | | | |
| Beveridge | Carter | Gamble | Page |
| Borah | Clapp | Gronna | Penrose |
| Bourne | Clark, Wyo. | Guggenheim | Perkins |
| Bradley | Crane | Hale | Piles |
| Brandeggee | Crawford | Jones | Root |
| Briggs | Cullom | Kean | Scott |
| Bristow | Cummins | La Follette | Smith, Mich. |
| Brown | Curtis | Lorimer | Smoot |
| Bulkeley | Dick | McCumber | Sutherland |
| Burkett | Dixon | Nelson | Warner |
| Burnham | du Pont | Nixon | Warren |
| Burrows | Flint | Oliver | Young |
| Burton | Gallinger | Owen | |
| NOT VOTING—18. | | | |
| Aldrich | Dillingham | Lodge | Terrell |
| Bacon | Frazier | Newlands | Tillman |
| Bailey | Frye | Rayner | Wetmore |
| Davis | Gore | Richardson | |
| Depew | Heyburn | Stephenson | |

So the motion to recommit was not agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee to section 7.

The amendment was agreed to.

Mr. MONEY. Mr. President, I send to the desk an amendment which I desire to offer. I want, however, to say a word before I do so.

It is now lacking 25 minutes of 11 o'clock. I do not know what the purpose is on the other side, but I understood that this evening we were going to have an executive session. It is not likely we shall sit here all night and work all day to-morrow, and I should like to know whether it is the intention to have an executive session to-night, because if I offer this amendment I will have to speak, and I do not want to do that.

Mr. CULLOM. So far as I am concerned, I do not wish to have an executive session to-night.

Mr. MONEY. Very well. Then I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated. The Secretary read amendments proposed by Mr. MONEY, as follows:

On page 1, line 4, strike out all after the word "of" down to and including the word "annum," in line 14, on page 2, and insert the words "10 members, 5 of whom shall be Members of the Senate of the Sixty-first and the Sixty-second Congresses and shall be appointed by the President of the Senate, and 5 of whom shall be Members of the House of Representatives of the Sixty-first and the Sixty-second Congresses and shall be appointed by the Speaker of the House of Representatives. The members appointed under this act shall continue in office for the term of six years, and any vacancy occurring during said term of six years shall be filled in the same manner as the original appointment. The chairman of the said board shall be selected by the members of the board. Not more than three Senators and three Members of the House of Representatives appointed on said board shall be members of the same political party. Six members of said board shall constitute a quorum. The term of any Member of either House of Congress appointed under this act shall expire and terminate when he shall cease to be a Member of Congress."

On page 3, line 23, strike out all after the word "aiding" down to and including the word "Government," in line 24.

On page 4, line 3, strike out the words "to enable the President."

On page 4, line 14, strike out the words "as the President shall direct" and insert the words "when called upon by the President or either House of Congress."

On page 5, line 19, strike out the words "the President or to;" and in line 20 strike out the words "the President;" and in line 21 strike out the word "or."

Mr. MONEY. I dislike extremely, Mr. President, to take the time of the Senate at this late hour, but this amendment seems to me to be worthy of some consideration.

In framing this Government of ours, one of the main ideas was to secure the permanence of our institutions by strictly dissociating the powers of the three distinct branches, and the object of the founders was to be carried out by preserving, so far as we could, this strict dissociation of power.

The framing of a tariff bill is the work of Congress. The work of framing a tariff is devolved originally upon the House of Representatives. The bill comes to this body for its amendments, and the concurrence of both Houses being obtained, it meets the approval or veto of the President. The Constitution

has invested the President with authority to make such recommendations for legislation as he may think wise and proper, and has invested him with the power to veto a bill which is not in his judgment proper and wise, or constitutional, or for any other reason.

There is no reason that I know of why the President should be intruded into this business any further than the Constitution permits him to go. If the business is to be transacted, as it will be, by the Committee on Ways and Means in the House and the Committee on Finance in the Senate, they are quite as competent to choose the instrumentalities which will aid them in obtaining information of any kind as the President possibly can be, and there is not the slightest necessity of introducing him into the work, not authorized by the Constitution, or providing for the Congress of the United States an agent and instrument by which they are to get the information to frame their legislation.

I venture to say there is not a member of the committee who is not quite competent for the task of getting all the information that they need or that is to be gotten at all by anybody, as much so as the commission appointed by the President.

The object of this amendment is to exclude the President from a share in legislation to which I do not think he is entitled. On the same principle are framed the Waterways Commission and the Monetary Commission. I thought these were wise measures. They confined it to the two Houses, with the power to act, and with the right to secure information by the means they thought best.

The amendments which are submitted after this are simply to make the whole bill accord with the amendment I have offered to the first section.

I have not heard any particularly good argument why this commission should be had at all, because it is quite evident, to my mind, that the agents or experts of a committee can get by the order of that committee everything that can be obtained by a commission; and certainly I am opposed to any commission that has an indefinite extension of life. It ought to be limited to six years, so that Congress can discontinue it or continue it as it thinks proper. But it should not be put upon the bench for life, as you would a judge, a member of an independent branch of the Government. I do not see that there can be any particular information obtained by a commission from my own experience with commissions.

I recollect about 30 years ago, or probably a little longer, that a commission of extremely good men, it was admitted, non-partisan in character, was appointed to frame a tariff bill or to get information for it. They did get the information, and they framed the bill. That bill was brought to the House of Representatives and referred to the Ways and Means Committee, and as that committee reported it it was an entirely different bill. When the House proceeded to act on the committee's bill they brought forth a third bill, totally different from the two, vitally different. It was sent to this body, referred to the Committee on Finance, and they produced the fourth bill—all of them extremely unlike. It came into the Senate, and the Senate set all four of them aside and produced the fifth bill, and it went to conference, and the conferees made an almost out and out new bill.

So you see my experience with commissions does not warrant me to believe that they can do any better than the committees can, and I venture to say that the information obtained in the last debate here was quite as good as will be obtained by any commission. By the kindness of the gentlemen of the Republican Party, the minority were permitted to select two experts of their own, and I am quite sure that those two experts obtained as much information as any commission that will ever sit, authorized or appointed by either the President or Congress.

I have not the strength to go on if I would, and I have no desire in the world to consume time. I presented this just as briefly as I could, and I hope the Senate will consider it favorably.

Mr. BAILEY. Mr. President, it is not necessary for me to supplement what the Senator from Mississippi [Mr. MONEY] has already said, but I will venture to detain the Senate long enough to add to what he has said a consideration which strongly appeals to my mind in favor of his amendment as against the provision of the bill.

If this board is left to the appointment of the President, then no information desired by any Senator can be obtained from it or through it except upon the demand of one or the other House of Congress or the President; but if the amendment of the Senator from Mississippi is adopted, any Senator or any Representative can obtain any day in the year any information which he might desire.

As the bill now stands, a Senator might in the preparation for a debate upon a tariff measure desire some special informa-

tion, but if the Congress was not then in session he could not obtain it except by the grace of a presidential commission; and I have some doubt if that commission, under the provision of the pending bill, would be permitted to furnish it. On the other hand and under the amendment proposed by the Senator from Mississippi, any Senator desiring this information, no matter whether Congress were at adjournment or in session, could apply to any member of the commission and that member of the commission could direct the experts to prepare and furnish that information without delay.

Perhaps I can illustrate the difference between the two propositions more clearly by supposing a case. If the Senator from Mississippi desired to make preparation for a debate, and he sought information which had been obtained by this presidential commission, he could not obtain it except by waiting until the Senate convened, and then by resolution or request the Senate obtained it for him.

But if the commission should be appointed, as he proposes, and he should want this information, he could apply by an ordinary letter, in which he stated what he wanted, to any Senator who happened to be a member of that commission, and that Senator would simply transmit the letter of the Senator from Mississippi, together with a letter of his own, directing the experts of the commission to furnish the information desired. It seems to me that this is obviously more advantageous than the method proposed in the bill itself.

I take it that other Senators are not different in their situations from me, and I know that many times when we are not in session I need and I desire particular knowledge with reference to some item or some schedule, and that often happens when we have no tariff bill under consideration or in contemplation. I have heretofore supposed that it was my duty to obtain that information by my own labor or at my own expense, but if we are to provide an educational bureau for Senators and Representatives we at least ought to devise it in a way to answer their purpose when and as they need the knowledge.

I can easily conceive how this commission constituted as the Senator from Mississippi now proposes could be made most useful to every Senator. Not to every Senator in framing a tariff bill, because I frankly say that the only knowledge I need in framing a bill, according to my conception of such a measure, is the amount of revenue which the Government must collect through the customhouses and a list of the imports for the immediately preceding years. I do not conceive it to be the duty, and indeed I do not conceive it to be within the power, of Congress in framing a tariff bill to consider the difference in the cost of production here and abroad. But that question I reserve for a discussion when the bill is on its passage; and I content myself now with earnestly advocating this amendment, if the bill is to become a law.

I do not doubt that some Senators and some Representatives stand badly in need of information on the tariff as well as on all other subjects, and if the American people are to be taxed to educate their representatives, in addition to the salaries they now pay them, I am not sure that they ought to stop this educational process with this single question.

But, sir, if it is information we want, tell me why experts within our own power and subject to our own control can not furnish us with it better than a presidential commission? If it is information that we want, under the amendment of the Senator from Mississippi we can employ the same experts, and we can require them to collect the same information as the presidential board. The only difference between the presidential and the congressional commission is this: The presidential commission will make a report and the congressional commission will not; and there, Mr. President, lies the significance of this very earnest effort to establish this presidential board. Political parties sometimes change in midadministration, but this presidential board will not.

Apply the condition which exists to-day. Under the Constitution of the United States a revenue bill must originate in the House of Representatives. I am not just exactly clear how long this provision of the Constitution will be respected and observed, seeing that the President now assumes and asserts the right to initiate revenue measures in the shape of these trade agreements. But so long as the Constitution is obeyed, all revenue bills must originate in the House of Representatives.

If the next House, soon to assemble—sooner, I am told, than under the Constitution it would regularly assemble—is convened, as the President will have the right to convene it, in an extraordinary session, it will proceed at once, if it does its duty, and as it is Democratic I must assume that it will do its duty, to frame a tariff bill, and yet it must take its recommendations and its information from a presidential commission, the majority of whose members will be Republicans. Just exactly what wise advice a Republican majority of a presidential

commission would give a Democratic House is one of the mysteries of modern legislation that passes entirely beyond my comprehension.

When the Democratic House takes this presidential commission's recommendation it will do it precisely as the Senator from Mississippi recites that Congress has done with other commissions and other recommendations. It will proceed to lay it on the table or proceed to put it in the desk, and it will do its work according to its own judgment and not according to the advice and recommendation of men who disagree with it on this tariff question as widely as the poles.

But they tell us that the President will appoint experts and politicians; but the more expert they are the worse it will be, for I do not consider their advice of any special value to men charged with the high and grave duty of levying taxes upon these people. If they are a board of experts, and if they are continued long in office, they will control the American Congress in making its tariff bills as often as the majority of the Congress happens to belong to the same political party as the majority of that commission. This is neither more nor less than a solemn proposal to abdicate the power of the American Congress to a board composed of men not selected by it.

They also tell us that we will thus take the tariff question out of politics. At the risk of offending the business interests of this country, who talk so glibly as if all politicians were unworthy of public confidence—and by the way, the business people of the country, and not the muckrakers, originated that idea, for ever since I was a boy I have heard men talking about the business of the country being disturbed by the politicians—I will say that this Government can not be administered for the business interests alone.

Sir, when you take the great question of taxation out of American politics you take from the American people one of their highest incentives to interest themselves in governmental affairs. Withdraw from the decision of the electors this momentous question which has divided parties since the infancy of the Republic, this momentous question which has divided the people in every country on the globe, remove it from politics, and you will remove half the public interest in your elections. If there is any class, if there is any occupation, if there is any industry that can only be saved only by abating the interest of the American people in their own Government, I am willing to see it abandoned. There are, sir, better things in this world than material prosperity. There are higher considerations than the profits of commerce or the accumulation of wealth. I would rather see my countrymen free and poor than to see them rich and indifferent to their institutions and their freedom.

The recommendation which has been made by all the advocates of this measure, the promises which have been printed by all the papers now supporting it, that we will relieve the business of the country from the constantly recurring disturbances of a tariff discussion, do not appeal to my mind. But, Mr. President, even if that were desirable, I am by no means certain that it is attainable in this way.

We now revise the tariff, and if well revised the business of the country adjusts itself to the law and proceeds in peace and without the fear of another disturbance for 10 or 12 years, when we have another revision adjusted to the new and changed conditions.

But under this proposal we will never have any industrial or commercial peace, because what industry, sir, will take a bond that these five wise gentlemen will not recommend to the very next session of Congress a change in some tariff schedule? No man can give his orders, no man can sell his goods, to be delivered at some future time, if a session of Congress is to intervene, without being more or less uncertain as to the prices which he must pay for his raw material and the prices at which his competitors may sell the same article.

Oh, no, sir; this proposal to set a tariff mill at an eternal grind is not a proposal to give stability and repose to legitimate and useful industry. It will not do that, but it will relieve the American people of taking great questions into consideration by turning them over to a board of experts.

Mr. President, I am not in the habit of flattering the American Congress, although I think better of it than the people seem to do. Perhaps that is because I have been longer with it and closer to it than the people. It has its shortcomings; it has its deficiencies; and those shortcomings and those deficiencies vary according to its politics, being greater when the Republicans are in power and less when the Democrats control. But, sir, whatever its shortcomings and whatever its deficiencies are, the American Congress, as a whole, is quite capable of taking good care of the interests of the American people.

Sometimes I have wondered how a man both honest and wise could advocate a protective tariff. Sometimes I have

thought the Republicans were honest and not wise; and sometimes I have thought they were wise and not honest. But that was simply the distemper of a moment, and when I come to remember those whom I have known in intimate association I believe they are both wise and honest. If I am ever tempted to doubt your honesty and your wisdom I resist that temptation by remembering that Henry Clay devised your system. He has been gathered to the fathers long enough for the bitterness of party spirit and the intensity of party rivalry to accord him the full measure of honor and the full measure of confidence to which his fame, his patriotism, and his wisdom entitle him. Much as I might differ from them, I can not doubt that the men in this day who believe in and advocate the American policy inaugurated and defended with such consummate ability by the greatest statesmen of his school and State must not be suspected either as to their wisdom or as to their patriotism.

Then, when I turn to my own side and the long line of illustrious statesmen who have combated and who have successfully combated that doctrine, I no more doubt them than I doubt you. It is a conflict of ideas, sir, and out of that conflict, if there does not come justice as exact as I would like to have it, there does come a decision at least sanctified by the disinterested and unselfish patriotism of the majority.

I believe in the wisdom and in the patriotism of the American Congress absolutely, and I am not willing to abdicate its power over the greatest question that ever engaged the thoughtful attention of the American people. If you gentlemen on the other side are willing to say that you have not sense enough to use the information which you have or that you have not information enough to utilize the sense you have, perhaps I ought not to challenge your poor opinion of yourselves; but, although you are willing to stand before the American people and say that while your fathers who professed your faith could make great tariff bills under which these people grew and prospered as no other people in the history of the world have ever grown and prospered, still their sons and their descendants are not as capable as their fathers, I would save you from that humiliating position if I could.

You are not willing to rise over there, one after another, and confess that you must have somebody help you make a tariff bill, or that you are incapable of making one, and yet what not one of you would do individually you all seem anxious to do collectively.

This is one of the few united Republican votes that the roll calls of this session will show. By reading the RECORD in the morning it will be impossible to tell who is an insurgent and who is a standpatter. In fact, Mr. President, some of the insurgents are standing pat, and some of the standpatters are insurgent on this question. A united party asking the country to commission you to govern it, and yet confessing yourselves incapable of doing it is a spectacle not reassuring to the American people. But we will save you from that embarrassment if you will simply let this bill go over until the next session. We will introduce to the American people a confident Democratic majority which will not ask the aid of people who can not be elected to Congress to help them frame a measure of taxation.

I saw one of my friends on that side smile when I said "if you would let that bill go over until the next session of Congress," and he smiled a half-suspicious and half-cynical smile, as if he thought I intimated a filibuster by that. But I did not so intend it. I was not a party to the agreement over there, and I was not called into the council; but I think I was permanently cured of the filibustering habit by the operations of the other night, and I do not intend to filibuster on this bill.

While I am at this point, Mr. President, I want to refer to another matter, and I do it with great hesitation, because I think the last word on the Lorimer case ought to have been spoken before the roll was called. Intending to say what I am now about to say, I sent to the committee room of the Senator from Wisconsin [Mr. LA FOLLETTE] awhile ago to ask him to come, and I am satisfied he is about the Chamber somewhere. I did not have an opportunity to make this statement immediately after he spoke, because the roll was called as soon as he concluded his observations. The Senator from Wisconsin [Mr. LA FOLLETTE] declared to-day that a vote was resisted by those who believe the election of the Senator from Illinois to be valid, when it was supposed that the vote would be different from what the RECORD showed it to-day. Of course, I do not know what information the Senator from Wisconsin had, but I want to say here in the presence of the Senate, and I want to have it written in this enduring record, that never at any time or under any circumstances did I countenance a suggestion of a filibuster on that question. I was asked more than once if there would be a vote on the Lorimer question, when it was supposed the vote would be adverse to the opinion which I held, and in every

instance I answered that there would be a vote if it were within my power to force it. I even went so far as to say that if the Senator from Illinois would countenance or encourage an attempt to prevent the Senate from voting on the question of his right to his seat, though I would not change my vote on this particular matter, I would change my opinion of him.

Mr. President, I have felt that I ought to say this much in justice to myself, though I have no idea that the Senator from Wisconsin had me in his mind; indeed, I am sure he did not, because there could have been not the slightest basis for a statement of that kind with reference to me.

Mr. PAYNTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. BAILEY. Yes, sir.

Mr. PAYNTER. Will the Senator allow me? I should like to say in this same connection that there never was a time during the consideration of that case, however much I was interested in the result of it, that I would have given aid or countenance in any way to a filibuster on that question. The Senator from Texas and I discussed that on more than one occasion, and we were both agreed upon it.

Mr. BAILEY. That is true.

Mr. PAYNTER. I want to say further in defense of the chairman of the committee, I do not think at any time he had any purpose to delay the vote upon that question beyond the time when Senators could get through with the discussion.

Mr. LODGE. Mr. President, I move that when the Senate adjourns to-day it be to meet at 11 o'clock to-morrow.

Mr. BAILEY. Has the Senator from Massachusetts taken charge of the bill?

Mr. LODGE. No, Mr. President; I am not taking charge of the bill, but I am making a suggestion about the time of meeting.

Mr. BAILEY. I wanted to understand the suggestion.

The PRESIDING OFFICER. The Senator from Massachusetts moves—

Mr. SMOOT. Mr. President, would not 10 o'clock suit the Senator better?

Mr. LODGE. I make it 11 o'clock because, I understand, the Committee on Appropriations have a meeting in the morning; but I should be glad to make it 10 o'clock. My impression is that that would be just as well.

Mr. CURTIS. Mr. President, in the absence of the chairman of the Committee on Appropriations, I desire to suggest that notice has been sent to members of that committee that there will be a meeting to-morrow morning, and that all members are expected to be present, because there will be a hearing by the committee.

Mr. LODGE. That is what I understood.

The PRESIDING OFFICER. The Senator from Massachusetts moves that when the Senate adjourn to-day it be to meet at 11 o'clock to-morrow.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Mississippi [Mr. MONEY].

Mr. OVERMAN. Mr. President, I call for the yeas and nays on that question.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. He being absent, I will withhold my vote. If he were present, I should vote "nay."

The roll call was concluded.

Mr. DILLINGHAM. Mr. President, owing to the absence of the senior Senator from South Carolina [Mr. TILLMAN], with whom I have a pair, I withhold my vote. I make that announcement for all votes for the evening.

Mr. FLINT. As I have heretofore stated, I am paired with the senior Senator from Texas [Mr. CULBERSON]. I transfer that pair to the senior Senator from New York [Mr. DEWEY] and vote. I vote "nay."

Mr. OVERMAN (after having voted in the affirmative). I inquire whether the senior Senator from California [Mr. PERKINS] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. OVERMAN. I have a pair with that Senator and therefore desire to withdraw my vote.

I am also requested to announce that the senior Senator from Maryland [Mr. RAYNER] is paired with the Senator from Delaware [Mr. RICHARDSON]. The senior Senator from Maryland is unavoidably detained from the Senate.

I am also requested to announce that the Senator from Arkansas [Mr. DAVIS] is paired with the Senator from Utah [Mr. SUTHERLAND].

Mr. BACON (after having voted in the affirmative). I observe that the junior Senator from Maine [Mr. FRYE], with whom I paired, has not voted. I therefore withdraw my vote.

The result was announced—yeas 22, nays 48, as follows:

YEAS—22.

| | | | |
|--------------|----------|--------------|------------|
| Bailey | Heyburn | Shively | Taliaferro |
| Chamberlain | Johnston | Simmons | Taylor |
| Clarke, Ark. | Martin | Smith, Md. | Thornton |
| Fletcher | Money | Smith, S. C. | Watson |
| Foster | Paynter | Stone | |
| Gore | Percy | Swanson | |

NAYS—48.

| | | | |
|-----------|-------------|------------|--------------|
| Beveridge | Burton | Flint | Owen |
| Borah | Carter | Gamble | Page |
| Bourne | Clapp | Gronna | Penrose |
| Bradley | Clark, Wyo. | Guggenheim | Piles |
| Brandegge | Crane | Jones | Root |
| Briggs | Crawford | Kean | Scott |
| Bristow | Cullom | Lodge | Smith, Mich. |
| Brown | Cummings | Lorimer | Smoot |
| Bulkeley | Curtis | McCumber | Warner |
| Burkett | Dick | Nelson | Warren |
| Burnham | Dixon | Nixon | Wetmore |
| Burrows | du Pont | Oliver | Young |

NOT VOTING—21.

| | | | |
|-----------|-------------|------------|------------|
| Aldrich | Dillingham | Newlands | Sutherland |
| Bacon | Frazier | Overman | Terrell |
| Bankhead | Frye | Perkins | Tillman |
| Culberson | Gallinger | Rayner | |
| Davis | Hale | Richardson | |
| Depew | La Follette | Stephenson | |

So Mr. MONEY's amendment was rejected.

EFFICIENCY OF ORGANIZED MILITIA.

Mr. DIXON. I ask unanimous consent to report favorably from the Committee on Military Affairs the bill (S. 9292) to further increase the efficiency of the Organized Militia, and for other purposes, with amendments, and to submit a report (No. 1266) thereon. I make this request now, in order that we may get the bill as amended printed by to-morrow morning.

Mr. BACON. What is the request?

The PRESIDING OFFICER. The Senator from Montana desires to make a report from the Committee on Military Affairs. Is there objection to receiving the report?

Mr. BACON. Is that the House bill on the subject?

Mr. DIXON. The House has passed a bill and the Senate committee has reported a different bill. We want it reported to-night, so that we can get the bill printed by to-morrow morning in order that we may compare the bill that the House has passed with the one the Senate committee has reported.

Mr. BACON. The Senator is not asking for any action now?

Mr. DIXON. Oh, no.

CANADIAN RECIPROCITY.

Mr. OLIVER. Mr. President, I wish to give notice that to-morrow at the conclusion of the routine morning business I will address the Senate briefly on the subject of Canadian reciprocity.

TARIFF BOARD.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 32010) to create a tariff board.

Mr. OVERMAN. Mr. President, I trust the Senator in charge of this bill will not insist on a vote to-night.

Mr. BAILEY. I desire to offer an amendment. I move to strike out all of section 5.

The PRESIDING OFFICER. The Senator from Texas moves an amendment, which will be stated.

The SECRETARY. It is proposed to strike out section 5 of the bill.

Mr. BAILEY. Mr. President, I would not object to the commission or the board, or whatever it may be called, having the power to subpoena witnesses, provided their obedience to the subpoena was left to their voluntary action; but this bill requires them to come and to produce their books and their papers. In order that the Senate may have that provision before it, I will ask the Secretary to read the section which I have moved to strike out and upon which I desire to base some remarks.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read the section proposed to be stricken out, as follows:

SEC. 5. That for the purposes of this act said board shall have power to subpoena witnesses, to take testimony, administer oaths, and to require any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation to produce books and papers relating to any matter pertaining to such investigation. In case of failure to comply with the requirements of this section, the board may report to Congress such failure, specifying the names of such persons, the individual names of

such firm or copartnership, and the names of the officers and directors of each such corporation or association so failing, which report shall also specify the article or articles produced, imported, or distributed by such person, firm, copartnership, corporation, or association, and the tariff schedule which applies to such article.

Mr. BAILEY. Mr. President, it is perfectly plain to the lawyers of this body that Congress possesses no power to compel an American citizen to produce his books and exhibit the secrets of his business. If a corporation is charged with a crime, perhaps it has been held that it can be compelled to produce its books, even though those books bear testimony against it. That was going a long way. Still, I offer no criticism against that decision, because there it was charged that a crime was being committed against the law and that the protection of the Constitution did not extend to these artificial persons. But to assume and to assert that Congress has the power, in order to educate its Members and qualify them for the discharge of their duty, is an absurdity on its face. These people have their business secrets, and they are entitled to immunity from the curiosity of a Government official.

Mr. President, if I were engaged in business, no commission Congress could create would ever be permitted to look into my books, and the more honestly they were kept the more certainly I would guard them against this inquisitorial and visitatorial power of men who say that they do not know how to make laws unless they can invade the offices of our various business enterprises and compel them to subject their business—their profits, their losses, and their capital—to the scrutiny of Government officials.

We have already perpetrated this folly. We incorporated a similar but more drastic provision in the census bill, but no officer of the Government has attempted to enforce it, because they knew it could not be enforced. Under a power to enumerate the people for the purposes of representation, Congress can not confer the power to punish a man because he will not help to enumerate cattle and hogs. Neither can we, under our power to levy taxes, compel the taxpayer to do more than to render a full list of the property which we desire to tax.

The American Congress does itself no credit to write into these bills a provision that is mere brutum fulmen, if the power of the General Government is challenged in that respect. Analyze it. Here we are, saying to the world that we do not know how to legislate with the information before us, and in order to educate ourselves we must invade the privacy of every business office in this land, inspect their books, and for what? In order to ascertain their profits, so that we may measure out to them a protection that will exactly cover the difference in the cost of production here and abroad, plus a profit to the manufacturer.

I would almost consent to pass this bill with this provision in it if I thought some officer would try to compel one of these men to produce their books. For then, sir, we could bring the question squarely before the court whether the Government possesses this power, and as incidental to that question we could probably induce the court to say whether the Government has the power to levy taxes to cover the difference between the cost of production at home and abroad.

That, sir, would not be a question of taxation. That, sir, would not be a regulation of interstate and foreign commerce. I do not doubt that Congress has power, even by taxation, to regulate interstate and foreign commerce where taxation is a fit instrument to execute that purpose. But if we could get this question on this provision before the court by the refusal of some man affected by it to obey the subpoena issued under it, we could raise the question, first, as to whether the citizen can be compelled to open his books in order to educate Congress, and if that should be decided in the affirmative it could only be by the court deciding it upon the theory that this education was necessary in order not to levy taxes, but to extend a protection which would cover the difference between the cost of production here and abroad, plus a profit to the home manufacturer.

It is only and precisely this purpose which you seek to serve by this provision. You want every man to lay before the American Congress his profit and loss account, so that you can adjust your tariff to reduce his profits if they are too large and to enlarge his profits if they are now too small. In other words, sir, you are proposing to read into the statutes the promise of the Republican party that every manufacturer shall have, over and above the cost of production, a fair profit on his enterprise.

Who else in this American Republic is guaranteed a profit on his business? Who guarantees the farmer a profit? No one. He takes the chances of flood and drought. He takes the chances of insects and pests. He assumes a risk assumed by no other man, a risk so great that Thomas Jefferson, a farmer himself—and, by the way, the most intelligent farmer the world ever knew; a farmer who knew all about the soil and its prop-

erties; a farmer who knew all about arboriculture as well as agriculture; a farmer who knew all about horticulture as well as arboriculture and agriculture—and yet this greatest of all men, this most accomplished of all farmers, was moved by the vicissitudes of his class to say that the farmers were the greatest gamblers in the world, meaning it in no offensive sense, but simply seeking to emphasize the great risks which they take. And yet you offer them no guaranty of profit; you propose to levy no taxes on others to insure the prosperity of their farms; but they and all other classes are to be burdened in order that this Government may keep its pledge that the protected manufacturers shall be insured a fair profit.

I warn you gentlemen on the other side that you must answer for this. The people will not agree that any one class shall be separated from all others, and that from the earnings and the savings of those others shall be guaranteed a profit on their business. You will not be able to answer to the farmers any more, that you are guaranteeing their profits as well as others after your reciprocity with Canada; for under that agreement almost everything the farmer produces goes on the free list, and almost everything the farmer buys stays on the dutiable list. It is true you do give him automobile parts free. You tax his flour, but you let him go after it in an untaxed automobile. Oh, splendid generosity!

You confess that you do not know as much as you ought to know by wanting somebody to teach you; and I am going to teach you now. Your Canadian reciprocity is going to disappoint the cities because it will not reduce the cost of living to any appreciable extent. The number of articles affected by it, the area from which those articles come, is altogether too restricted to produce any appreciable effect on general prices, and therefore when your Canadian reciprocity is in full operation, if it ever is, the people in the overcrowded cities and industrial centers will soon discover that you have broken your word of promise to their hope, though you may claim to have kept it to their ear.

The price of living will not be reduced 2 per cent even in the cities nearest the Canadian border, because the articles from which you take the duty constitute only a very small part of every household's expense, and you take the duty from those articles generally in the shape where the people can not consume them and leave the duty on them in the shape in which the people do consume them.

Let us suppose that you pass your Canadian agreement, and we do not succeed in putting our tariff bill on the statute books. Then you are to be tried by your bill and your agreement, and your reduction in the cost of living will not net 1 per cent on the average family's expenses. I know what you hope to do, and I suspect that is what some of you intend to do. You want an excuse to say to the people of the country it was not the tariff that caused the high cost of living. You are seeking to give the people an object lesson, so that you can say that you had given them free trade with Canada, and that did not reduce the cost of living; and then the insurgents will disappear and the standpatters will again take charge of the Republican Party.

I do not lightly suspect the motives or the sincerity of men, but it is impossible for me to believe that any man who is wise enough to be President of the United States expects much out of that Canadian agreement. If he did, he would not have made wheat free and left the duty on flour.

He will not even catch the millers by that kind of a bait, and I will tell you why. He will catch the American millers along the Canadian border, because he is giving them their wheat free and leaving a duty on their flour. With his free wheat, these American millers can invade the territory now occupied by southern and southwestern millers, and they will invade it, or perhaps I would speak more accurately to say they will encroach upon it. With free wheat and taxed flour, they will be protected against their Canadian competitors, because it will cost the Canadian mills just as much to ship the flour as it will cost the American mills to ship the wheat, and so freight will cancel freight in that contest for trade, and the 50 cents per barrel duty on Canadian flour will amply protect the American miller in his own country and with his own trade.

Mr. CARTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Montana?

Mr. BAILEY. I am delighted to do so.

Mr. CARTER. Mr. President, with the permission of the Senator from Texas, I venture to interpose a remark at this time, to the end that the attitude of the State Department and the President, as I understand that attitude, may be clearly set forth.

Mr. BAILEY. I hope the Senator will be able to explain it. I doubt if the principals could.

Mr. CARTER. The statement will explain itself. It is true that cattle are to be admitted free. It is true that wheat is to be admitted free, and that meat is to be subject to a duty, and that flour is likewise to be subject to a duty. Let me say now that that was not at the option or in conformity with the will or desire of the United States. The Canadian people feared competition with the millers of the United States. Desiring to build up a milling industry in Canada, they have established a protective duty on flour. Desiring to build up a packing business, they have prescribed certain protective duties on the introduction of meat into Canada.

Our State Department was entirely agreeable to the free admission or the interchange of meat products between the two countries just as has been arranged with regard to cattle, but the Canadians said: "Nay; our packers can not compete with the American packers." The State Department was prepared to have free flour—

Mr. BAILEY. But we could have taken it off of Canadian meat and flour coming into our country without requiring Canada to take it off of American meat and flour going into Canada.

Mr. CARTER. Permit me to finish this statement.

Mr. BAILEY. Very well.

Mr. CARTER. The State Department was prepared to remove the duty off meat and have meat, as well as flour, passed freely across the line. I understand the fact to be that an amendment admitting meat free from Canada will be agreeable to the Department of State and not obnoxious to the agreement; that the free admission of flour from Canada will not be opposed; but if we provide for a reciprocal arrangement whereby our meat products can enter Canada free of duty, whereby our flour can enter Canada free of duty, the Canadians will refuse to comply, because they desire to maintain their protective tariff as to meat and flour.

Mr. BAILEY. Mr. President, there would have been no trouble in leaving the duty on flour and meat going from this country into Canada and taking it off the meat and flour coming from Canada into this country. They have done that with other articles in this very agreement. Does not the Senator from Montana know that?

Mr. CARTER. Mr. President, my understanding is that in certain instances that is correct; but if in the judgment of the Congress it is desirable to allow Canadian meats and flour to enter the United States free of duty, while our citizens pay a duty for entering the Canadian markets with those products, there will be no objection so far as the State Department is concerned, and no obstruction placed in the way of the ratification of the agreement.

Mr. BAILEY. Mr. President, the duty on cattle is \$2 per head on the cheapest cattle that would come from Canada and less than 30 per cent on the best. When you talk about such a duty on cattle and 55 per cent duty on cheap clothing you begin to understand the difference between the treatment of the farmer and the treatment of the manufacturer, even under the present law, and by this agreement to strip the former of all advantage. No wonder the Senator from Iowa is opposed to this. The wonder to me is that any man who represents an agricultural constituency could consent to such a gross and indefensible discrimination.

Mr. President, I am going to ask the Senator from Montana this question for future use: If this agreement fails to reduce the cost of living, does not the Senator from Montana intend then to stand up and tell the people that it thus proves that the increased cost of living was not attributable to the protective tariff?

Mr. CARTER. Mr. President, although opposed on principle to dealing in futures, I am inclined to sympathize with the view of the Senator from Texas that perfectly free and unrestricted trade with Canada on her productions will cut little figure in the domestic economy or the markets of the United States. What I do think of the subject in a broader sense may be briefly stated in this connection.

The Canadians have a climate much like our own, but a little more severe. They must buy overcoats in that country, just as they buy them in North Dakota and Montana. It is a little more expensive to live in a country where the seasons are short for crop raising and the winters are long, where houses must be built more substantially for the protection of the people during the winter season, where stock must be housed in a more secure and comfortable line of quarters. The people speak the same language. They receive in the main the same pay for their labor. Thousands of our people have gone into Canada and a very large number of Canadians have come into this country. The Canada of 20 years ago is not the Canada of

to-day. Great transcontinental railways have extended or are being extended from ocean to ocean.

Mr. BAILEY. And wheat fields faster than railroads.

Mr. CARTER. Wheat fields are developing, and they are largely being developed by former citizens of Iowa and North Dakota and Minnesota and Montana—men who are familiar with the American standards of living. The competition with a people thus situated is not an unequal competition; but, Mr. President, competition with a man of India raising wheat is unequal competition; competition with a man of the Argentine Republic is unequal competition; competition with a man of South Africa is not fair competition; and I would prefer relaxing the grip, loosening the line somewhat, in order to save the protective tariff from complete annihilation.

I believe that the reciprocity proposition with Canada, if adopted, would not seriously change conditions in this country. I think the Canadian wheat would pass through our mills on the way to the Liverpool market.

Mr. McCUMBER. May I ask a question here? Can not that same wheat pass through the mills now on the way to the markets of the outside world? Can it not go in bond through the United States now as well as it could under a reciprocity agreement; and if it could, then why should we need a reciprocity agreement in order that the wheat may reach Liverpool?

Mr. CARTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Montana?

Mr. BAILEY. Mr. President, I would like to hear the Senator from Montana, but I am a little afraid I will be suspected of filibustering. However, disclaiming that, I will yield to the Senator.

Mr. CARTER. Mr. President, the trade, in a way, with Canada is not unequal or unjust or unfair competition in the sense in which free trade with the world would be. The verdict of last November can not well be ignored. The people of the country determined to have a relaxation of the protective policy. This is but a slight concession to that sentiment. I would prefer making this concession to accepting what the Senator's party will give us as the product of the deliberations that are to proceed at the other end of the Capitol during the session of Congress which will meet, according to popular report, about the 4th day of next April.

Mr. BAILEY. Mr. President, the Senator from Montana confirms me in the opinion which I expressed, and that is that these gentlemen do not expect any substantial result from the Canadian trade agreement, and then they intend to tell the people that free trade or freer trade will not reduce the cost of living.

The Senator from Montana, however, is mistaken when he says their labor is about the same as ours, and when he says their lands are about the same as ours, because if he will go and ask those Americans why it was they left this country and went to Canada they will tell him it was for the cheaper land with greater fertility, producing double as much as our American wheat-growing lands.

I am not advocating protection for anybody. I want the duty taken off of what the people eat and not from what the mills eat. The Senator knows that they take the duty off of barley and leave it on malt, and malt is used to make the poor man's beverage. The Senator from Montana does not deny that. The Senator from Montana will not deny it. This inequality and this injustice runs all through this trade agreement, which I may take occasion to analyze fully before the session is over, perhaps.

I beg the pardon of those in charge of this bill for having digressed from a discussion of profits to be disclosed by the books over to the Canadian trade agreement. I hope now that, without being supposed to desire to delay this matter, because when I said I was through filibustering I meant it, the Senator in charge of this bill will let the Senate adjourn. It is 12 o'clock. We must be back at 11 to-morrow, and my opinion is we will make no progress to-night, although I am through.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Texas to strike out section 5.

Mr. BAILEY. I should like to have the yeas and nays on that question.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULLESON]. I transfer my pair to the Senator from New York [Mr. DEFEW], and vote "nay."

Mr. PERCY (when Mr. FRAZIER's name was called). I was requested to announce that the Senator from Tennessee [Mr. FRAZIER] is paired on this vote with the Senator from Illinois [Mr. CULLOM].

Mr. WARREN (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. MONEY]. I therefore withhold my vote.

The roll call was concluded.

Mr. BRANDEGEE. I wish to announce that the senior Senator from Illinois [Mr. CULLOM] is paired with the senior Senator from Tennessee [Mr. FRAZIER].

Mr. PAGE. My colleague [Mr. DILLINGHAM] is unavoidably detained from the Senate. He has a general pair with the senior Senator from South Carolina [Mr. TILLMAN].

Mr. BAILEY. I wish to announce that the Senator from Kentucky [Mr. PAYNTER] is paired with the Senator from Delaware [Mr. DU PONT]. If the Senator from Kentucky were permitted to vote he would vote "yea."

Mr. OVERMAN. I should like to inquire if the senior Senator from California [Mr. PERKINS] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. OVERMAN. I will withhold my vote and announce that I would vote "yea" if he were present. I also desire to announce that the senior Senator from Maryland [Mr. RAYNER] is unavoidably detained, and is paired with the Senator from Delaware [Mr. RICHARDSON]. I also announce a pair between the Senator from Utah [Mr. SUTHERLAND] and the Senator from Arkansas [Mr. DAVIS].

Mr. DIXON (after having voted in the negative). I remember that I was paired with the junior Senator from Florida [Mr. FLETCHER]. I therefore withdraw my vote.

The result was announced—yeas 25, nays 37, as follows:

YEAS—25.

| | | | |
|-------------|-------------|--------------|----------|
| Bacon | Clark, Wyo. | Martin | Swanson |
| Bailey | Dick | Oliver | Taylor |
| Bankhead | Foster | Percy | Thornton |
| Brandegee | Gore | Simmons | Watson |
| Briggs | Heyburn | Smith, Md. | |
| Bulkeley | Johnston | Smith, S. C. | |
| Chamberlain | Kean | Stone | |

NAYS—37.

| | | | |
|-----------|------------|-------------|--------------|
| Beveridge | Carter | Jones | Piles |
| Borah | Clapp | La Follette | Root |
| Bourne | Crane | Lodge | Smith, Mich. |
| Bradley | Crawford | Lorimer | Smoot |
| Bristow | Cummins | McCumber | Warner |
| Brown | Curtis | Nelson | Wetmore |
| Burkett | Flint | Nixon | Young |
| Burnham | Gamble | Owen | |
| Burrows | Gronna | Page | |
| Burton | Guggenheim | Penrose | |

NOT VOTING—20.

| | | | |
|--------------|-----------|------------|------------|
| Aldrich | du Pont | Overman | Sutherland |
| Clarke, Ark. | Fletcher | Paynter | Tallaferro |
| Culberson | Frazier | Perkins | Terrell |
| Cullom | Frye | Rayner | Tillman |
| Davis | Gallinger | Richardson | Warren |
| Depew | Hale | Scott | |
| Dillingham | Money | Shively | |
| Dixon | Newlands | Stephenson | |

So Mr. BAILEY's amendment was rejected.

The PRESIDING OFFICER. The bill is still in Committee of the Whole and open to amendment. If there be no further amendments to be proposed the bill will be reported to the Senate.

Mr. STONE. Mr. President, I suggest to Senators on the other side, and particularly to the Senator from Indiana in charge of the bill, that we now take an adjournment. Then those of us on this side who are opposed to the bill will have an opportunity to have some conference to see whether it is possible for us to come to some agreement. It is useless to stay here all night.

Mr. PENROSE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. STONE. Certainly.

Mr. PENROSE. I should like to ask the Senator from Missouri whether by coming to an agreement he would suggest that we could perhaps fix a time for voting on the measure, if we adjourn now and take it up in the morning, or whether some amendments are in question?

Mr. STONE. I do not quite understand the Senator.

Mr. PENROSE. My query was, whether the Senator from Missouri had in mind offering any amendments to the measure or whether his suggestion was that we could fix a time for voting on the bill?

Mr. STONE. I do not know, Mr. President, at this moment of any amendments that are to be proposed. I have not heard of any. I presume that if any agreement should be made it would be with reference to some time for disposing of this measure. I say that because I do not suppose that the Senator from Indiana and those who are acting with him would con-

sider any agreement that did not fix some time for the vote. I can not give any assurance, I have no right to give any assurance, that any agreement will be made, and I am not asking an adjournment upon the basis that it can be made; but I do not think any progress can be made toward an agreement by continuing an indefinite session. Nothing can be accomplished in that way—I give assurance of that much—and if it is desired to do anything with this bill, we had better go home, sleep awhile, get breakfast, and come back in better humor than we would be if we were compelled to go on with this bill to-night.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Utah?

Mr. STONE. Certainly.

Mr. SMOOT. I ask unanimous consent that we take a vote upon the bill and pending amendments at 6 o'clock to-morrow.

Mr. STONE. Mr. President, I will object to any agreement of that kind to-night.

Mr. SMOOT. Will the Senator agree for an early vote on Friday?

Mr. STONE. I will not make any agreement to-night for a vote.

Mr. BEVERIDGE. Mr. President, will the Senator—

Mr. STONE. It might be that some arrangement of that kind could be made after consultation, but I have no right to make any agreement. I am not authorized to do it.

Mr. OVERMAN. Mr. President, I suggest to the Senator that probably in the morning, when we are all fresh and have had a night's rest, we might get together, as we did on another question, and settle it. I do not believe in agreeing to anything to-night.

Mr. BEVERIDGE. That was at 8 o'clock in the morning.

Mr. OVERMAN. If we adjourn now we might be able to come to some agreement, but I do not think we can do so to-night. I suggest to the Senator from Missouri that he remembers what took place here the other night, that we had Democrats talk him over, and there was some understanding arrived at, and it might be accomplished again.

Mr. BEVERIDGE. But not at this hour.

Mr. OVERMAN. Well, if the Senator wants to go on—

Mr. BEVERIDGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Indiana?

Mr. BEVERIDGE. I do not desire the Senator to yield to me. He asked me a question.

Mr. STONE. If I did or did not, I will yield with great pleasure to the Senator.

Mr. BEVERIDGE. I will wait until the Senator is through.

Mr. STONE. Well, I am through, if the Senator desires to have the floor.

Mr. MARTIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Virginia?

Mr. STONE. Yes.

Mr. MARTIN. Mr. President, I simply want to suggest that it is not likely that an agreement to vote will be gotten under the threat of an all-night session. I am ready to vote now. I do not want a minute's delay, but I do not want to stay here all night, and I do not want to come to any consent agreement under the threat of an all-night session. I do not like that sort of practice. I think the consent ought to be given; I think there ought to be a vote on this measure. I see no object in preventing it and I am ready for a vote, but I am not ready for a consent agreement under a menace that if we do not do it we will be kept here all night.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Utah?

Mr. MARTIN. That is all I had to say. I merely want it understood that consent can not be gotten; that I will not consent under threat of an all-night session; but I am ready for a vote, and I think it will be obtained in due time.

Mr. SMOOT. Mr. President, the only object I had in asking for a consent agreement was that we might thereby hasten the business. Not only that, but I am perfectly willing to let the vote be put off just as long as possible, in order that the bill may go to the other House. It will have to go to conference and be acted upon by the House, but it would not do to let it go beyond Friday morning.

Mr. BEVERIDGE. Mr. President, the situation, of course, is perfectly clear to everybody. But two days more and two nights remain—that is all—to pass the appropriation bills that remain to be considered and this measure. It must be patent then, Mr. President, to everybody that you can not put the matter over as would be done at an earlier period in any ses-

sion. At 12 o'clock on Saturday we stand adjourned under the provisions of the Constitution.

The Senator from Virginia [Mr. MARTIN] says that he is ready to vote now and sees no good reason for delay. This is not a new subject. It has been before the Senate for four years, and during that time it has been extensively debated. There is not a Senator on either side of the Chamber, no matter how he looks at this question, who does not understand it. The particular bill before us is not substantially different from the one which has been before us for four years. The question merely is, then, not the discussion of the provisions of this measure as to its wisdom or policy, but the question is whether or not we are going to pass the bill. Delay patently endangers it. As the Senator from Utah [Mr. SMOOR] has pointed out, not only must we pass the bill within the next few days but we must pass it early enough to enable it to go to the House, because there are amendments to the bill, and that body must pass upon them. Therefore, if we intend to pass it, there is not a moment to be lost. I ask for the regular order.

Mr. OVERMAN. It is very evident we can not pass this bill to-night.

Mr. BEVERIDGE. I do not know why.

Mr. OVERMAN. And I think we shall save time by taking a recess or an adjournment and get to work in the morning. Let us get together and talk this matter over among ourselves, because some Senators have gone home and we should like to confer with each other as to what course we should pursue.

Mr. BEVERIDGE. Mr. President, if the Senator will permit me, the bill was made the unfinished business last night. There was no night session last night. It was perfectly understood by everybody that, when the bill at that late moment in the session was made the unfinished business, it would be pressed, and therefore there was ample opportunity, unobstructed by anything or anybody, for Senators to get together and talk it over. If what they wanted to get together and talk it over about was what plans they were going to adopt with reference to it, there was no occasion for anybody getting together and talking it over so far as the bill itself was concerned. That is all there is to this situation. Senators who want delay, we must conclude, want it for the purpose of defeating the bill. I call for the regular order.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and still open to amendment.

Mr. SIMMONS. Mr. President, I do not think there is anybody on this side who has any desire to delay a vote upon this bill; but it is a fact that a number of Senators, not expecting a vote to be taken to-night, have gone home, and I think it is rather unfair of the Senator from Indiana to insist upon a vote under those circumstances to-night. I am quite sure if the Senator in charge of this bill will consent to let it go over until to-morrow that we will have no difficulty whatever in agreeing upon an hour upon which a vote may be taken. I know myself that the Senator from Mississippi [Mr. MONEY], the ranking minority member of the Committee on Finance, has gone home to-night in the expectation that there will be no action upon this measure. I do not think that, in his absence under those circumstances, the Senator from Indiana ought to insist upon a vote.

The PRESIDING OFFICER. The bill is still before the Senate, as in Committee of the Whole, and open to amendment.

Mr. SIMMONS (at 12 o'clock and 35 minutes a. m., Thursday, March 2). Mr. President, I move that the Senate adjourn.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Carolina that the Senate adjourn. [Putting the question.] By the sound the yeas seem to have it.

Mr. SIMMONS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I am paired for the night with the Senator from Alabama [Mr. BANKHEAD], and therefore withhold my vote.

Mr. DIXON (when his name was called). I am paired for the night with the junior Senator from Florida [Mr. FLETCHER].

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON]. I transfer that pair to the senior Senator from New York [Mr. DEPEW] and vote. I vote nay.

Mr. FOSTER (when his name was called). I am paired with the senior Senator from North Dakota [Mr. McCUMBER], and therefore withhold my vote.

The roll call was concluded.

Mr. OVERMAN. I inquire if the senior Senator from California [Mr. PERKINS] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. OVERMAN. Again I announce my pair with the senior Senator from California [Mr. PERKINS]. If he were present, he would vote "nay," and I should vote "yea."

I also announce again that the senior Senator from Maryland [Mr. RAYNER] is unavoidably detained. He is paired with the junior Senator from Delaware [Mr. RICHARDSON].

I also am requested to announce a pair between the Senator from Arkansas [Mr. DAVIS] and the Senator from Utah [Mr. SUTHERLAND].

Mr. DIXON. I transfer my pair with the junior Senator from Florida [Mr. FLETCHER] to the junior Senator from Wisconsin [Mr. STEPHENSON] and vote. I vote "nay."

Mr. PAGE. I again announce the necessary absence of my colleague [Mr. DILLINGHAM] and that he is paired with the senior Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 3, nays 44, as follows:

| YEAS—3. | | | |
|----------------|-------------|-------------|--------------|
| Bacon | Bulkeley | Thornton | |
| NAYS—44. | | | |
| Beveridge | Burton | Gronna | Oliver |
| Borah | Carter | Guggenheim | Owen |
| Bourne | Clapp | Heyburn | Page |
| Bradley | Clark, Wyo. | Jones | Penrose |
| Brandegee | Crane | Kean | Piles |
| Briggs | Crawford | La Follette | Root |
| Bristow | Cummins | Lodge | Smith, Mich. |
| Brown | Dick | Lorimer | Smoot |
| Burkett | Dixon | McCumber | Warner |
| Burnham | Flint | Nelson | Wetmore |
| Burrows | Gamble | Nixon | Young |
| NOT VOTING—44. | | | |
| Aldrich | du Pont | Newlands | Smith, S. C. |
| Bailey | Fletcher | Overman | Stephenson |
| Bankhead | Foster | Paynter | Stone |
| Chamberlain | Frazier | Percy | Sutherland |
| Clarke, Ark. | Frye | Perkins | Swanson |
| Culberson | Gallinger | Rayner | Tallaferro |
| Cullom | Gore | Richardson | Taylor |
| Curtis | Hale | Scott | Terrell |
| Davis | Johnston | Shively | Tillman |
| Depeew | Martin | Simmons | Warren |
| Dillingham | Money | Smith, Md. | Watson |

So the Senate refused to adjourn.

Mr. OVERMAN. I will say to the Senator from Indiana it is evident we will not have a quorum here very long.

Mr. BEVERIDGE. We have a quorum now.

Mr. OVERMAN. I want to say that this side can not be driven into an agreement to-night. If the Senator desires me to go on, I will.

I propose to discuss this question as to the cost and as to how much money we are from day to day expending in this Government for getting this information proposed by this bill. We have consular agents in every country in the world sending daily and weekly reports to us.

Not only that, but we have an appropriation bill here pending that appropriates the large sum of \$400,000 for a tariff board. We are spending nearly \$38,000,000 for consular agents abroad to send in reports on the cost of goods abroad and here—the information we desire. Then we have what are known as the Bureau of Statistics and the Bureau of Labor, which are sending their agents all over this country and all over foreign countries to get this information.

What do we want with another tariff board? This tariff board, if you will read the bill and study its provisions, in section 5, you will see will cost not less than \$1,000,000 a year. One million dollars a year for a tariff board, \$38,000,000 for consular agents, and then there is \$200,000 in the agricultural bill to gather statistics on this subject.

To show you that we have agents abroad who are sending all these statistics to the State Department, which are available to every Senator, to get all the information that is desired in making a tariff bill, I am going to show you that we have got from every country in the world, from our consular agents, all kinds of statistics in regard to the tariff. I do not think the people will stand for all this expenditure of money. We go on and pass bills here year in and year out, day in and day out. We do not ever count the cost. It costs nearly a billion dollars every year to run this Government, and the people are going to be shown how this money is expended. This bill is only to make more officeholders. We are adding fifty or seventy-five thousand officeholders every year, and now it is proposed to add about 10,000 more, because it will take at least 10,000 men to get up the information that this bill provides for.

Now, let us see. It was stated by the Senator from New Hampshire [Mr. GALLINGER], and stated upon this floor by other Senators, when it was charged on this side of the House that our manufactured goods were sold abroad cheaper than they were in this country, that foreign goods, too, were sold in this country cheaper than they were abroad. We charged that they were selling sewing machines in Europe for \$19, and that the

poor sewing woman in this country has to pay \$56. It was not denied, because we had the proof—the sworn testimony. It was shown that a certain class of harvesters and binders were sold in Canada, just across the line, for \$90, which sold in this country for \$125; and you could not buy them for any less, because every dealer who sold them had a contract with the Harvester Trust to sell them for \$125. In other words, an American citizen had to pay for that farming implement \$35 more than his neighbor just a mile away had to pay, and his neighbor lived in a foreign country.

The plow that was sold in Europe for \$8 was sold in this country for \$12. They paid the freight on the harvesters. Indeed, I saw in a magazine of this country a picture of harvesters and binders cutting wheat in Asia with implements that sold there, with the freight paid, and delivered there, for \$90, which our people here were paying \$150 for. When those facts were shown, I believe it was the Senator from New Hampshire [Mr. GALLINGER] who rose and said that the reason for that was that our people wanted to get rid of their surplus products in order to give employment to labor, and in order to give employment to labor they had to sell them abroad cheaper, and he then alleged that goods manufactured abroad, too, were sold cheaper here upon the same idea—to give employment to labor they would accumulate a surplus and that they could afford to sell them cheaper in this country than they did at home.

The distinguished Senator from New Hampshire [Mr. GALLINGER] wanted to be fair about this. I think he thought that was the truth; he had been so informed. So he introduced a resolution in Congress asking that the Secretary of State ascertain from our consular agents abroad the truth or falsity of the facts that goods manufactured abroad were sold cheaper in this country than they were sold in the foreign country, the place of manufacture.

That document is here, and I know that since that document has been printed and laid upon the desk of Members that charge has not been made, for we have reports from consular agents from every country abroad, giving the statistics showing that is not the truth. Let us see how that is:

Senate Document No. 16, Sixty-first Congress, first session.
Selling foreign manufactured goods in United States at prices lower than the domestic prices.

Letter from the Secretary of State, transmitting, with accompanying papers, in response to Senate resolutions of March 6 and April 5, 1909, information concerning the practice of selling foreign manufactured goods in this country at prices lower than the domestic prices.

This is such a valuable document and there is so much information in it that I should like to have the Senate present. I do not like to speak to empty seats, and therefore I suggest the absence of a quorum.

THE PRESIDING OFFICER. The Senator from North Carolina suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|-----------|-------------|-------------|--------------|
| Beveridge | Chamberlain | Heyburn | Penrose |
| Borah | Clapp | Jones | Piles |
| Bourne | Clark, Wyo. | Kean | Root |
| Bradley | Crane | La Follette | Smith, Mich. |
| Brandegee | Crawford | Lodge | Smith, S. C. |
| Briggs | Cummins | Lorimer | Smoot |
| Bristow | Dick | McCumber | Thornton |
| Brown | Dixon | Nelson | Warner |
| Burkett | Flint | Newlands | Warren |
| Burnham | Foster | Nixon | Wetmore |
| Burrows | Gamble | Oliver | Young |
| Burton | Gronna | Overman | |
| Carter | Guggenheim | Page | |

THE PRESIDING OFFICER. Fifty Senators have answered to their names. A quorum is present.

Mr. OVERMAN. Mr. President, I was proceeding to say that I am opposed to all this extravagance, making more office holders, spending millions and millions and millions of dollars, and duplicating offices. That is what we are doing. If you would investigate these departments of the Government you would find a hundred duplications in the different departments. We have got these consular agents, I say, costing us \$38,000,000, sending the very same information here that it costs a couple of millions in another department to get. We have those consular reports weekly and monthly. We have the reports of the Bureau of Statistics weekly and monthly, publishing practically the same thing, piling up, piling up statistics on these very subjects, and here we come in now and ask for a tariff commission that is going to cost us at least \$500,000, because this board over here costs \$400,000, and they are given extensive power to send all sort of agents abroad, to Europe, and to sit down with consular agents and drink wine, and see the country at \$15 a day and \$10 a day salary, and when they get the information and send it back here, what is it worth? You will have no more valuable information than you have to-day right here in the office of the Secretary of State and the Bureau of Statistics.

If these consular agents can not give us all this information, let us send somebody there who will. I know myself, Mr. President, of an agent who has been sent abroad at \$10 a day salary and \$10 expenses, who has traveled all around the world, visiting every country in the world. He has sent information back here—valuable information it is—and we have it. What do you want with any more? He is a tariff expert, too, and one of the best tariff experts in this country.

After getting this information and coming back, what did we do with it? There is now a tariff board in this city that is costing us \$200,000 a year, and the first thing we do when they go to work is to send for this young man and give him \$4,500 and put him at work on the tariff board here. Here we have appropriated \$60,000 in one bill to send more trained agents abroad. That is a very wise provision of law. Two hundred thousand dollars more is provided, I think, in the bill passed this evening to send agents abroad, in addition to the \$38,000,000 appropriated for these consular agents.

I say you can go up here in this document room and you will find tons and tons of documents. Sometimes you have the Committee on the Disposition of Useless Papers come in here with a report, and when you read the report you see that they ask for the destruction of hundreds and hundreds of tons of valuable information furnished on the question of the tariff that no man ever read or ever intends to read. It is destroyed year in and year out. Still the money goes into the pockets of the men to employ these agents and the taxpayers have to pay for it. I doubt if there is a man in the Senate who has ever read this document [exhibiting]. I doubt if there is a Senator who has ever read it. Every morning we find documents laid on our desks that it costs the Government thousands and hundreds of thousands of dollars to print. No mortal man ever reads them. They go into the files up here, and reports come in year in and year out from the same old Committee on the Disposition of Useless Papers and Documents, and they are sold for old paper.

Mr. SMOOT. And every Senator is asking for the printing of them.

Mr. OVERMAN. And every Senator is asking for the printing of them. That is the truth; it happens here every morning. It costs the Printing Office here millions and millions of dollars every year. Hundreds of thousands of dollars are spent in the duplication of work. Take the State Department, with their agents going abroad, taking a trip to Europe and around the world, paid \$10 a day and \$15 expenses; the Treasury Department, with hundreds and hundreds of agents sent abroad on a trip to Europe, \$10 a day and \$15 expenses; the Department of Commerce and Labor, hundreds of officeholders. I heard a Republican Senator here make a speech, and he said if these officers would start up Pennsylvania Avenue, they would make an army of men greater than Grant's army in the grand march after the war that marched up Pennsylvania Avenue. He was appointed on a committee here to investigate the matter, and he described it as equal to the army of Gen. Grant marching up Pennsylvania Avenue.

We do not know how many men we have, how many useless men and how many useless documents. We have all the information that can be gathered on the tariff. As to the consular reports, sometimes when they come we can not read them, and when we ask for a translation we can not get it.

Mr. SIMMONS. Mr. President—

THE PRESIDING OFFICER. Does the Senator from North Carolina yield to his colleague?

Mr. OVERMAN. Certainly.

Mr. SIMMONS. Mr. President, I have been recently a member of the committee having in charge the destruction of useless documents, and I know what an exceedingly important subject this is. My colleague is now making a speech that I think ought to be heard by every Member of the Senate. Looking around at the empty benches, I feel like there is a necessity of getting a quorum of the Senate here to hear his very illuminating remarks upon this exceedingly important subject. I suggest the absence of a quorum.

THE PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|-----------|-------------|-------------|--------------|
| Beveridge | Burton | Gamble | Page |
| Borah | Carter | Gronna | Penrose |
| Bourne | Chamberlain | Heyburn | Piles |
| Bradley | Clapp | Jones | Root |
| Brandegee | Clark, Wyo. | Kean | Smith, Mich. |
| Briggs | Crane | La Follette | Smith, S. C. |
| Bristow | Crawford | Lodge | Smoot |
| Brown | Cummins | Lorimer | Warner |
| Burkett | Dick | Newlands | Warren |
| Burnham | Dixon | Nixon | Wetmore |
| Burrows | Flint | Owen | Young |

The PRESIDING OFFICER. Forty-four Senators have answered to their names. A quorum is not present.

Mr. SMOOT. I ask that the names of the absentees be called.

Mr. OVERMAN. I move that the Senate adjourn.

The PRESIDING OFFICER. Pending the demand of the Senator from Utah, the Senator from North Carolina moves that the Senate adjourn.

The Senate refused to adjourn.

The PRESIDING OFFICER. The Secretary will call the names of absent Senators.

The Secretary called the names of absent Senators, and Mr. OVERMAN responded to his name when called.

The PRESIDING OFFICER. Forty-five Senators are present. There is no quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. STONE. Mr. President, may I have the attention of the Senator from Indiana?

It is manifest that we will not make any rapid progress, at least, by continuing to-night. I have said already that if there was an adjournment to give us time to rest so that we could get up before noon and get our breakfast, it is more than probable, I believe it is altogether probable, that to-morrow we can come to some satisfactory agreement between the parties with reference to this matter. Of course, I am not in any position to have anything to say that anything can be done and I will not say it. I would not want the Senator from Indiana or any other Senator to come to me and say that I had made a promise I was not keeping, and I will not make a promise that I can not keep and know I can not. I do not make any promise that I can not keep absolutely.

But I think it may be more than likely we can reach a conclusion to-morrow that will be satisfactory. I hope so; and I ask the Senator from Indiana, in charge of the bill, to consent now to an adjournment. This is the last time I am going to make the request. I am doing it for the physical comfort of all concerned. Of course, if it is denied, all that we can do is to go on without any effort on my part to come to any conclusion to-night about anything. I am not saying that in any spirit—

Mr. BEVERIDGE. While the Senator has the floor, I understand the Senator to say that in his judgment and from his knowledge of those associated with him in his views on this question, he believes that if we should not continue to-night an agreement can be reached to-morrow morning to vote on the bill. I understand perfectly the Senator does not put that in the form of a promise; it is his belief that that can be done.

Mr. STONE. I believe that after conferring among ourselves and then having some conferences with Senators upon the other side an agreement can be arrived at. That is my view about it now, but—

Mr. BEVERIDGE. The Senator said in private conversation with me a moment ago—and I repeat it merely because it is substantially what the Senator is saying now, except the time—it was his confident belief that if we did not continue the consideration of this matter to-night an agreement could be reached to vote upon the measure early Thursday, or at the latest early Friday morning. If that is the Senator's understanding, I think it clears my mind.

Mr. STONE. The Senator is, of course, using his own language. What I have said I say on the floor, that I think if an opportunity is given for conferences among our friends here, this side and that, an understanding can be arrived at.

Mr. BEVERIDGE. Well, Mr. President—

Mr. STONE. Now, what I say is that I am expressing my individual views upon the proposition.

Mr. OVERMAN. I have no doubt that is the view of the few Senators on this side who are here. What others who are not here are going to say about it I do not know. Of course, the Senator from Missouri can not be bound by that.

Mr. STONE. I can not be, and I do not intend to put myself in the attitude of being bound by it.

Mr. SMOOT. The Senator from Indiana understood that.

Mr. STONE. I do not know what can be done, but I do say that there is a far better opportunity of accomplishing the end the Senator from Indiana has in view—that is, a vote on this bill on Thursday afternoon or Friday morning—by this arrangement than by the course of coercion.

Mr. BEVERIDGE. The Senator must modify that term.

Mr. STONE. If the Senator will permit me, I wish to say—and this I say with a good deal of feeling and conscience—that whatever the discomforts may be to Senators on either

side, we shall debate the question—we can do it and are prepared to do it as long as we feel we desire to do it. Therefore it is better to give the opportunity for this conference in the hope and belief that an arrangement can be made.

Mr. BEVERIDGE. Mr. President, my friend's last suggestion was, I am sure he will see on reflection, unnecessary. Everybody takes it for granted that the Senator can always debate; and of course the Senator does not mean to use the word "coercion," because that is not in anybody's mind, as the Senator well knows.

The Senator has given us his views, for which I have very great respect, as he very well knows. I observed that the Senator from North Carolina spoke to him, and then wanted to take the floor himself.

Mr. OVERMAN. I wanted to have a thorough understanding. So far as I am concerned, I am willing to have an agreement in the morning. I know what the Senator says, but I do not know what somebody else may say. I do not know—

Mr. WARREN. I desire that Senators should address the Chair. We should like to hear what they say.

Mr. OVERMAN. I said I did not want to give his views or those of any other Senator on this floor. I can only say what we have said and done among ourselves. For some Senator at home and in bed asleep I can not speak. We only say what we think about it, and we give our own views in the matter.

Mr. BEVERIDGE. Does the opinion of the Senator's colleague coincide with the opinion of the Senator from Missouri?

Mr. SIMMONS. Mr. President, so far as I am personally concerned, I would have no disposition to participate in any filibustering tactics upon this measure, and I would be perfectly willing to fix a time to vote. So far as my whispered conversation with the Senator from Missouri is concerned, I will say to the Senator that my suggestion was that we would probably be able at a conference in the morning to come to some agreement about it, but that I did not think it would be wise to unqualifiedly promise or to hold out any false hopes about it until we had had an opportunity to confer.

Mr. BEVERIDGE. The Senator, then, thinks as the Senator from Missouri [Mr. STONE] and his colleague [Mr. OVERMAN] think, that it is likely—

Mr. SIMMONS. I think if we are given an opportunity to have a conference in the morning that the probabilities are that we will be able to come to a satisfactory agreement; but I do not think that we are in a position to promise absolutely that we will be able to do so.

Mr. BEVERIDGE. Mr. President, upon the assurance as stated by the three Senators, I move that the Senate adjourn.

The PRESIDING OFFICER. Before putting that motion the Chair will suggest that, if there be no objection, the proceedings under the call of the Senate will be vacated. The question is on the motion of the Senator from Indiana that the Senate adjourn.

Mr. LA FOLLETTE. Mr. President, let us have the yeas and nays on that motion.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON]. I transfer that pair to the senior Senator from New York [Mr. DEFEW] and vote. I vote "nay."

The roll call was concluded.

Mr. CLARK of Wyoming (after having voted in the affirmative). I have a general pair with the Senator from Missouri [Mr. STONE]. I notice that on the roll call he is apparently absent, and I therefore withdraw my vote.

Mr. DIXON (after having voted in the negative). I forgot that I have a pair with the junior Senator from Florida [Mr. FLETCHER]. I transfer that pair to the junior Senator from Wisconsin [Mr. STEPHENSON] and will let my vote stand.

Mr. PAGE. I again announce the necessary absence of my colleague [Mr. DILLINGHAM]. He is paired with the senior Senator from South Carolina [Mr. TILLMAN].

Mr. OVERMAN (after having voted in the affirmative). I voted under a misapprehension. I thought that the Senator from California [Mr. PERKINS], with whom I am paired, was present. I see he is not, and therefore I will withdraw my vote.

The result was announced; and there were—yeas 25, nays 24, as follows:

YEAS—25.

| | | | |
|-------------|---------|--------------|----------|
| Bankhead | Cummins | Root | Thornton |
| Beveridge | Gore | Shively | Watson |
| Briggs | Heyburn | Simmons | Wetmore |
| Burton | Kean | Smith, Md. | Young |
| Carter | Lodge | Smith, S. C. | |
| Chamberlain | Martin | Swanson | |
| Crane | Percy | Taylor | |

NAYS—24.

| | | | |
|-----------|----------|-------------|--------------|
| Borah | Burkett | Dixon | Owen |
| Bourne | Burnham | Flint | Page |
| Bradley | Burrows | Gamble | Penrose |
| Brandegee | Clapp | Gronna | Smith, Mich. |
| Bristow | Crawford | La Follette | Smoot |
| Brown | Dick | Lorimer | Warner |

NOT VOTING—42.

| | | | |
|--------------|------------|----------|------------|
| Aldrich | Dillingham | McCumber | Richardson |
| Bacon | du Pont | Money | Scott |
| Bailey | Fletcher | Nelson | Stephenson |
| Bulkeley | Foster | Newlands | Stone |
| Clark, Wyo. | Frazier | Nixon | Sutherland |
| Clarke, Ark. | Frye | Oliver | Tallaferro |
| Culberson | Gallinger | Overman | Terrell |
| Cullom | Guggenheim | Paynter | Tillman |
| Curtis | Hale | Perkins | Warren |
| Davis | Johnston | Piles | |
| Depeew | Jones | Rayner | |

Mr. WARREN (after having voted in the affirmative). I overlooked the fact for the moment that I was paired with the Senator from Mississippi [Mr. MONEY], and, although I believe he would vote on the same side of this question as I have voted, I will withdraw my vote and preserve the pair.

So the motion was agreed to; and (at 1 o'clock and 35 minutes a. m. Thursday, March 2, 1911) the Senate adjourned until Thursday, March 2, 1911, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, March 1, 1911.

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

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

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

DAM ACROSS THE COLORADO RIVER, ARIZ.

The SPEAKER. The Chair lays before the House the bill (S. 10808) to authorize the Greeley-Arizona Irrigation Co. to build a dam across the Colorado River at or near Head Gate Rock, near Parker, in Yuma County, Ariz., which the Clerk will read, a similar House bill being on the calendar.

The Clerk read as follows:

Be it enacted, etc., That the Greeley-Arizona Irrigation Co., a corporation organized under the laws of Arizona, is hereby authorized to construct, maintain, and operate a diversion dam in and across the Colorado River at a place known as Head Gate Rock, near Parker, Yuma County, in the Territory of Arizona, in accordance with the provisions of the act approved June 23, 1910, entitled "An act to amend an act entitled 'An act to regulate the construction of dams across navigable waters,' approved June 21, 1906." *Provided,* That the actual construction of said dam shall be begun within two years and completed within four years from the date of the passage of this act: *And provided further,* That the actual construction of said dam shall not be commenced until the plans and specifications therefor shall have been presented to and approved by the Secretary of the Interior in addition to the requirements of the act approved June 23, 1910, entitled "An act to amend an act entitled 'An act to regulate the construction of dams across navigable waters,' approved June 21, 1906," and, in approving the plans and specifications, the Secretary of the Interior may impose such conditions as to him shall seem proper for the protection of the public interests of Indians and the United States.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill, H. R. 32756, on the House Calendar was, by unanimous consent, ordered to lie on the table.

BRIDGE ACROSS THE OUACHITA RIVER, ARK.

The SPEAKER. The Chair also lays before the House the bill (S. 10882) to authorize the county of Ouachita, in the State of Arkansas, to construct a bridge across Ouachita River, which the Clerk will read, a similar House bill being on the calendar.

The Clerk read as follows:

Be it enacted, etc., That the county of Ouachita, in the State of Arkansas, be, and is hereby, authorized to construct, maintain, and operate a traffic bridge and approaches thereto across the Ouachita River at Camden, Ark., in accordance with the provisions of the act entitled "An act to regulate the construction of a bridge over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read the third time, was read the third time, and passed.

A similar House bill, H. R. 32908, on the House Calendar was, by unanimous consent, ordered to lie on the table.

EDWIN M. HACKER.

The SPEAKER. The Chair also lays before the House the bill (S. 10476) for the relief of Passed Asst. Paymaster Edwin M. Hacker, which the Clerk will read, a similar House bill being on the calendar.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to restore Passed Asst. Paymaster Edwin M. Hacker, United States Navy, to a place on the list of pay officers of the Navy, next after Passed Asst. Paymaster Thom Williamson, jr., United States Navy.

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. The SPEAKER. What is the gentleman's objection?

Mr. STAFFORD. I oppose the passage of this bill.

Mr. AUSTIN. Mr. Speaker—

The SPEAKER. The gentleman from Tennessee is recognized.

Mr. AUSTIN. Mr. Speaker, a bill similar to this one has been unanimously reported from the House Committee on Naval Affairs. It has been recommended by the excellent Assistant Secretary of the Navy. I hope the gentleman from Wisconsin will not object to its passage. It is in every way a meritorious proposition. The bill is one in which I am not personally interested; it is really not of interest to my constituents, being an inherited proposition left to me by my late colleague, Mr. Brownlow. It is a measure in which he was very deeply concerned. Paymaster Hacker is a competent, worthy, and deserving official. He has been unfairly treated, unintentionally, and I appeal to the Members of this House to support this just bill.

In order that the merits of this bill may be fully understood I ask that the report of the Committee on Naval Affairs be read. The report was read, as follows:

The Committee on Naval Affairs, to whom was referred the bill (S. 10476) for the relief of Passed Asst. Paymaster Edwin M. Hacker, having considered the same, report thereon with a recommendation that it pass, with the following amendments:

At the end of line 7 change comma to period.

Strike out lines 8 to 12, inclusive.

The bill as amended has the approval of the Navy Department, as will appear by the following communication:

DEPARTMENT OF THE NAVY,
Washington, February 10, 1911.

MY DEAR SENATOR: Referring to your letter dated January 27, 1911, transmitting a bill (S. 10476) "for the relief of Passed Asst. Paymaster Edwin M. Hacker," and requesting the department's opinion thereon, I have the honor to inform you as follows:

The act of March 3, 1903 (32 Stat., 1197), authorized the appointment of "26 additional passed assistant and assistant paymasters, in all 96," and for reasons which seemed controlling at that time to the department, this entire increase was placed in the lower of those two grades.

On January 1, 1908, Passed Asst. Paymaster Edwin M. Hacker, United States Navy, then an assistant paymaster, stood No. 3 in his grade.

Early in that year the department considered the matter of the promotion of the pay officers in the lower grades, and, being uncertain as to the proper construction of the law, asked for an opinion of the Attorney General upon the question, which opinion was rendered on February 19, 1908 (26 Op. A. G., 511), and of which the following is the syllabus:

"The number of passed assistant and assistant paymasters in the Navy to be appointed in each of the two grades under the act of March 3, 1903 (32 Stat., 1197), not being prescribed by that act, is necessarily left to Executive discretion, to be controlled by the general terms and regulations providing for the advancement of officers in the naval service."

"Nor is it required that the relative proportion of officers in each of those two grades shall remain always the same, a change in the proportion being within the discretion of the Executive, unless controlled by general laws or regulations."

In accordance with this opinion the department, on February 21, 1908, issued the following memorandum:

"It is directed that hereafter assistant paymasters shall be considered due for promotion to be passed assistant paymasters as soon as they have served three years in the grade of assistant paymaster: *Provided,* That the number of passed assistant paymasters shall not exceed 56."

As a result of this direction some 30 assistant paymasters were examined for promotion, one of whom was Mr. Hacker, who failed professionally, and, in accordance with law, was suspended from promotion for one year. It thus happened that about 28 of his juniors advanced above him, and it is from this excessive loss of numbers that the bill aims to give relief.

Subsequently, Mr. Hacker made application to the department for such action as might be necessary to restore to him the loss of numbers. This application was most favorably indorsed by the Chief of the Bureau of Supplies and Accounts, and Mr. Hacker's record being otherwise excellent, the department replied in part as follows:

"You are informed that under the circumstances, and after careful consideration, the department decides that as the average rate of promotion of assistant paymasters during the five years from 1902 to 1907, inclusive, was approximately seven numbers a year, there is no objection to your obtaining relief to that extent."

While the law relating to loss of numbers resulting from suspension from promotion should be applied impartially, yet its rigors may be relaxed in meritorious cases where there is an abnormal loss of files not contemplated by the law.

The normal operation of the statute indicates the legislative view as to the penalty for professional failure upon examination for promotion—that is, one year's suspension with corresponding loss of numbers and difference of pay—and this should not be modified in individual cases, nor in any case where any of the attendant circumstances render the officer unworthy.

Had Mr. Hacker been examined at practically any other time and failed professionally, he would have suffered a normal loss of numbers (found to be about seven), but owing to special and extraordinary circumstances hereinbefore outlined he lost four times that many.

Inasmuch, however, as Mr. Hacker was suspended from promotion for one year, by which, it is true, he lost an abnormal number of files,

yet he did not actually lose any more pay than would have been the case under normal conditions. All but seven of the lost files the bill now proposes to restore to him, but with no loss of pay at all, though under any year's suspension there is always a corresponding loss of difference of pay. It is therefore recommended that the following modifications be made in the bill:

Line 7, at end of line, change comma to period.

Lines 8 to 12, inclusive, strike out.

As thus modified the department has no objection to the measure.

Faithfully, yours,

BEEKMAN WINTHROP,
Acting Secretary of the Navy.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
United States Senate.

Mr. STAFFORD. Will the gentleman yield a little time to me?

Mr. AUSTIN. Certainly.

The SPEAKER. How much time does the gentleman yield?

Mr. AUSTIN. I yield 10 minutes to the gentleman.

Mr. STAFFORD. Mr. Speaker, this bill is similar in terms to H. R. 30940. It appears from the report that Mr. Hacker, passed assistant paymaster, was examined and failed to pass professionally in the examination that is required by the Navy Department for promotion.

During the intervening year that he was obliged, under the rules of the Navy Department, to await another examination 28 of Mr. Hacker's juniors were advanced in the service. This bill contemplates restoring Mr. Hacker to a grade above those who passed successfully. I can not see wherein there is any merit in singling out for promotion a man who failed in the examination when he had his chance and who, after having failed, asks to be given preference over those who passed the examination.

Mr. SLAYDEN. Is that seriously proposed?

Mr. STAFFORD. This is the purpose and effect of the bill.

We had a similar matter up before the Interstate and Foreign Commerce Committee, where some lieutenants in the Revenue-Cutter Service had failed to pass the examination for promotion, and were obliged to remain in the lower grade for a year, and during that intervening year many were promoted in the regular course to the higher numbers. It was proposed to bring those lieutenants back several numbers to the standing near to that they might have had if they had passed successfully.

Mr. SLAYDEN. What reason is there why this extraordinary thing should be done?

Mr. STAFFORD. There is no reason whatsoever advanced, except that during this intervening year a great number of men happen to be promoted to the higher grade, more than the usual number. I do not believe it is fair to the men who have passed successfully; who have taken the examination, and who have met the conditions.

If the gentleman can advance any reason why this man, who, in the examination, failed to meet the requirements of the service, I may withdraw my objection; but there is no excuse whatsoever advanced for his failure to pass the professional examination, and I ask why this man should be singled out and placed above these 28 others who were promoted during that year, and given something that he does not deserve, because he did not keep up with the requirements of the service. If I had not examined this bill on the Unanimous Consent Calendar, I would not have raised this objection. My objection to the bill is based on principle, and I am opposing it as I have opposed similar bills. It is not right that we should single out for promotion a man who has failed in his examination.

Mr. MANN. Is it not a fact that this bill proposes to leave the man seven numbers lower down on the list, which is the normal loss under such circumstances?

Mr. STAFFORD. Yes. There is a similar bill pending before the Interstate and Foreign Commerce Committee.

Mr. MANN. If there is such a bill before our committee, I have never heard of it.

Mr. STAFFORD. That was a case where certain men desired to be placed in a standing that they did not deserve.

Mr. MANN. I think the gentleman is mistaken in saying that there is any similar bill before our committee.

Mr. STAFFORD. There is a similar bill, that has been called to the attention of the chairman of the committee.

Mr. AUSTIN. Mr. Speaker, I move the previous question on the bill to the final passage.

The previous question was ordered.

The bill was ordered to a third reading, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. STAFFORD. Division!

The House again divided; and there were 101 ayes and 29 noes.

So the bill was passed.

ORGANIZED MILITIA.

The SPEAKER laid before the House the bill (H. R. 28436) to further increase the efficiency of the Organized Militia, and for other purposes, a third reading of which was ordered yesterday and was laid over because of a demand for the reading of the engrossed bill.

Mr. HAY. Mr. Speaker, I withdraw the demand for the reading of the engrossed bill.

The bill was read the third time.

The SPEAKER. The question now is on the passage of the bill.

Mr. HAY. I demand the yeas and nays.

The yeas and nays were ordered.

Mr. STAFFORD and Mr. MANN made the point of order that no quorum was present.

The SPEAKER. Evidently no quorum is present, and the Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 159, nays 125, answered "present" 12, not voting 88, as follows:

YEAS—159.

| | | | |
|------------------|-----------------|-------------------|--------------|
| Alexander, N. Y. | Estopinal | Knapp | Parsons |
| Andrus | Fairchild | Kopp | Payne |
| Ansberry | Fassett | Kistermann | Pickett |
| Anthony | Fish | Lafean | Plumley |
| Austin | Focht | Langham | Polindexter |
| Barclay | Fordney | Langley | Pratt |
| Barnard | Foss | Law | Pray |
| Bartholdt | Foster, Vt. | Lawrence | Pujo |
| Bennett, Ky. | Fuller | Lenroot | Reeder |
| Bingham | Gardner, Mass. | Livingston | Roberts |
| Borland | Gardner, N. J. | Longworth | Rodenberg |
| Boutell | Graff | Loud | Scott |
| Bradley | Graham, Pa. | Loudenslager | Sheffield |
| Burke, S. Dak. | Grant | Lowden | Simmons |
| Burleigh | Greene | McCreary | Snapp |
| Butler | Griest | McGuire, Okla. | Sperry |
| Calder | Guernsey | McKinley, Ill. | Stafford |
| Calderhead | Hamer | McKinney | Steenerson |
| Cantrill | Hamilton | McLaughlin, Mich. | Sterling |
| Cassidy | Hanna | McMorran | Sturgiss |
| Chapman | Haugen | Madden | Sulloway |
| Cocks, N. Y. | Hawley | Malby | Swasey |
| Cole | Heald | Mann | Taylor, Ala. |
| Cooper, Pa. | Higgins | Massey | Taylor, Ohio |
| Cox, Ohio | Hill | Miller, Kans. | Thistlewood |
| Craig | Hobson | Miller, Minn. | Tilson |
| Creager | Howell, N. J. | Moon, Pa. | Townsend |
| Currier | Howland | Moore, Pa. | Underwood |
| Dalzell | Hubbard, Iowa | Morehead | Volstead |
| Dawson | Hubbard, W. Va. | Morgan, Mo. | Vreeland |
| Dawson | Hull, Iowa | Morgan, Okla. | Washburn |
| Diekema | Humphrey, Wash. | Moxley | Weeks |
| Dodds | Jameson | Murphy | Wheeler |
| Douglas | Johnson, Ohio | Nelson | Wilson, Ill. |
| Driscoll, M. E. | Joyce | Norris | Woods, Iowa |
| Dupre | Kelfer | Nye | Woodyard |
| Durey | Kendall | Olcott | Young, Mich. |
| Dwight | Kennedy, Iowa | Olmdest | Young, N. Y. |
| Ellis | Kennedy, Ohio | Palmer, H. W. | The Speaker |
| Esch | Kinkaid, Nebr. | Parker | |

NAYS—125.

| | | | |
|-----------------|------------------|----------------|----------------|
| Adair | Ferris | Johnson, S. C. | Rauch |
| Aiken | Fitzgerald | Jones | Richardson |
| Alexander, Mo. | Floyd, Ark. | Kelifer | Robinson |
| Barnhart | Garner, Tex. | Kinkead, N. J. | Roddenbery |
| Bartlett, Ga. | Garrett | Kitchin | Rucker, Mo. |
| Beall, Tex. | Gillespie | Korby | Saunders |
| Bell, Ga. | Glass | Lamb | Shackelford |
| Boehne | Godwin | Latta | Sharp |
| Booher | Goldfogle | Lee | Sheppard |
| Brantley | Gordon | Lever | Sherley |
| Burgess | Graham, Ill. | Lindbergh | Sherwood |
| Burleson | Gregg | Lloyd | Sims |
| Candler | Hamlin | McCall | Sisson |
| Carlin | Hammond | McDermott | Slayden |
| Carter | Hardwick | McHenry | Small |
| Cary | Hardy | Macon | Smith, Tex. |
| Clark, Mo. | Harrison | Maguire, Nebr. | Splight |
| Clayton | Havens | Martin, Colo. | Stephens, Tex. |
| Cline | Hay | Mays | Sulzer |
| Collier | Heflin | Mitchell | Talbot |
| Cooper, Wis. | Helm | Moon, Tenn. | Tawney |
| Covington | Henry, Tex. | Morrison | Taylor, Colo. |
| Cox, Ind. | Hitchcock | Moss | Thomas, Ky. |
| Crumpacker | Hollingsworth | Nicholls | Thomas, N. C. |
| Cullop | Houston | O'Connell | Tou Velle |
| Denver | Howard | Oldfield | Turnbull |
| Dickinson | Hughes, Ga. | Padgett | Webb |
| Dickson, Miss. | Hughes, N. J. | Page | Wickliffe |
| Dixon, Ind. | Hull, Tenn. | Palmer, A. M. | Wilson, Pa. |
| Driscoll, D. A. | Humphreys, Miss. | Peters | |
| Edwards, Ga. | James | Rainey | |
| Ellerbe | Johnson, Ky. | Ransdell, La. | |

ANSWERED "PRESENT"—12.

| | | | |
|---------|------------|--------------|--------------|
| Adamson | Finley | Foster, Ill. | Smith, Mich. |
| Conry | Flood, Va. | Henry, Conn. | Stanley |
| Cowles | Fornes | Slemp | Wallace |

NOT VOTING—88.

| | | | |
|----------------|---------------|-------------|--------|
| Ames | Bennet, N. Y. | Byrns | Crow |
| Anderson | Bowers | Campbell | Davis |
| Ashbrook | Broussard | Capron | Denby |
| Barchfield | Burke, Pa. | Clark, Fla. | Dent |
| Bartlett, Nev. | Burnett | Coudrey | Dies |
| Bates | Byrd | Cravens | Draper |

| | | | |
|----------------|-----------------|-----------------|----------------|
| Edwards, Ky. | Hayes | Martin, S. Dak. | Riordan |
| Elvins | Hinshaw | Maynard | Rothermel |
| Englebright | Howell, Utah | Millington | Rucker, Colo. |
| Foelker | Huff | Mondell | Sabath |
| Fowler | Hughes, W. Va. | Moore, Tex. | Smith, Cal. |
| Gaines | Kahn | Morse | Smith, Iowa |
| Gallagher | Knowland | Mudd | Southwick |
| Gardner, Mich. | Kronmiller | Murdock | Sparkman |
| Garner, Pa. | Legare | Needham | Stevens, Minn. |
| Gill, Md. | Lindsay | Patterson | Thomas, Ohio |
| Gill, Mo. | Lively | Pearre | Wanger |
| Gillett | Lundin | Pou | Watkins |
| Goebel | McCredie | Prince | Weisse |
| Good | McKinlay, Cal. | Randell, Tex. | Wiley |
| Goulden | McLachlan, Cal. | Reid | Willett |
| Hamill | Madison | Rhinock | Wood, N. J. |

So the bill was passed.

The Clerk announced the following pairs:

For the session:

Mr. WANGER with Mr. ADAMSON.

Mr. WILEY with Mr. WALLACE.

Mr. SMITH of Michigan with Mr. CLARK of Florida (excepting District legislation).

Mr. HUGHES of West Virginia with Mr. BYRD.

Mr. SMITH of California with Mr. CRAVENS.

Mr. SLEMP with Mr. FLOOD of Virginia.

Until further notice:

Mr. COWLES with Mr. BYRNS.

Mr. GOEBEL with Mr. DENT.

Mr. DENBY with Mr. GALLAGHER.

Mr. EDWARDS of Kentucky with Mr. ANDERSON.

Mr. BATES with Mr. SABATH.

Mr. McLACHLAN of California with Mr. ASHBROOK.

Mr. AMES with Mr. REID.

Mr. MURDOCK with Mr. RHINOCK.

Mr. WOOD of New Jersey with Mr. PATTERSON.

Mr. MILLINGTON with Mr. MAYNARD.

Mr. CAPRON with Mr. GILL of Missouri.

Mr. MONDELL with Mr. SPARKMAN.

Mr. BARCHFELD with Mr. BOWERS.

Mr. BURKE of Pennsylvania with Mr. BROUSSARD.

Mr. CAMPBELL with Mr. FINLEY.

Mr. DAVIS with Mr. STANLEY.

Mr. DRAPER with Mr. DIES.

Mr. GAINES with Mr. GILL of Maryland.

Mr. GILLET with Mr. GOULDEN.

Mr. HENRY of Connecticut with Mr. HAMILL.

Mr. HOWELL of Utah with Mr. LEGARE.

Mr. KAHN with Mr. LINDSAY.

Mr. KNOWLAND with Mr. LIVELY.

Mr. MARTIN of South Dakota with Mr. MOORE of Texas.

Mr. PEARRE with Mr. POU.

Mr. PRINCE with Mr. RANDELL of Texas.

Mr. SMITH of Iowa with Mr. RIORDAN.

Mr. STEVENS of Minnesota with Mr. RUCKER of Colorado.

Mr. GOOD with Mr. WATKINS.

Mr. MUDD with Mr. WEISSE.

Mr. COUDREY with Mr. WILLETT.

Mr. ELVINS with Mr. FERNES.

Ending March 2, 11 a. m.:

Mr. ENGLEBRIGHT with Mr. BARTLETT of Nevada.

Mr. NEEDHAM with Mr. CONRY.

For this day:

Mr. HAYES with Mr. ROTHERMEL.

On militia bill alone:

Mr. BENNETT of Kentucky (in favor) with Mr. BURNETT (against).

On this vote:

Mr. SOUTHWICK with Mr. FOSTER of Illinois.

Mr. ADAMSON. Mr. Speaker, under a misapprehension I voted "no." I find that I am paired with the gentleman from Pennsylvania, Mr. WANGER. I wish to change my vote.

The SPEAKER. The Clerk will call the name of the gentleman from Georgia.

The Clerk called the name of Mr. ADAMSON, and he answered "Present."

The result of the vote was announced as above recorded.

On motion of Mr. STEENERSON, a motion to reconsider the last vote was laid on the table.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 28215. An act to fix the time of holding the circuit and district courts for the northern district of West Virginia;

H. R. 18512. An act for the relief of S. H. Robinson, of Allegheny County, Pa.;

H. R. 20603. An act for the relief of Henry Haltman;

H. R. 26656. An act to prevent the disclosure of national defense secrets;

H. R. 29857. An act to amend section 3287 of the Revised Statutes of the United States as amended by section 6 of chapter 108 of an act approved May 28, 1880, page 145, volume 21, United States Statutes at Large;

H. R. 30570. An act to authorize the receipt of certified checks drawn on national and State banks for duties on imports and internal taxes, and for other purposes;

H. R. 31806. An act to amend section 1 of the act approved March 2, 1907, being an act to amend an act entitled "An act conferring jurisdiction upon United States commissioners over offenses committed on a portion of the permanent Hot Springs Reservation, Ark.;"

H. R. 32082. An act limiting the privileges of the Government free bathhouse on the public reservation at Hot Springs, Ark., to persons who are without and unable to obtain the means to pay for baths;

H. R. 32344. An act to protect the locators in good faith of oil and gas lands who shall have effected an actual discovery of oil or gas on the public lands of the United States, or their successors in interest;

H. R. 29360. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1912, and for other purposes; and

H. R. 31856. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1912, and for other purposes.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 10882. An act to authorize the county of Ouachita, in the State of Arkansas, to construct a bridge across Ouachita River;

S. 10808. An act to authorize the Greeley-Arizona Irrigation Co. to build a dam across the Colorado River at or near Head Gate Rock, near Parker, in Yuma County, Ariz; and

S. 10476. An act for the relief of Passed Asst. Paymaster Edwin M. Hacker.

PANAMA CANAL BONDS.

The SPEAKER laid before the House the bill (S. 10456) to restrain the Secretary of the Treasury from receiving bonds issued to provide money for the building of the Panama Canal as security for the issue of circulating notes to national banks, and for other purposes, a similar House bill (H. R. 32218) being on the calendar.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to insert in the bonds to be issued by him under section 39 of an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909, a provision that such bonds shall not be receivable by the Treasurer of the United States as security for the issue of circulating notes to national banks; and the bonds containing such provision shall not be receivable for that purpose.

Mr. UNDERWOOD. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman rise?

Mr. UNDERWOOD. Mr. Speaker, I desire to raise the question of consideration on this bill, and pending that I want to see if I can make an arrangement with the gentleman from New York about the debate on the bill, if the question of consideration is not raised.

Mr. PAYNE. What does the gentleman desire in reference to debate?

Mr. UNDERWOOD. I think there ought to be an hour on a side.

Mr. PAYNE. It is pretty late in the session for that, but it is a very important bill. I suppose if the gentleman raises the question of consideration it might take half an hour to vote. I have thought of an hour for both sides. Will the gentleman compromise on an hour and a half?

Mr. UNDERWOOD. There are a great many requests on this side for time. Gentlemen would like to be heard.

Mr. PAYNE. Mr. Speaker, I ask unanimous consent that the debate proceed for two hours, one-half to be controlled by the gentleman from Alabama [Mr. UNDERWOOD] and one-half by myself, and at the end of that time the previous question to be considered as ordered.

Mr. UNDERWOOD. Subject to amendment.

The SPEAKER. The gentleman from New York asks unanimous consent that all debate on this bill shall be closed in two hours, one-half to be controlled by the gentleman from New York and one-half by the gentleman from Alabama [Mr. UNDERWOOD], at the end of which time the previous question shall be considered as ordered on the bill for final passage.

Mr. UNDERWOOD. On the bill and amendments. I do not think there will be any.

Mr. PAYNE. I modify the request to that extent.

The SPEAKER. Is there objection?

There was no objection, and it was so ordered.

Mr. PAYNE. Mr. Speaker, at the time we were formulating the present tariff law there had been issued bonds for the construction of the Panama Canal in the amount of \$87,309,594.83 and that money had been turned in to pay toward the construction of the canal. There has been expended in the construction of the canal up to this date \$229,430,929.45, leaving a balance expended out of the general fund of the Treasury, and reimbursable from the sale of bonds, of \$140,000,000 and upward. We put a clause in the tariff act authorizing the Secretary of the Treasury to issue bonds bearing a rate of interest not exceeding 3 per cent to provide funds for the entire construction of the Panama Canal as then estimated, to wit, \$375,200,950. There have been issued to this date \$84,000,000, leaving a balance of bonds authorized and not yet issued of \$290,569,000. The construction so far of the canal has been paid out of the general funds of the Treasury, and although in the last three or four years we have been running pretty close on the balance of general funds in the Treasury, still the Treasury Department has been able to pay for this construction up to date. But, Mr. Speaker, the time is coming, and is not far off, when we would have to issue bonds to reimburse the Treasury for a portion of this expenditure. The deficit from the 1st of July up to the present date, by the Treasury report of this morning, is \$4,975,038.36. This is on the basis of the ordinary expenses of the Government, but we have already expended this year for canal purposes \$25,334,587.38, so that the total deficit for this year, including Panama expenditures, is \$30,309,625.21. It is hoped that this deficit may be decreased between now and the 30th of June; but, on the other hand, we have to look in the face of the fact of some extraordinary expenditures which the Treasury may be called upon to pay.

In the first place, we have actions pending against the Treasury for the tax on corporations on which we have collected in round numbers \$27,000,000. Of course, as gentlemen all know, that case is pending in the Supreme Court, but we can not always tell with certainty what the court may decide. As for myself, I have always believed that the tax was constitutional. Other gentlemen of the House, better lawyers than I am, believe that it is not, but if the court decides against us that \$27,000,000 must be paid and can only be paid out of the issue of bonds, because we are authorized to reimburse the Treasury for the expenditures for the canal, and, of course, that reimbursement, if necessary, will go into the general fund for the expenditures of the Treasury Department.

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

Mr. PAYNE. Yes; for just a question.

Mr. MADDEN. I desire to ask this question for information. Does the gentleman from New York know how much has been paid out of the Treasury that has not been reimbursed from any source in the matter of the canal construction?

Mr. PAYNE. The balance over and above the bonds that have been issued is one hundred and forty-two million one hundred and twenty-one thousand and odd dollars. We are entitled to issue bonds to the amount to-day to place the amount in the Treasury now.

Mr. DOUGLAS. Will the gentleman yield to me?

Mr. PAYNE. If the gentleman will indulge me on this immediate point I will then yield for a question.

Mr. DOUGLAS. I thought the gentleman would yield as he has yielded once. Is the gentleman of opinion that taking from these bonds the right to secure circulation—

Mr. PAYNE. I will come to that; of course I can not speak about everything at once. Now, Mr. Speaker, if I can get back to the point from which my attention was diverted, if the Supreme Court should decide this tax case against us, we would also lose \$25,000,000 the Treasury estimated for the tax to be collected for this fiscal year. Adding that to the \$27,000,000 already collected, which we would have to reimburse, would make a further deficit of \$52,000,000. Then we can not ignore the fact that the pension bill, which we have passed, and which is now in the Senate, and which may or may not become a law before the 4th day of this present month, calls all the way from the lowest estimate to perhaps not the highest, of from \$30,000,000 to \$50,000,000.

So that an issue of bonds is imminent. Then, there is the question of the ordinary receipts and disbursements. Every gentleman knows that under any revenue bill the receipts are largely affected by the business of the country. What the business of the country may be for the present year that we have

now entered upon no man can say. We have had two quite prosperous years, and an immense revenue under the present law. Whether there will be a curtailment of that revenue or not, of course, is only in the future, but it would be a calamity if some legislation were not passed by which we could at any time replenish the Treasury for these overdrafts which may come upon us.

Now, Mr. Speaker, in the clause of the tariff act which authorized these bonds, as in the other bonding acts, no reference was made as to whether the bonds should or should not be used as security for the issue of currency notes of the national banks, and therefore they come under the banking act which provides that any bonds of the United States may be so used as security for the redemption of these national-bank notes.

Outside of these bonds authorized, the only method by which the funds in the Treasury can be replenished would be by borrowing money on certificates which the Treasury is authorized to issue and which is provided for in this same tariff act, to run not in excess of one year, and to draw interest at the rate of not exceeding 3 per cent. These certificates might be issued in an emergency, but it is quite plain, if the emergency arises and the bonds or certificates are issued, we shall not want to redeem any part of them within a year after the issue. Congress has settled on the policy that the expense of this canal is to be paid for out of bonds, to be paid for by the future generations that will enjoy more the benefit of the canal than the present generation. And so it would seem that the last thing to be resorted to would be the \$200,000,000 of Treasury certificates authorized by the act. The provision for these certificates was made a part of the permanent law of the country, so that in any case where the receipts run below the expenditures it will be possible to borrow for a short length of time money to be paid within the year. It is not desirable to issue them for the funding of the canal debt. They were not meant for that purpose. We provided bonds for that purpose, to become due in the future and to be paid in the future.

Mr. Speaker, the security for national-bank notes, of course, has been 2 per cent bonds issued by the United States—not because the investors of money in the country desired generally to lend money to the Government at 2 per cent—that did not pay; the credit of the Treasury was not sufficient to justify the loaning of money to the Government at 2 per cent. But, coupled with that, we have this provision of the national banking law which virtually compelled the banks when they took out circulation to take these 2 per cent bonds, and, with the half of 1 per cent tax upon their circulation, to take what little there was in it, and they could not get the circulation unless they bought the bonds. These bonds have been bought by them at par, or a little beyond—at 102, generally. Of the 2 per cent bonds that have been issued the great bulk of them are held by the national banks. Seven hundred and thirty million dollars of them have been carried by the banks for circulation, but they have reached the limit where they want these bonds for circulation, and no more circulation is desired. Not even the emergency circulation proposed in the previous bill has been desired by the banks since that bill passed, and here are these \$730,000,000 of bonds held by the banks.

Now, Mr. Speaker, in addition to that the banks hold a block of these bonds which they have deposited with the Treasury Department as security for the deposits of the national funds. The banks have the bonds yet, but we have run so low that we have no money to deposit as security for these bonds. Of course there is a prejudice against banks and always will be, and yet the banks are represented by stockholders, and stockholders are human beings, and some of those human stockholders, or, at least, I suppose a good many of them, are sitting in this House to-day, and they know something about their human feelings toward banks and bank stock. These people have been forced by their Government to buy these bonds and pay above par for them, and pay more than they were really worth, for security of the banks' circulation, and they were led into supposing that they were going to get some deposits of the United States funds, and they bought more of these bonds, which they now hold. The bonds held by individuals are only a small amount in the whole. I will not undertake to say from memory how much.

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

Mr. PAYNE. In just a moment.

Mr. FITZGERALD. Right at that point.

Mr. PAYNE. Well, right at that point.

Mr. FITZGERALD. Does the gentleman from New York imagine that the national banks were innocently misled into making a bad investment?

Mr. DOUGLAS. Or does he think they were forced to make a bad investment?

Mr. PAYNE. They were forced to make a bad investment or else go without circulation. Whether that is misleading or not I leave to the gentleman's conscience.

Mr. FITZGERALD. Why were they forced?

Mr. PAYNE. Because they could not get along without it. They had to put up bonds. These were the only ones they could do it with.

Mr. FITZGERALD. Were they forced to do that when other bonds were outstanding at the same premium?

Mr. DOUGLAS. They did not need to take out circulation if they did not think it was profitable.

Mr. PAYNE. They were not forced? What a proposition! We had to have banks; we had to have currency; we had to have money; and the only way it could be given to them was by putting up these bonds. You may call it force, or you may call it patriotism on the part of the banks to furnish currency. However it was, they were squeezed between the upper and the nether millstones, and they did not suppose that the United States would ever do anything to disparage those bonds and send them to a discount.

They supposed that the United States in the issue of bonds would make some regulation by which the new bonds would give no better privilege to the other national banks coming in than they had themselves, or force the rate of premium up so high that they could not afford to take them. In any event, in any way you put it, the result is the same. If it were merely a pocketing of the loss by somebody, and that were all there was of the question, it would be different. But the Government of the United States ought to be as honest and scrupulous in its transactions as the most scrupulous of its citizenship.

Mr. DAWSON. Mr. Speaker, will the gentleman yield?

Mr. PAYNE. And when a private individual forces a loan from another and then goes to work to impair the value of that loan, he creates an equity against himself.

Mr. DAWSON. Will the gentleman allow me to suggest right there that by reason of the refunding of the 2 per cent bonds the Government made a net saving in interest charges of over \$17,000,000?

Mr. PAYNE. There is no doubt about that.

Mr. FITZGERALD. Does the gentleman know that if they did not refund them they would not have paid any interest at all?

Mr. HARDY. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from New York yield?

Mr. PAYNE. Yes.

Mr. HARDY. I understood the gentleman to say that of these bonds the banks bought a certain quantity with the idea of issuing circulation upon them as the basis of circulation, and that they were induced to do so through the belief that the Government would make deposits in their banks.

Mr. PAYNE. The gentleman is getting two things mixed up. It is true that a portion of the bonds were bought for circulation, and a portion were bought for security of deposits. The large bulk were bought for circulation.

Mr. HARDY. "For security of deposits," the gentleman says. I understand the gentleman said that in that hope they were misled. Now, did not the bankers know as much about the possibilities of Government bonds as anybody in this country? How could they have been misled?

Mr. PAYNE. They might have known that and still would not know that the Government funds would be entirely withdrawn.

Mr. HARDY. How could they be misled by any act of the Government?

Mr. PAYNE. They did not know how much money would be expended by the Government. You and I did not know it. Nobody knew it. Nobody could know it. Nobody knew how much money would be raised by taxation.

Mr. HARDY. They knew the condition of the Treasury and the laws under which they were expected to get these deposits.

Mr. PAYNE. They knew Congress might change the taxing law any day. If there was a man in the United States who knew what the expenses of the Government would be under the appropriations made by Congress he was wiser than any man who ever sat on this floor and wiser than any banker that ever lived.

Mr. HARDY. One more question and then I will be through. Did not the bankers, in taking that risk, take the ordinary risk of a purchaser?

Mr. HILL. No; they were forced to take 25 per cent.

Mr. PAYNE. Why, the ordinary risk of a purchaser from the Government of the United States, believing that the United States would do the honorable thing by them.

Mr. HARDY. The United States Government in no way pledged itself to deposit anything with these banks.

Mr. PAYNE. The gentleman said he only wanted to ask one question. I think he will have to stop. He is using all my time.

Mr. HARDY. Very well.

Mr. SIMS. May I ask half a question? They were confined to United States bonds to secure deposits—

Mr. PAYNE. I do not yield to the gentleman. How much time have I?

The SPEAKER. The gentleman has 23 minutes.

Mr. PAYNE. I will reserve the balance of my time.

Mr. DOUGLAS. I should like to ask the gentleman—

Mr. PAYNE. After I have yielded to others, I will be glad to yield to the gentleman from Ohio.

Mr. UNDERWOOD. Mr. Speaker, I yield to the gentleman from Texas [Mr. SLAYDEN].

Mr. SLAYDEN. Mr. Speaker, the strictly domestic affairs of this Government are of surpassing importance to its citizens but lack the novelty and picturesqueness of certain newer and, in the judgment of some of us, at least, less worthy policies.

Our colonial experiments command the interest of all thoughtful citizens, however much they may be deprecated. What we are doing in the Philippines, what we have done and especially what we may hereafter do in those islands is a matter of absorbing interest.

Never for an instant since the first armed American set foot on those far-away Asiatic islands have I approved of the enterprise. I can not view it in any other light than as a disaster to the people of the United States, the unjustified assumption of enormous expense, and the abandonment of our holiest political tenets.

I wish very much that in the study of this problem one could find more pleasing chapters. It is not a story in which Americans can take pride. The recent investigation under the so-called Martin resolution disclosed a shameful but not unexpected condition of affairs.

Our government in the Philippines is a carpetbag government, and seems to have all the characteristics of government of that sort. In fact government of any people by aliens from the days of Roman proconsuls down through Clive and Hastings, the very best and ablest of the tribe, to that unmatched horde of rascals who ruled and robbed the people of the South after our great Civil War has not varied greatly.

Now and then there has been an honest governor, an unselfish, altruistic, confiding sort of man. I have in mind such a one now. But they have been few, and the subordinates have not all been like the occasionally honest chief.

Our government in the Philippines has probably not been as bad as carpetbag government in Roman colonies, in the Indies, or in the Southern States, but in the main it has been no credit to us. Like the carpetbaggers who have gone before, our Philippine administrators have, as the evidence adduced in the recent investigation plainly shows, displayed conspicuous zeal in their own interest.

That modern device known as State credit, evidenced by bonds and other securities, has been used to enhance the value of choice town sites and pieces of farm lands that provident carpetbaggers had selected for themselves. Railways and highways have been built by public funds, and strangely enough have led to the lands previously acquired by these trustees of the Philippine people. It may be a mere coincidence, this juxtaposition of American-owned property and these publicly built roads, but knowing something of the tribe of carpetbaggers I have my doubts.

That in the Philippines we have simply followed the usual rule of the conqueror and plundered the subject nation, doing this despite all protestations of disinterestedness, has been demonstrated this very winter before the Insular Committee of this House. The Insular Committee acted under resolutions limited in character, but allowing it to investigate as to whether sales and leases of public lands had been made in the Philippines in violation of law. If its investigation had extended to the whole subject of the American action in the Philippines, it is to be feared that a much more disgraceful condition of affairs would have been developed. As it is, considering, as the committee did, only certain phases of the land question, the results were bad enough.

Great aid in the examination of the record of affairs before the committee has been furnished by the brief presented by Jackson H. Ralston, Frederick L. Siddons, and William E.

Richardson, attorneys for the Anti-Imperialist League, and who followed the course of the investigations with the greatest possible care. I find from examination of their brief that they have demonstrated certain legal propositions with, as I believe, absolute clearness. These propositions, in brief, are as follows:

(1) By the terms of the act creating the existing Philippine Government no American citizen or citizen of any country, save of the Philippine Islands, was empowered to buy a foot of public lands in the Philippine Islands, while only Filipinos could obtain them by virtue of occupation and cultivation, extending over a period of five years, and then only in tracts not exceeding to an individual 40 acres in extent, and to a corporation 2,500 acres. The citizens of the islands to whom such sales of lands were permitted are defined by the act to be—

All inhabitants of the Philippine Islands continuing to reside therein who were Spanish subjects on the 11th day of April, 1899, and then resided in said islands and their children born subsequent thereto except such as shall have elected to preserve their allegiance to the Crown of Spain.

(2) It is next shown by the brief that the so-called friar lands of the Philippines, which were purchased under the authority of the act of July 1, 1902, creating the Government of the islands, were subject to the same restrictions as were the public lands—that is, they might only be sold to citizens of the islands and in tracts of the size I have mentioned, and subject to like conditions.

Despite the conditions of law above shown to exist in the Philippine Islands, it appeared in the investigation that direct violations of law of the following descriptions had taken place:

(1) The commission had valued and sold to its own members tracts of public lands. This without any conditions as to occupation or cultivation, the members purchasing being citizens of the United States and not citizens of the Philippine Islands.

(2) The commission, in like defiance of the plain letter of the statute, had sold to corporations (not Filipino, but American) tracts of public land as large in three several cases as 2,500 acres in extent; this in like defiance of law.

(3) The commission, without any authorization of Congress to pass such an act, had provided by its public-land laws for the lease in tracts as large as 2,500 acres of public lands to American citizens for a term of from 25 to 50 years and at a minimum and usual rental of 10 cents gold per acre. Under this violation of law the commission had permitted to be leased to the nephew of the member approving the lease a tract of 2,500 acres for a period of 25 years, renewable for a like period, at \$250 gold per annum.

(4) The commission had permitted the sale to its own executive secretary of 4,200 acres of land near the city of Manila, this land to be paid for in the course of 20 years, the annual payments being met directly from the labor of Filipino tenants.

(5) The commission had sold tracts of friar lands, the largest being a body of 55,000 acres, to persons closely identified with the American Sugar Trust, the purpose of the purchase being to erect a large mill and, incidentally, to control in a great measure the sugar business of the Philippine Islands.

The nature of the offenses committed by the members of the commission and their subordinates is more fully set out in the brief to which I have referred, such brief stating succinctly the facts proven before the committee and making a most damning total. I print extracts from the brief:

TRANSACTIONS AT BAGUIO.

Shortly after the acquisition of the Philippine Islands it was considered that it would be necessary to establish a health resort in the mountains of the island of Luzon, and Baguio, about 160 miles from Manila, was chosen as the place for its establishment. By Executive order of October 10, 1903, Camp John Hay was established as a military reservation at this point. On December 21, 1900 (act No. 61), the Philippine Commission appropriated \$75,000 in gold to construct a road from Pazorubio to Baguio. On November 11, 1901 (act No. 297), the Philippine Commission appropriated \$11,000 for the purchase of lands and buildings at Baguio for the insular and provincial governments.

On December 31, 1904, the commission, on the recommendation of Secretary of the Interior Worcester, resolved to establish a town site at Baguio. By its act, No. 636, it had created a Government reservation pending the establishment of a town site.

On May 29, 1903 (act No. 767), \$1,500, local currency, was appropriated for work on Government buildings. On June 30, 1903 (act No. 794), a survey was ordered for a road from Naguillan to Baguio, to cost \$2,500, and a survey directed of the town site; and for location of pumping stations and reservoir \$5,000 was appropriated.

By resolution of the commission, dated April 30, 1904, the expenditure of \$3,500 was ordered for improvements at Baguio, and by further resolution (Annual Report 4, 1904, p. 519) \$880 were appropriated for a pesthouse at that point. On May 26, 1906 (act No. 1495), the Burnham plans for the town at Baguio were adopted.

By act of August 18, 1906 (act No. 1527), the resolutions of the commission of May, June, and July, 1906, directing the proceeds of land sales at Baguio to be used in or near the town site for public improvements, and expended by the superintendent of the Benguet Road, on approval of the secretary of commerce and police (now Gov. Gen. Forbes), were confirmed.

On December 22, 1906 (act No. 1508), \$30,000 were appropriated for the Governor General's residence and \$5,000 for a building for the employees of the bureau of public works.

On June 27, 1907 (act No. 1662), \$5,000 were appropriated for the construction of the hospital building at Baguio. On August 17, 1907, \$8,250 were appropriated for buildings for the bureau of agriculture and \$20,000 for the improvement of the Baguio town site.

On October 2, 1907 (act No. 1735), grant of a railway concession for the railway to Baguio was ordered.

On May 29, 1908 (act No. 1837 of the Philippine Legislature), \$11,000 were appropriated for additions to Benguet Sanitarium. On June 15, 1909 (act No. 1957) the commission, as governing non-Christian tribes, passed an act governing local improvements in Baguio and referring to a resolution of March 30, 1907, as amended, which resolution is not found reported in the appropriate volume.

On June 26, 1909 (act No. 1957), the Philippine Commission, acting under its authority as above, amended the act last recited, and on the same day, by act No. 1959, provided for rules governing the Benguet toll road.

The above recital is believed complete according to data at hand, but apparently does not cover all appropriations.

Under the public-land act, passed by the Philippine Commission, a commission was appointed to value the lands of the town site in Baguio. This commission acted under the direction and with the approval of Secretary of the Interior Worcester. The lands having been thus valued, Secretary Worcester, on May 28, 1906, bought at the appraised value about 10 acres of ground, which he had, as he says was known, long desired to buy and which he considered the best building site in Baguio, although, as is evident from the report of sales at this point and a consideration of all the circumstances, not land of the highest appraised value.

With this résumé of facts in mind, let us consider the law and the proprieties of the situation, discussing some matters heretofore not under examination.

It seems to us of the highest importance to call attention to certain rules of the common law, and one or two embodiments of the rule in statutory law, which seem to offer a touchstone to determine whether the actions of Government officials in the Philippines in the cases to be enumerated were consistent or inconsistent with the principles of sound business morality.

It is a principle of law so well known as to need no citation, save it were to convince persons as ignorant of fundamentals as seem to have been the leading officials of the United States in the Philippine Islands, that a person occupying a trust relation can not deal in the property with relation to which he is a trustee, and can gain no profit out of or from such dealings if he so far transgress as to deal in it.

The soundness of this rule was recognized by its embodiment in statutory law in section 452 of the Revised Statutes of the United States, which reads as follows:

"The officers, clerks, and employees in the General Land Office are prohibited from directly or indirectly purchasing or becoming interested in the purchase of any of the public land; and any person who violates this section shall forthwith be removed from his office."

In the case of *Lavagnino v. Uhlig* (26 Utah, 1) it was said, in substance, that it was the intention of Congress to prohibit, on the ground of public policy, the officers, clerks, and employees in the General Land Office from acquiring, directly or indirectly, through a purchase from the Government, any of the public lands of the United States, and that the foregoing section applied as well to the mineral as to the other lands.

In *re Frazin and Oppenheim* the circuit court of appeals of the United States for the second circuit said (vol. 181, Fed. Rep., p. 307):

"It is a long-established principle of equity jurisprudence that a trustee can not become a purchaser of the trust estate. And not only trustees, strictly speaking, but agents, attorneys, and all persons acting in behalf of other persons and obtaining confidential information concerning their affairs can not purchase their property, except under certain restraints not necessary to be considered here."

In this case the appraiser himself had undertaken to purchase, and the court, among other things, said:

"We are fully satisfied from the record that the appraiser was negotiating with respect to the purchase of the property before he signed the appraisals. Upon these facts, we are of the opinion that the appraiser, Hoerle, was as a matter of law incapable of purchasing the property in question at the trustee's sale."

Having, therefore, laid down the general principles, which, in our judgment, control, or should control, the disposition of lands in the Philippines to public functionaries, let us consider the actions of Philippine officials with regard to Baguio lands, beginning first with those who are highest in office.

THE CASE OF GOV. GEN. FORBES.

The present governor general of the Philippine Islands is W. Cameron Forbes, who became such governor in the year 1909, having been appointed vice governor on July 1, 1908, previous to which time he was secretary of commerce and police.

Gov. Forbes purchased at Baguio, on May 28, 1906, two tracts of land (p. 464), aggregating 64,600.03 square meters, or, as nearly as may be, 15 acres, of ground. For this he paid 1,293 pesos, or approximately 86 pesos per acre; in gold about \$43. It is a fair assumption from the evidence that this was the appraised value, and this assumption is borne out by the testimony of Secretary Worcester (p. 693). The appraised value was fixed by an assessment committee, whose actions were subject to the approval of Mr. Worcester. To the extent, therefore, of 15 acres of land, in what was designed to be the summer capital of the Philippines, Mr. Forbes became the purchaser of a tract of land which, according to Secretary Worcester (p. 696), he, Forbes, considers the best site in Baguio.

Since the time of his purchase Mr. Forbes has become Governor General, and there has been erected for his use as Governor General, at the expense of the Philippine Government, a mansion costing nearly, or quite, 30,000 pesos, so that apparently the land he purchased is now held for investment or speculation. From the time of his purchase up to his appointment as Governor or Vice Governor, Forbes was secretary of commerce and police, and under his jurisdiction came the bureau of public works. This bureau had and has charge of the expenditure of public moneys at Baguio and under it a large amount of money, only in part, as we believe, ascertainable from a careful perusal of the reports of the commission, has been expended for the improvement and development of Baguio. For instance, an automobile road has been constructed, public buildings have been erected, a sanitarium has been established, drives of an extensive character have been made, and

expenditures aggregating hundreds of thousands of dollars, the effect of which has been to increase the value of lands in Baguio, have been made or provided for, many of these expenditures antedating the time of purchase, and many occurring subsequently.

No thought of the impropriety of his conduct seems to have entered the head of the Governor General of the Philippine Islands.

THE CASE OF DEAN C. WORCESTER.

For many years, in fact, nearly or quite from the beginning, Dean C. Worcester has been secretary of the interior of the Philippine Islands. The land laws, with all their incongruities, with their defiance in spirit and in text of the statute of the United States forming the Philippine Government, have been framed or supervised by him.

Mr. Worcester controlled the board making the appraisements upon the land at Baguio. He knew in advance of the establishment of the new town, the tract he desired for himself. As he says (p. 696), "It was known for fully five years that I intended to bid for the lot, which I afterwards occupied." His appraisers, therefore, whose actions he confirmed, must have known the same thing. He, like Mr. Forbes, considered that he had the best site. He purchased, on May 28, 1906, the date of the purchase of Mr. Forbes, 39,676.97 square meters of land, paying therefor 595.15 pesos. In other words, for approximately 10 acres he paid 60 pesos per acre, or \$30 in gold, in the summer capital of the Philippines, upon the approach to which hundreds of thousands of dollars had been expended, and hundreds of thousands of dollars, as stated, had or have been since then paid out for public buildings and public improvements under the direction of the Philippine Commission, consisting of himself and his immediate official and personal associates. As if this were not sufficient defiance of all rules of official propriety, on the same day that the personal purchase was made by Mr. Worcester there was sold to the Baguio Country Club, of which Mr. Worcester is president, 345,473.97 square meters for the sum of 2,303.20 pesos, being approximately 82 acres at the rate of 28 pesos per acre, or in gold \$14.

A pretense is made in the testimony of Capt. Sleeper that Secretary Worcester purchased at public auction. It is manifest from the surrounding circumstances, as well as Secretary Worcester's own testimony, that this is not so and that if he had no one would have had the temerity to bid against him had he so purchased.

Mr. Worcester (p. 577) complains bitterly of the libelous statement about himself, which he cites, and which charges a desire to possess for his essential personal benefit properties registered under the names of others. It appears to the contrary in this instance; Mr. Worcester frankly and openly, and with the utmost insouciance, violated in his own person the canons of business and professional ethics to which we have alluded, his moral and business sense not being sufficiently acute to enable him to know when he was violating the proprieties due to his position.

It is not to be wondered at that many of the American officials followed the example of Forbes and Worcester and purchased at Baguio large tracts of land of great potential value.

Let us pass now to other cases.

EXECUTIVE SECRETARY FRANK CARPENTER.

"Like master, like man." We next come to consider a case of patent wrongdoing on the part of Mr. Worcester, secretary of the interior; Capt. Sleeper, director of public lands; and Mr. Carpenter, executive secretary.

Mr. Carpenter became fired with the ambition to make money in the Philippines, an ambition fostered and furthered by Capt. Sleeper and sanctioned and approved by his superior officers. There existed an estate, at its nearest point 8 miles from the boundaries of Manila, having upon parts of it over a thousand people, and adjoining another estate lying between it and Manila, upon which there were over 2,000. This estate, called Tala, was for the most part unoccupied, and Mr. Carpenter determined to acquire such portion.

The roads to the estate were in bad condition. Mr. Carpenter's associates therefore promised him, if he would take it, they would be placed in good condition, and the Government has expended upon such roads and approaches approximately, as nearly as the testimony shows, as much money as Mr. Carpenter was to pay for the estate he finally took, or agreed to take.

The conditions in the neighborhood as to order were not good. The facile Government agreed to furnish all police protection needed.

The people in the neighborhood were not rich, and stood in need, as it was believed, of money with which to purchase carabao and other things needful for its successful cultivation. Thereupon the loan fund for that purpose, which had not theretofore been intended to affect the Tala estate, was extended to it within a few months after Carpenter's contract was made.

The congressional act permitted a leasing of friar lands for three years, the Tala estate being of this character. The Government, looking with peculiar favor upon one of its pets, undertook to change the laws so that Mr. Carpenter might not only lease, but on easy terms become the owner in fee simple.

Under these circumstances Mr. Carpenter agreed to lease, with the right to purchase, upon a change of the laws. The laws were changed so far as the commission could do so, the conditions as to protection and road and bridge building were met, and Mr. Carpenter is now on the highway to become the owner of 1,694 hectares of productive land, at its nearest point, as stated, within a short distance of Manila, and approximately 4 miles from the railway station of Polo, running north from that city.

The conditions of terms of payment deserve special attention. We find on page 106 of the report of the Governor General and others that the average price per acre was \$7.48, which would make the sale price of the whole tract \$31,677. This is to be paid at the rate of one-twentieth per annum for 20 years, a credit being allowed Carpenter for the amount he may have paid under his leases. The average price per acre per year, therefore, to be paid on account of the purchase price approximates 37½ centavos (18½ cents) per acre plus 4 per cent interest on the deferred purchase money.

It appears from Mr. Carpenter's testimony that he does not expect himself to pay any portion of this sum, but to make the same out of his tenants. This is certainly the meaning of his answer to the question on page 472:

"Q. Do you expect the returns from your tenants to meet your payments for the land, this without any material advance by you?—A. I do not expect the returns from my tenants—I, e., any share in the crop which may pertain to me, to meet my payments for the land during the lease period—I, e., three years. I do expect that beginning with the fourth year the product of my tree plantations, the increase of my cattle, and my share of crops raised by tenants will meet the annual payments on the lands which I should purchase under the

terms of my contract with the Government and the expenses generally of the plantation as a whole. However, I shall not be surprised if, during the first and second years of the purchase period—I, e., the fourth and fifth years of occupancy—I have a deficit to meet from my salary."

The net result, therefore, of this proceeding is that through the kindness of the Philippine Government in all the particulars we have enumerated, a kindness which does not appear to have been extended to another person in the land, American or Filipino, Mr. Carpenter at the end of 20 years will find himself in the possession of a property originally valued at about \$32,000, paid for by the labor of his Filipino tenants, increased in value by the expenditures of the public money, liberally promised and liberally made by the government of the island, and, so far as he is concerned, he will have furthered the creation of a landlord and tenant system in the Philippine Islands, turning the Filipino from being a possible landowner into that of a contributor to the wealth of a member of an alien race. All this is done under the guise of tender consideration for the welfare of the Filipinos.

Like Gov. Forbes, like Secretary Worcester, it seems never to have occurred to Mr. Carpenter that in speculating in the natural wealth of the Philippine Islands, he was dealing in property as to which he was an administrator, and not a proprietor in his own right. A haunting fear of public comment upon this transaction seems, nevertheless, to have possessed the Philippine officials, for never till June 10, 1910, was an official report made to Congress on the subject, while with the utmost deliberation, Capt. Sleeper twice over in his report for the year ending June 30, 1909 (H. Doc. 914, 61st Cong., 2d sess.), speaks of the intention to place the Tala estate on sale, although he had, when he wrote the lines, contracted to sell the remainder of the estate to Carpenter.

CAPT. SLEEPER, DIRECTOR OF PUBLIC LANDS.

Capt. Sleeper, so far as his testimony and the records in the case show, has confined his operations to investments in mining prospects or mines. In this respect he would, in the United States, under the decision in the Utah case, above referred to, have fallen under the condemnation of the statute. In the Philippines his actions escape statutory condemnation and receive the praise of his superiors in office. He made, as director of public lands, the arrangements with Mr. Carpenter containing the pledges as to police protection, road and bridge building, and additional legislation, and his promises have all been redeemed at the expense of the Philippine people.

J. R. WILSON, ASSISTANT DIRECTOR OF PUBLIC LANDS.

The position of Mr. Wilson seems to us as flagrant as that of any of his associates. He has applied to lease nearly 2,500 acres of land in the island of Mindanao for 25 years, renewable for a similar period. This application, while not formally granted, has never been rejected. For this he apparently will pay 50 centavos a hectare. He has taken possession of the lands, planted them in coconuts and so long as official action upon his application is delayed, and until the lease is formally issued, he will not be under obligation to pay rent. In the absence of Capt. Sleeper, he would be called upon to approve his own application, and would literally lease to himself. It is presumable that his superior officer would not care to disapprove an application of such sort presented by his immediate inferior, and it is also presumable that it will not be acted upon as long as Mr. Wilson can, by nonaction, avoid the payment of rent. Meanwhile Mr. Wilson is enjoying the reception of an annual salary of \$7,500 per year, paid by those for whom he is trustee, and whose trust he has abused.

The example of the present Governor General and of the secretary of the interior, purchasers of land at Baguio, was not thrown away upon Mr. Wilson, and on the same day that they did he purchased in that town a tract of land approximating an acre and a half in extent, for which he paid \$60.39, or at the rate of about \$40 per acre, or \$20. He also purchased, on April 15, 1908, about an acre and a quarter of land, paying at the rate of approximately \$180, or \$90, an acre. The deeds presumably were made by the Governor General, who was empowered to execute deeds of public lands.

OTHER INSTANCES OF PURCHASE BY PUBLIC OFFICIALS.

The worthy example set by Government chiefs in the Philippine Islands was, as we have seen, not lost upon their immediate subordinates, and the virus extended all through the service. We will cite only a few illustrations. Mr. Z. K. Miller, machinery expert of the bureau of agriculture, applied for 350 acres of land (p. 460), which application is still in full force and effect. The solicitor general, George Harvey, paid \$10,000 a year by the Filipinos, appears as the president (p. 461) of the Siasi Plantation & Building Co., applying for a lease of 2,500 acres of land. A very large number of employees appear as purchasers of tracts at Baguio.

LEASES TO THE WORCESTERS.

Mr. E. L. Worcester, nephew of the Philippine secretary of the interior, seeking new bulbs wherewith to glorify Easter, went to the islands. Not unlike the unlucky man in the poem who in sinking a well for water missed it, but struck a gold mine, Nephew Worcester failed to find satisfactory flowers, but did find a glorious opportunity to gain a fortune. In the rich lands of the Province of Nueva Ecija he discovered a tract of nearly 2,500 acres so level that by making little embankments the water in the rainy season could be retained long enough to produce rice. For this land he applied, and with no difficulty the Government leased it to him at the lowest rental permitted by a law apparently framed by the secretary of the interior. Thus the nephew of the secretary of the interior has been given an apparent right to possess for a period of from 25 to 50 years a nearly 4 square miles of land, paying therefor for the first period the lowest possible rental of 50 centavos a hectare, or 10 cents in gold per acre, or a sum total of less than \$250 in gold per annum for its exclusive enjoyment free of taxes.

That the public land law and the administration thereof presented violations of the letter and spirit of the act of Congress is manifest on little consideration.

Without any restriction as to cultivation such as was required by law in the case of the sale of public lands, (a) this land has, through long time lease, been conveyed (b) to an American and (c) in a quantity exceeding by 60 times that which even a Filipino would take in fee. It is idle for men situated as were those of the Philippine Commission to suggest that while Congress has limited the sale of public lands to Filipinos and on terms of occupancy, it has given to the commission a general power to lease without restriction. It was the duty of the commission to know the spirit and intent of the act, which expressly declared (sec. 12) that the lands were to be administered for the benefit of the inhabitants, specifying what lands citizens could take and what lands Americans. As trustees, the commission was charged with a sacred duty. It was neither becoming nor decent to seek a way of

escape from the purpose of the act because its framers did not at every moment reiterate their manifest purpose.

It is unfortunate for the reputation of Secretary Worcester that up to this time the largest beneficiary more than seven times over by the actual reception of a lease of public land consequent upon this perversion of congressional intent has been his nephew. It is also unfortunate for him that one of the largest prospective beneficiaries to the extent of 500 hectares should be his brother, George S. Worcester (p. 205), whose application for lands in the same immediate neighborhood stands unrequited. It thus appears, besides the holdings of public lands by Secretary Worcester, in clear violation of express statute, his immediate family now controls practically 6 square miles of Philippine farming lands, which were to have been administered by him for the benefit of the inhabitants (meaning citizens of the islands).

OTHER PUBLIC-LAND SALES TO INDIVIDUALS OR CORPORATIONS.

It would be useless and unnecessary to multiply indefinitely as we might instances of dispositions of public lands to private individuals or corporations, in violation of the letter and spirit of the law, but we can not refrain from giving some special attention to those to California corporations.

Certain peculiarly well-informed sugar interests in this country, evidently in a position to read the future with marvelous accuracy, determined, far in advance of congressional action as to the admission of sugar from the islands, to invest largely in Philippine lands aside from the purchase of friar lands hereafter to be discussed, and these interests thought it advisable to purchase public lands. Though Congress had, as we have stated, limited possible sales to Filipino citizens and corporations, the commission, with lofty disregard of a legislative body 11,000 miles away, had made a law unto itself permitting sales to American corporations, and thus it came to pass that when the San Mateo Agricultural Co., the San Carlos Agricultural Co., and the San Francisco Agricultural Co., all California corporations, presented themselves, through E. L. Poole, the common agent of the American sugar interests, he was heartily welcomed, taken on a Government steamer to Mindoro, shown the fatness of the land, and given patents for his principals. Thus it was that 7,500 acres of Philippine public lands, their heritage, as the Filipinos vainly thought, passed into the possession of a small group of Americans who will give Filipinos leave to toil for aliens on the lands of their fathers. This land, capable of supporting, as Filipino farms go, near 2,000 people, is made the patrimony of a few persons, foreign to the workers. Can we understand why the Filipinos do not love us?

FRIAR-LAND TRANSACTIONS.

We come to discuss as we shall only briefly, notwithstanding their real importance, because they have been so fully elucidated by Mr. Martin, the friar land transactions.

We have in the earlier portion of this brief pointed out the fact that it was the intent of Congress that the limitations as to sales of these lands were the same as pertained to public lands—that is, that they might only be sold to citizens of the islands under special conditions as to occupancy, and then only to private persons (citizens of the islands) in tracts not exceeding 40 acres in extent and to corporations not exceeding 2,500 acres. We allude, in passing, to the fact that the Insular Bureau had pointed out to Mr. Hammond, the original attorney of the sugar interests, the futility of restrictions upon the extent of holdings in the island of Porto Rico, with a tacit intimation that the restrictions in the Philippines might be no stronger. (H. Doc. 957, 61st Cong., 2d sess., p. 72.) (Maj. Frank McIntyre, Acting Chief of the Insular Bureau, on September 4, 1909, in writing to Mr. John Henry Hammond, after quoting section 3 of the act of May 1, 1900, relating to Porto Rico, and restricting the holdings of agricultural corporations to 500 acres, said: "It seems to me that we would make a mistake, now that this question is about to arise seriously in the Philippine Islands, to wholly neglect the precedents that may have been established in the construction of this act in Porto Rico. Maj. Shelton, one of the officers of the bureau, was in Porto Rico about the time of the passage of the recent tariff bill, and I cabled him to look up this feature of the matter in Porto Rico, and when he returns, which will be in a few days, he may have this specific information. However, it is very generally known that, notwithstanding the very restrictive nature of the section above referred to, the sugar industry in Porto Rico has been developed as fully as though there were no such provision.")

Let us, then, enumerate the large parcels of land which have passed or are about to pass under the control of the American sugar interests.

San Jose estate.—In the island of Mindoro is a tract of friar lands, about 55,000 acres in extent, which the Philippine Government has contracted to sell, and in large part has sold, to E. L. Poole, as representing H. O. Havemeyer, Charles J. Welsh, and Charles H. Senff, all of whom for years have been engaged in sugar growing or refining in the United States, Cuba, and the Hawaiian Islands. These gentlemen, as stated, long before others appreciated the fact, realized that Congress would so act as to sugar from the Philippines that its production there would be specially profitable and adaptable lands advance in value. Thus an agent, J. Montgomery Strong, was first sent out and looked over certain tracts, making known the object of his visit to some of the Government officials. Thereafter and on his return one E. L. Poole, experienced in the sugar business in Cuba, was made agent for the syndicate and sent to the Philippines with authority to act. Meanwhile the three associates had entered into a sort of partnership agreement, contemplating the immediate raising of \$40,000 and thereafter as much as might be necessary for the purchase of 25,000 acres of Philippine sugar lands, the erection of a mill, etc. Pursuant to this agreement the Mindoro Development Co. was formed under the laws of the State of New Jersey, its capital first fixed at \$100,000 and afterwards raised to \$1,000,000, and the purchase of the San Jose estate took place.

On November 23, 1909, Director of Public Lands Sleeper, with the approval of Secretary of the Interior Worcester (p. 251), entered into a contract with E. L. Poole to convey to him or his nominees 22,484 hectares, 81 acres, and 50 centares of land (the San Jose estate) for the sum of \$634,000, or \$317,000, \$24,875 being payable January 4, 1910, and the balance in 19 equal annual installments of \$36,375, deferred purchase money to bear 4 per cent interest. Some later divisions took place, part of the land being conveyed to the Mindoro Development Co. and the balance became transferable to E. L. Poole, his corporate or individual nominees.

Steps have been taken to cultivate sugar and to build extensive mills, to be operated for the benefit of the owners of these lands and of the tracts of 7,500 acres before spoken of deeded to California corporations. Meanwhile, except as finally patented, and little has been or will be for 19 years, no taxes are paid on the land.

The effect of this transaction upon the ultimate welfare of the Philippines we will consider later.

The Isabela tract.—Mr. E. B. Bruce, of Manila, whose firm represents the principal American exploiting interests in the Philippines, represented the Havemeyer syndicate in the San Jose transaction and on his own behalf and for others, including his law partner (p. 265), deemed the opportunity of obtaining landed wealth in the Philippines too good to be lost. Accordingly, we find (p. 218) that on January 6, 1910, he entered into a contract of lease for one year, with right of purchase, of 19,448 hectares, 35 acres, and 44 centares (approximately 49,000 acres) of the Isabela tract. For this, if he completes his purchase, he will pay 422,500 pesos, or \$211,250, in 20 installments, with 4 per cent interest on deferred payments. For the lease for one year he pays \$100, promising the Government, should he not take the lands, to give it the benefit of an agricultural investigation he proposed to make. This investigation has shown the land to be valuable for sugar growing.

Differing from nearly all other leases, Bruce has an unrestricted right of assignment without governmental consent.

The Calamba and Biñan tracts.—Shortly after the above transactions there appeared at Manila A. F. Thayer, who professed to represent, and doubtless in certain respects, if not in all, did represent the Dillinghams, extensive sugar growers of the Hawaiian Islands, and there was leased to him on April 2, 1910, over 1,000 acres of the Calamba estate for the term of six months and for the sum of 487.33 pesos. We find, however, that A. F. Thayer is the lessee (p. 197) of a total of 614 hectares, 24 acres, 32 centares of the Biñan estate and a total of 3,287 hectares, 57 acres, and 55 centares of the Calamba estate. He acquired control, therefore, over approximately 10,000 acres of valuable lands.

We shall not attempt to follow other purchases by or leases to Americans of friar lands, as those furnished are sufficient for illustration, and we have already discussed the Carpenter purchase. Their evils we have commented upon, and we shall recur to them.

GENERAL OBSERVATIONS AS TO THE LAND POLICY OF THE COMMISSION.

It is probable that wrongdoers are rarely unable to justify to themselves their own wrongdoing. In this instance we find that the sale or lease of Philippine land in great quantities to exploiters is justified under plea of the highest welfare of the Filipino, their more steady employment, their enhanced wages.

Even so did Jacob undoubtedly justify his purchase from Esau of his birthright for a mess of pottage, for by so doing did he not give Esau a new lease of life? Has not many a moral slave dealer justified the reduction of his captive to submission by pointing out that but for his intervention the slave would not have been taught the ways of industry and shown the truths of his owner's religion?

It is not a far cry from the position of Jacob or of the slave dealer to that of Secretary Worcester and his fellows of the Philippine Commission. Let us review some of the facts and see.

Ostensibly to benefit the Filipino, to give him employment and raise his wages, the commission, as we believe we have shown, violated the law in the sale to sugar magnates of 55,000 acres of friar lands. The purchasers intend, first, to establish a sugar mill of large capacity and grind all the cane to be produced on this tract and other tracts of 7,500 additional acres. Next they seek to put to work, for a while at least, as many Filipinos as will work for them. Then they propose to sell off or lease to these or other Filipinos the lands they work, and grind their cane for them.

After the Filipinos shall have bought or leased in small farms, and at such prices as the syndicate may fix, the lands in question, the mill will grind their cane, and will be able to charge for such service a price which will leave to the Filipino his bare subsistence. The poor farmer will be at its mercy, for there will be no competitor for the purchase of the cane. A perfect working illustration of the operations of the modern "trust" will thus be supplied, and a thousand Filipinos will make "bricks without straw" for strange masters. The plan is well thought out, and save for unexpected obstacles, not to originate with the commission, will meet with success.

That success is to be expected will be apparent from a consideration of the circumstances. In the island of Negros are Filipino farmers making a fair and independent living, though only with their crude mills extracting 50 to 60 per cent of the saccharine matter. These can not compete with farmers in Mindoro from whose cane will be extracted 90 to 95 per cent. They must either immediately retrogress in the social scale or move to Mindoro. Accepting the latter alternative, they become first laborers for the sugar syndicate and next landowners or lessees in a small way, surrendering all their earnings, save a bare pittance, to the Mindoro Development Co. Their birthright will have been sold to-day for a mess of pottage, and to-morrow they will go hungry.

Let us conceive what an opportunity the commission in its blindness has thrown away. If instead of spending the money of the people in Baguio improving the property of its members, building a mansion for the governor general, and in other things burdensome to the people, it had started or helped to start sugar mills in Negros or Cebu or southern Luzon where charges for grinding would have been under the control of the government, real prosperity and independence would have been the lot of the Filipino farmers and a debt of gratitude would at least have been earned. As it is, the Filipino has seen his patrimony frittered away, as far as opportunity to fritter it away has opened to the commission. Land capable of supporting in comfort and plenty many thousands of toilers has become the possession of a few. The Old World conditions, which have caused millions of people to cross the Atlantic to the United States, are, so far as the humble powers of the commission permit, being reproduced in the Philippines. The ornithologist of Michigan has become a landowner, virtually through sale to himself, the seeker after Easter lilies is the lord of thousands of acres, the executive secretary has and will have hundreds and even thousands of Filipinos contributing through their toil to swell his fortune, the debonaire gentlemen of the future American-Philippine sugar trust will command the services of thousands of tenants, the rich sugar lands of the Isabela tract will make more Americans millionaires.

Except as we have indicated we do not attack the "law" honesty of the Philippine officials. While they may not have stolen the goose from off the common, they have permitted the theft of "the common from off the goose." Their intelligent comprehension of their duty to their wards we deny in toto. They have no more idea of true republicanism, of true democracy, than if they had lived 300 years ago. Modern thought means nothing to them. Conservation of resources for future generations they are incapable of understanding.

It is not necessary for us to determine how far their errors and blunders and shortcomings are due to the situation in which they find themselves. We can not forget, however, that they have been petty

monarchs among a people for whom their contempt has been little disguised. Filipino public opinion is either ignored or its existence denied, as has repeatedly been done before this committee. Their attitude is that of the aristocrat toward the plebe, the master toward the serf. Too ignorant to know they should not speculate in things as to which they were trustees, they have had the effrontery to judge as to what was good for a people over whom an unkind Providence has placed them.

THE WORCESTER LIBEL SUIT.

Our review of the record, necessarily brief considering the importance of its subject, would be incomplete without express reference to an instance of tactlessness and official indiscretion, which, were further proof necessary, demonstrates the utter unfitness of Secretary Worcester for the delicate and well-nigh impossible task set before him—that of governing, in defiance of all American ideas of home rule and self-government, an alien race—an instance which shows that, however good a zoologist a man may be, he may lack an intelligent comprehension of the human race.

The judges of the Philippine Islands (save those of the supreme court) are named by the Governor General with the advice and consent of the commission. Such judges hold office during the pleasure of the commission. (Act No. 136.)

Secretary Worcester (p. 577), conceiving himself libeled by a publication in *El Renacimiento*, induced or permitted the public prosecutor to bring a criminal libel case against the supposed authors, under which they were sentenced to six, six, and eight months in the penitentiary. Not content with this, and perhaps like John Gilpin, possessing a frugal mind, he brought a suit for damages, which, in the Philippines, like the criminal case, was tried without a jury, and recovered a judgment of P60,000, or \$30,000.

The man who would seek to recover damages for injured reputation before a judge whom he helped to create, and can help to destroy, when such judge must himself determine the measure of recovery without the intervention of a jury, is not such a man as can safely control the liberties of a people.

CONCLUSION.

We have finished our review, incomplete as of necessity it must be, but developing the most salient points. What should be done?

Many of the most prominent American officials in the Philippine Islands have demonstrated such intellectual unfitness and moral obtuseness that they should be summarily removed.

The Philippine Government, without authority, has caused deeds and leases of public and friar lands to be executed to American citizens and corporations. The Attorney General should be empowered to take appropriate methods to have these instruments set aside.

It should be made a criminal offense for Philippine officials, directly or indirectly, to purchase or lease the lands of the Philippines.

Such further legislation should be had as will absolutely prevent American exploitation of the Philippines so long as we exercise jurisdiction over them.

While we have enumerated those things which seem most immediately pressing, we should not for an instant be unconscious of the infinite egotism of Americans in assuming that they, who as yet are but learning to govern themselves, are competent to rule a people of another language, customs, traditions, ideals, and mode of thought. Rather than continue to display our necessary incompetence, we should permit the Filipinos in their own way, learning by their own mistakes, to develop for themselves that system of government and that civilization which shall prove most nearly in accord with their aspirations.

Under the leave to print granted me by the House I shall also insert an interesting article that recently appeared in the *National Monthly*:

PHILIPPINE INDEPENDENCE—THE DEMOCRATIC DUTY AND OPPORTUNITY. (By Erving Winslow, secretary of the Anti-Imperialist League.)

THE DUTY.

If a great party ever inherits a duty, none could be more binding than that which devolves upon the Democratic Party as a sacred obligation—to make a declaration of the purpose of the United States to give independence to the Philippine Islands. In three successive national platforms, which were shaped by the leading men of all schools in the Democratic Party, this doctrine has been enunciated in unmistakable terms. The Democratic national platform of 1900 asserted:

"We favor an immediate declaration of the Nation's purpose to give to the Filipinos, first, a stable form of government; second, independence; and, third, protection from outside interference, such as has been given for nearly a century to the Republics of Central and South America."

The Democratic platform of 1904 contained this declaration:

"We insist that we ought to do for the Filipinos what we have already done for the Cubans, and it is our duty to make that promise now, and upon suitable guaranties of protection to citizens of our own and other countries resident there at the time of our withdrawal—set the Filipino people upon their feet, free and independent, to work out their own destiny."

And this was the language of the Democratic platform in 1908:

"We condemn the experiment in imperialism as an inexcusable blunder that has involved us in an enormous expense, brought us weakness instead of strength, and laid our Nation open to the charge of abandoning a fundamental doctrine of self-government. We favor an immediate declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, such independence to be guaranteed by us as we guarantee the independence of Cuba, until the neutralization of the islands can be secured by treaty with other powers. In recognizing the independence of the Philippines our Government should retain such land as may be necessary for coaling stations and naval bases."

Nothing has arisen to modify or to alter the obligation thus repeatedly and clearly expressed. It is true that in the uprising which has changed Democratic minorities into Democratic majorities no formal appeal concerning this matter has been made to the electorate. But the uprising has been against the elements of centralization, the "new nationalism," and the corrupt and powerful interests, creations of that imperialism, which took its rise from the period of the Spanish War and the establishment of the colonial system. The duty of the Democracy is to destroy the foundations of this corrupting and unnatural growth. It is the "interests," the trusts, and syndicates that are now opposing a promise of independence to the Philippine Islands and which, if they become rooted there, will forever oppose independence.

THE OPPORTUNITY.

The opportunity for fulfilling this duty is a critical one. Year after year Mr. Taft, as Governor General and President, has urged the removal of the tariff barriers between the Philippine Islands and the United States, afterwards to be followed by relaxation of the restrictions limiting the sales of land to individuals and to corporations.

In the first month of his Presidency, Mr. Taft succeeded in effecting the modifications of the tariff between the United States and the Philippines. And last year, with the approval of the Attorney General, he endeavored to have what are called the friar lands, the richest lands in the archipelago, purchased by the United States from the orders, thrown open for unlimited sales to large operators. All the much-vaunted prosperity in the Philippine Islands is connected with this form of stimulation. Concerning it President Schurman, of Cornell, himself one of the early commissioners to the Philippines, writes:

"I was heartily in favor of the policy championed by Senator Hoar and embodied in the act of 1902, limiting the area of sale of lands in the Philippine Islands. In the absence of such limitation the lands would have been sold in large blocks to individuals or corporations, and the Filipinos would have had imposed upon them all the evils of monopolies and trusts from which we are suffering in the United States, without the means of protecting themselves against those evils which we enjoy from the right to choose Representatives and Senators to make and repeal our laws."

"I suppose that the people and Congress of the United States have the power to do anything they like with this Philippine question. But while it is glorious to have a giant's strength, it is tyrannous to use it like a giant. And the subjection of the Filipinos to capitalistic domination, however we may cloak the business in terms of trade and commerce, is oppression and cruelty of the same order as the most despotic empires have ever practiced on subjugated and dependent peoples."

"I hope, therefore, that the Philippine act will be so amended as to bring the lands purchased from the friars under the same restrictions as that act imposed upon the sale of all other lands in the Philippine Islands. If this is not done, and if these friar lands are sold in large areas to individuals or corporations, we shall have officially abandoned the policy of the 'Philippines for the Filipinos,' which we have proclaimed as the established policy of the United States since the islands came under our sovereignty. The Filipinos would feel that we had betrayed a most sacred trust, a trust involving the welfare and economic independence of 7,000,000 people, for whose destiny we have become responsible."

Efforts continuously made ever since Mr. Taft became Governor General of the Philippine Islands are being more persistently pressed than ever under the administration of Gov. Forbes, and are again urged in the report of Secretary Dickinson to open the Philippine Islands in a large way for the investment of capital in exploration, mining, and agriculture. There is no doubt that the islands are rich in many ways hitherto unsuspected and that it would require but little encouragement from the great interests to establish that hold in the Philippine Islands from which the Democratic Party is pledged to deliver the people of the United States. This policy of encouragement has been stated by Mr. Morgan Shuster, formerly of the customs service in the Philippines, when he says, after quoting the belief that the administration favors a long continuance of our sovereignty: "Capital * * * is not in the habit of acting on mere expressions of opinion in matters so vital to its safety * * *. I believe that a declaration at the proper time by the Congress of the United States that our sovereignty will not be withdrawn from the islands for a period of at least 50 years * * * would go far to reassure those who are at present deterred by the comparative uncertainty in which the future of the Philippines is veiled." That which predatory wealth desires is, of course, in a general way the exact opposite of what the public good demands. It is the part of Democracy to cause the declaration of Philippine independence to be made that capital may adjust itself accordingly. The occupation of the Philippine lands by absentee owners and their development by the kind of labor which satisfies the owners' demands would absolutely destroy any hopes of independence to the natives or any tenure as possessors of their own soil. This is the result of an administration whose head has repeatedly expressed his belief in a permanent connection of the Philippine Archipelago with the United States, while deceiving himself, perhaps, as well as those who hear him, by promising that in two or three generations the pledge of independence shall be made; meanwhile in every way encouraging the exploitation of the land, which must absolutely confirm the colonial attachment, every foreign capitalist, trust, and syndicate becoming an active lobbyist against any such disturbance of his security as the removal of the United States sovereignty.

The educational system of which we hear so much, and which in its way is a reasonable source of pride, should have gone along with the development of the capacity for ownership and cultivation of the land.

Dr. Barrows, the former superintendent of education in the Philippines, himself says:

"The limitation of land areas to be sold to individuals and corporations, introduced into the organic act of 1902 by the efforts of Senator Hoar, was intended to carry on the excellent economic development of the Philippines under Spanish rule without the investment in productive industry of foreign capital. The Spanish laws for utilizing Spanish lands, forests, and mines were scientifically conceived in the public interests. The Government's first duty was to the small farmer or peasant proprietor, and to the young native merchant and manufacturer."

"The forestry and land bureau had been organized for years and was conducted on scientific lines and produced revenue for the State. The taking up of public lands for agricultural purposes was encouraged, and title given to the actual occupant and settler, but it forbade the possession of landed property by foreign corporations. The unlimited acquisition of mining lands was not permitted, but they were subject to leases or concessions."

While we point to the increase of exports and imports since the removal of the Philippine tariff as an indication of prosperity, what efforts have been made and with what success to build up the prosperity and happiness of the Filipino people? Because the lands have not been rapidly taken up by the Filipinos, Gov. Gen. Forbes now says that it is useless to wait, that it might take several generations to develop the latent resources of the islands without the assistance of outside capital. But the Government has merely published favorable laws, and has taken no pains to acquaint the poorer classes with the opportunity to acquire lands, and has done nothing to encourage its clients by supplying surveyors and land agents to assure the correct location of settlers. The only successful result to which the Secretary

of War can point, in his recent report, is the penal colony of Iwahig, where thousands of criminals carry on industrial and agricultural pursuits under an administration largely controlled by themselves—a very striking object lesson of what real Filipino independence might be.

On the other hand, the agricultural bank, which was intended to be of assistance to the peasant proprietor, has been a wretched failure, excuse being made therefor that so many of the titles of applicants were defective, a matter which, with good will, could be easily cured. Out of 565 applications for loans, 453 were refused, so that the total amount loaned has aggregated only \$142,225.

Without entering into particulars of the sales of the friar lands, which it has been attempted to exempt from the conditions applying to the other public lands in the Philippine Islands, it is sufficient to summarize that, first, the lands were held by friars; second, the American Government found the money to buy them out; third, the Filipinos pay the interest on this loaned purchase money; fourth, American trusts and companies walk into possession and acquire the benefit thereof.

Those who are the guardians of the common people and who believe that one of the functions of government is the restraint of greedy and selfish capital desire, for the peace and welfare of those who are at present their wards, that the Filipinos should be protected by the certainty that their independence is a fixed and inevitable fact and that the promise of it is not a rainbow, an iridescent dream, to be offered them at some future time when, with the unchecked trend of affairs, the occupants of the islands will be either representatives of foreign or American capitalists, or landless peasants.

The matter of government would arrange itself in case of independence under that protection secured to the Archipelago by neutralization of the powers.

And here let the repeated mendacity be once more refuted that, while the Filipinos want independence, they want American protection at the same time. They want general neutralization under theegis of that great principle of international law prevailing in Belgium, Switzerland, Luxemburg, and Norway.

The absurdity of the stupid persistence of the statement is beyond belief that the Filipinos are still untrained in the exercise of political rights under a republican form of government. The Secretary of War acknowledges that "there are very many highly educated Filipinos, many men of talent, ability, and brilliancy," perfectly capable, of course, of guiding the destinies of their own people according to their own methods and their own way of understanding and enjoying life. We are not going to turn the Oriental into a Yankee until the crack of doom. We have not quite yet decided ourselves what a "republican form of government" is here in America after our long experience, and the question whether the popular initiative and referendum is consistent therewith is yet to be decided by our courts. There might even be some internal disorders in the evolution of national life in the Philippines. What then? We had a little difficulty, a generation or two ago, which rather puts us out of court as throwers of stones. As Mr. Storey says:

"A formal declaration of independence is the only source of peace and good order. It must be remembered that the speeches and writings of the fathers of the country and of our great statesmen are in the hands of the educated Filipinos, and that they are deeply imbued with the aphorisms of the Declaration of Independence and the principles of our Constitution. Any effort to turn the wheels of progress backward will inevitably lead to disorder. Secretary Dickinson warns his countrymen that 'if the present policy of control of the islands by the American people shall continue,' there will be discontent, and this discontent will increase. A recent writer says, addressing the American people: 'If your policy is against independence, and even against encouraging hopes for it and plans for it, and if you are stubborn enough to persist in that policy after it has been shown to be a mistake, you must expect the natural consequence to follow, namely, frequent dissatisfaction, dislike, and failure. But a change of policy would lead to quite other results.'

"We learn now that the two houses of the Philippine Assembly are in a deadlock because they can not agree upon the choice of the two Resident Commissioners which the Philippine Assembly is authorized to elect and send to the United States. These Commissioners have no power and no vote. They are intended merely to speak for the Filipinos, and for this purpose have seats in the House of Representatives. They are the only channel through which the Filipino people can reach the Congress and people of the United States. The representatives of the Filipinos should surely have the right to select these, but, as a matter of fact, the upper house of the Philippine Legislature, which consists of the Philippine Commission, including the Governor General, controls their choice. The men selected by the United States to govern can dictate who shall speak for the people whom they govern. This can not continue.

"Every American, whether in official station or private life, feels superior to the brown man and consciously or unconsciously shows it. Such an attitude is fatal to any real sympathy between governors and governed, without which no government can hope to succeed. We have no right in the islands, and the longer we stay the wider will be the gulf between the Filipinos and ourselves. The present relation costs both nations dearly, not merely in money, but in character and self-respect. It can not endure, and no financial ties can do more than make the separation more difficult and costly. All the money invested in slaves could not save slavery, and it will be equally powerless in the Philippines when the hour and the man come. To the Democrats, soon to be in power, the Americans and the Filipinos appeal: 'Deliver us from the body of this death.'

Mr. UNDERWOOD. Mr. Speaker, the proposition before the House is this: We have issued nine hundred and some odd million dollars of 2 per cent bonds that the banks can use for the purpose of issuing bank notes against them for circulation purposes. Of those nine hundred and odd million dollars' worth of bonds that are now outstanding, seven hundred and odd millions are owned by the banks. There are only something like \$200,000,000 of bonds that the banks of the country can buy to-day if they want to start new banks or increase their circulation, so that there is very nearly a monopoly of this right.

Last year, when it was demonstrated that we would have a deficit in the Treasury unless we paid the expenses of building the Panama Canal by the issuance of bonds, a law was passed providing for the issuance of \$290,000,000 worth of bonds to pay those expenses. That law provided that these bonds should be sold by the Secretary of the Treasury, to bear not over 3

per cent interest, and on the same terms, so far as being used for security for national-bank notes, as the 2 per cents were issued.

Now, it is not necessary for the Secretary of the Treasury to sell these bonds as 3 per cent bonds if he does not want to do it. If the condition of the country will warrant it, he can sell them to bear 2 per cent interest, just like the other 2 per cent bonds. I concede the fact that the Secretary of the Treasury does not think he can sell them as 2 per cent bonds, and I am inclined to think he can not, but he has the right to sell them, paying 2 per cent interest, if he desires to do so and if the country will absorb them at that rate. That is the law. There has not been any reason within the last year why the Secretary of the Treasury could not sell the bonds and get the money that he wants to take care of the Government, except that he does not want to sell the bonds that he has been authorized by law to sell. If this bill is defeated, there will be no reason why the Secretary of the Treasury can not sell bonds to make up the deficit in the Treasury, except his own refusal to do so.

Mr. CULLOP. Will the gentleman permit a question?

Mr. UNDERWOOD. Certainly.

Mr. CULLOP. It seems that the purpose of this bill is to prevent these bonds from being used as security for the issuing of circulating notes by national banks.

Mr. UNDERWOOD. That is correct.

Mr. CULLOP. That is the purpose expressed in the bill.

Mr. UNDERWOOD. That is correct.

Mr. CULLOP. What reason is given why bonds issued for the building of the Panama Canal should not be used to secure the circulation of national-bank notes?

Mr. UNDERWOOD. There was a hearing before the committee, and the reason stated in that hearing was that if we gave these bonds that the Secretary of the Treasury is authorized to sell the privilege of being used as security for the issuance of circulating notes by national banks we would depress the price of bonds that we have already issued. That is the reason that they gave.

Mr. CULLOP. How would it depreciate them?

Mr. UNDERWOOD. Because they say there would be more bonds in the market with that privilege than the market is ready to take up. That is the reason given by gentlemen who want the privilege stricken out.

Mr. GILLESPIE. Is not there another reason—that you can not sell the bonds now at 2 per cent? If you sell the bonds at 3 per cent the national banks, under the privilege attached to those bonds, will throw the twos on the market in order to get the threes.

Mr. UNDERWOOD. I do not agree with my friend there.

Mr. GILLESPIE. Is not that what they claim?

Mr. UNDERWOOD. Yes, they claim that; but the most of these twos are held by the national banks to-day. I say it would be simply absurd to say that the national banks of this country are going to force on the market a 2 per cent bond which they hold, and against which they can issue money up to its par value, in order to go out and buy a 3 per cent bond at a higher price.

Mr. FOSTER of Illinois. Will the gentleman yield?

Mr. UNDERWOOD. Certainly.

Mr. FOSTER of Illinois. Are any of these bonds now held by banks as a basis of circulation in such condition that if they surrendered the 2 per cents and 3 per cents deposited in their places that they could go to the Treasury and demand payment of the bonds?

Mr. UNDERWOOD. Not at all, for none of them are due. But I understand there has been some claim by outside parties, not by the Treasury Department, that there is some moral obligation on the part of the Government to maintain the price of these 2 per cent bonds. The Secretary of the Treasury went before the Ways and Means Committee and disclaimed that proposition.

Mr. FOSTER of Illinois. When are the 2 per cent bonds due?

Mr. UNDERWOOD. They are 30-year bonds; they are not due for nearly 30 years to come.

Mr. CULLOP. One more question, if the gentleman will allow me. If this bill should become a law, would not the effect be to diminish the amount of securities for securing the national-bank circulation and therefore have a tendency to decrease the amount of circulating money in the country?

Mr. UNDERWOOD. Undoubtedly it would make it more difficult for a new bank to get bonds to issue circulation.

Mr. CULLOP. Would it not also have the effect of increasing the market price of the other bonds on the market?

Mr. UNDERWOOD. Certainly, and that is the reason they want this stricken out.

Mr. PICKETT. Will the gentleman yield?

Mr. UNDERWOOD. I will yield to the gentleman.

Mr. PICKETT. I want to get a correct understanding of the situation. Is it the gentleman's opinion that a permission for the Panama bonds to be used as a basis of circulation will depreciate the 2 per cent bonds?

Mr. UNDERWOOD. I said I did not think it would seriously depreciate the 2 per cent bonds. The reason is that the twos, or the larger portion of them, to-day are held by the national banks, they having issued money against them to the full face value of the bonds. Now, why should they draw in that circulation and sell the twos or put them on the market? Unless the twos are forced on the market there will be no depreciation below what they are selling for to-day, which is about par.

Mr. PICKETT. There may be some impairment, but not serious, the gentleman thinks?

Mr. UNDERWOOD. Oh, there may be some. I think the real situation is this: These 2 per cent bonds some years ago were bought by the banks when the Government was depositing money in the banks. They bought them and got 2 per cent interest, and got the Government money deposited and the amount of the bonds. When they did that it was a profitable undertaking. They bought these bonds in the market at a premium. It was a mere matter of speculation, just as you and I would go out and buy a block of railroad stock. Now, I think they want to prevent the use of these bonds for a circulating medium and thereby ultimately force the twos back to the price they originally paid for them.

Mr. FORDNEY. Will the gentleman yield?

Mr. UNDERWOOD. Certainly.

Mr. FORDNEY. How many of the 2 per cent bonds are now held by the national banks?

Mr. UNDERWOOD. I understand that there are \$736,000,000.

Mr. FORDNEY. Is it not true that if the 3 per cent Panama bonds are permitted to be used for circulation in the establishment of more national banks in the country, no 2 per cent bonds will be used at all, but 3 per cent bonds would be at a premium and the 2 per cent bonds would be depreciated?

Mr. UNDERWOOD. Well, I think this: I do not hesitate to say that if the Secretary of the Treasury sells these bonds at 3 per cent—and mind you, he can sell them at 2, if somebody will buy them from him—

Mr. SHERLEY. Will it not also depend upon the price that the threes bring?

Mr. UNDERWOOD. Oh, yes.

Mr. SHERLEY. Threes may be worth so much in the market, and there will be no advantage to the bank to buy threes for circulation any more than twos.

Mr. UNDERWOOD. If 3 per cent bonds are put on the market they will sell for more than 2 per cent bonds, of course; but I say this: If there is likely to be any injury done by issuing the 3 per cent bonds there is a remedy for that that would not work an injury to the Government, and that will be to equalize the bonds when used for the purpose of issuing money against them, so that the bonds would stand on a parity, so far as the issuance of national bank notes is concerned.

Mr. PUJO. As a matter of fact, do not the great stable Governments of Europe issue their obligations for a much higher rate of interest than 2 per cent?

Mr. UNDERWOOD. They do.

Mr. PUJO. Is it not true that British consols are quoted as yielding 3.16 per cent, French rentes 3.06, and imperial bonds 3.61?

Mr. UNDERWOOD. Well, I do not know the exact figures.

Mr. PUJO. Approximately. Now, does the gentleman believe that the Congress of the United States, after having issued its obligations for approximately \$912,000,000 as a basis for its circulation, should subsequently issue these bonds first at 2 per cent and then come in and issue a bond bearing a higher rate of interest, thereby depreciating the obligations which it has made current?

Mr. UNDERWOOD. If the gentleman is through, I will answer the question, I do. I most emphatically do. There is not a municipality or county or city that does not issue its bonds, and then, if its financial exigencies require it to issue more bonds, that does not do so according to the conditions that confront it at the time. There is not a great Government in this world except ours that attempts to maintain the price of Government security. British consols sell up and down the line, according to the demand for them, and there is no reason and it is not good financial policy for the Government of the United States to inject the Treasury Department into the bond markets of the world to sustain the price of these bonds. We should sell the new bonds at 2 if we can do it, and if we can not, we must sell them at the price that Government bonds will bring to-day in the market.

And I say that it is bad financial policy for us to attempt to pass a bill to-day that is intended to depreciate the security we are selling for the benefit of the American people, to appreciate, on the other hand, a security that we have already sold and are under no moral obligation of any kind whatever to maintain the price of.

Mr. LONGWORTH. Will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman.

Mr. LONGWORTH. I merely wanted to suggest to the gentleman that I think he omitted to say what I regarded as the most important argument advanced by the representatives of the Treasury Department, to wit, that it was their desire that this new issue of bonds should go generally to hundreds of small holders, which of course would not be possible in the case of 2 per cent bonds, and that there would be no object therefore in having the circulation privilege attached, the desire being not to have these bonds absorbed by the banks, but to have them spread generally over the country.

Mr. UNDERWOOD. I can not appreciate fully the argument of my friend from Ohio, when I realize that the Government of the United States has had adopted a savings-banks policy in which they propose to pay the depositors only 2½ per cent interest, and to which the depositors can go to-day and get 2½ per cent interest, for them to come here now and say they want to issue these bonds for the purpose of having them held by individual citizens instead of for circulation—in the face of already having adopted another policy for the citizen of the United States to lend money to the Government.

Mr. ADAIR. Will the gentleman yield?

Mr. UNDERWOOD. Certainly.

Mr. ADAIR. Is there any provision in the law authorizing the issue of Panama bonds requiring the departments to charge a higher rate of interest to banks which may put them up as security for currency than is charged on the 2 per cent bonds?

Mr. UNDERWOOD. Not now. I merely suggested that could be done if the Treasury Department desired to balance the advisability of issuing these bonds for circulating purposes, but it is not the law now.

Mr. McCALL. Will the gentleman permit me to say what would be the object for the private investor to pay par for Government 2 per cent bonds when he can deposit his money with the Government and get 2½ per cent for it?

Mr. UNDERWOOD. Well, I do not think there would be any object.

Mr. FITZGERALD. Only very small investors, however.

Mr. UNDERWOOD. Now, Mr. Speaker, I think I have stated my position on the bill, and I desire to yield five minutes to the gentleman from New York [Mr. HARRISON].

Mr. HARRISON. Mr. Speaker, this should be called a bill to sustain the assets of the national banks of the United States at the expense of the Government. If these bonds are put out at 3 per cent with the circulation privilege they will bring a higher price in the market than if they are put out at 3 per cent without the circulating privilege, because they will be worth more to the national banks of the United States. Now, in that respect I differ slightly from my colleague on the committee, the gentleman from Alabama [Mr. UNDERWOOD]. I believe that to some extent the national banks will sell their twos and buy these 3 per cents if they carry the circulation privilege, because, deducting the one-half per cent tax, they will get a half per cent more for holding the 3 per cent bonds with the circulating privilege than they would by holding the 2 per cent bonds.

Mr. DOUGLAS. Will the gentleman permit a question?

Mr. HARRISON. I can not yield in only five minutes, I regret very much. If there is to be any profit made out of this bond transaction that profit should go, in my judgment, into the Treasury of the United States, and it should not be diverted by this proposed change in the law to the treasuries of the national banks of the United States. Now, the gentleman from Ohio advanced the argument that this exempting of these proposed bonds from the circulating privilege was for the purpose of disseminating these investments into the hands of small holders throughout the United States. That was the argument advanced by the Treasury officials before the committee, but in my judgment that is not entitled to an atom of respect. The people of the United States have not yet reached a point where they are going to tie their money up in 3 per cent Government bonds, which they have to buy at a premium, when the money markets of the world have during the last 10 years uniformly increased the returns to investors upon the highest gilt-edged securities. It was only 15 years ago when the British consols, then paying 3 per cent interest, were selling at 10 points premium. They are now at 2½ interest and selling at 78.

The 2 per cent bonds of the United States were not so very long ago selling at 10 points premium. They are now down to about three-quarters of 1 per cent premium and the general tendency of the money markets all over the world is in the direction of giving the individual investor greater returns upon high grade gilt-edged securities. Now, that being so, in my judgment it is inevitable that the value of our 2 per cent bonds artificially sustained by our national-bank act are going down in the same way that other Government securities have gone down and in the same way they are all going down, and it is futile to attempt to stop this decline by any such legislation as this.

Mr. FORNES. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. FORNES. Is it not a fact that the New York municipal bonds sold on a basis as low as 1.90; that the Massachusetts State bonds sold within the last 12 years on a basis as low as 1.80; and is it not a fact now that these very same bonds are selling not on a basis of 4 per cent but on a basis of about 3½ per cent?

Mr. HARRISON. I thank my colleague for the suggestion, and that is in line with the argument I am pursuing.

Mr. HILL rose.

Mr. HARRISON. I am very sorry to seem discourteous, but I have only two or three minutes and I must decline to yield. Now, Mr. Speaker, there is one other point in this discussion which I have heard brought out and upon which I wish to dilate for the few moments which remain to me. This will be the beginning of the end of issuing United States bonds with the circulation privilege, and if we stop it now on these bonds we will stop it for good and for all. It would be most desirable to adopt some basis for our currency other than United States bonds, but until we have adopted some other system of banking we can not afford to close that market entirely to the issue of national currency.

The SPEAKER. The time of the gentleman has expired.

Mr. HARRISON. Mr. Speaker, I will ask the gentleman from Alabama [Mr. UNDERWOOD] to give me three minutes more.

Mr. UNDERWOOD. I yield three minutes more to the gentleman from New York.

Mr. HARRISON. In the recent Roosevelt panic in 1907 in New York, the credit of the banks and of the trust companies was so restricted that the merchants of that community were obliged to deal in clearinghouse certificates. In other words, there was not enough currency to enable them to do their business. Now, if we take away from these Panama bonds the currency privilege, that in so far will restrict for the future the possible expansion of our money market at a time when we need it most.

Now, the Secretary of the Treasury in answer to that maintains that at the present time the market is saturated with bonds bearing the circulation privilege. Well, perhaps it is, but there are times of the year, and, at other times, from year to year, when the market becomes contracted, notably every year when it comes to moving the crops of the country, and at those times more money and not less money is necessary to transact the business of the country. If we now begin to chop off from the United States bonds the circulation privilege without giving in exchange some other method or basis for issuing the currency of the national banks, we thereby and in so far take away from the possibility of an extension of credit at times when the market needs it the most.

Now, Mr. Speaker, for that reason, in addition to the others that I have stated, I am opposed to this bill, and I hope the Congress will not—under the idea that we are obligated, even if it is only a moral obligation, to sustain the assets of the national banks—which is an erroneous conviction, I believe—put it out of the power of the national banks in the future to issue the currency which is needed by the business interests of the United States. [Applause.]

Mr. UNDERWOOD. Mr. Speaker, I yield to the gentleman from Indiana [Mr. KORBLY].

Mr. KORBLY. Mr. Speaker, according to its title this is a bill—

to restrain the Secretary of the Treasury from receiving bonds issued to provide money for the building of the Panama Canal as security for the issue of circulating notes to national banks, and for other purposes.

The real purpose of the bill is not disclosed in its title. This purpose is to prevent some \$700,000,000 worth of 2 per cent bonds from going below par in the market. In proof of this I wish to quote a few words from the speech of President Taft made on Lincoln's birthday, 1910, in New York City, as follows:

We have now about \$700,000,000 of 2 per cent bonds, with respect to which we owe a duty to the owners to see that these bonds may be

taken care of without reduction below the par value thereof, because they were forced upon national banks at this low rate in order that the banks might have a basis of circulation.

Hence I am justified in saying that the real purpose of this bill is to prevent the Government 2 per cent bonds from going below par.

The Panama bonds named in this bill are the bonds which were authorized by the lamented Payne-Aldrich Tariff Act of August 5, 1909, which authorized the issuance of Panama bonds at a rate not exceeding 3 per cent interest per annum to the amount of \$290,569,000. This is the sum determined upon as necessary to effect reimbursement to the Treasury for advances from the general revenues and to pay for the work remaining to be done before the canal is completed. It is estimated that some \$160,000,000 worth of these bonds must soon be sold for the purpose of reimbursing the Treasury and for the completion of the canal.

At the time these bonds were authorized the difficulties attending their issue could be clearly discerned. It was then well known that an issue would send below par more than \$700,000,000 of outstanding 2 per cent bonds. These 2 per cent bonds were all issued under inducements pursuant to which the holders of 3 per cent, 4 per cent, and 5 per cent bonds accepted the 2 per cent bonds in their stead. The foremost inducement for this exchange was a reduction of the tax on the circulating notes of national banks from 1 per cent per annum to one-half per cent per annum on all circulation secured by the 2 per cent bonds. It was suggested at the time that the Government should safeguard the immense issue of 2 per cent bonds by a differential tax, equalizing the proposed 3 per cent bonds with the outstanding 2 per cent bonds; that is to say, if the Panama 3 per cent bonds were to be used to secure bank circulation, the tax on the bank notes issued in such a case would be increased so as to reduce the profits of the 3 per cent bonds to a point equal to the profits of the 2 per cent bonds. This, however, would have been, in effect, the issuance of more 2 per cent bonds, and the truth is that the large volume of 2 per cent bonds are in need of something more than the protection of a mere parity in this behalf.

In a speech made in the House on June 9, 1910, on postal savings banks, I said:

It is well known that the President will not sell any of the 3 per cent bonds authorized by the new tariff law, for the reason that it would force an equal amount of the 2 per cents on the market on an investment basis, which would result in the "reduction below the par value thereof," probably of one-third. And it is actually proposed to invest the people's savings in these bonds, notwithstanding the widespread opinion that they would rule below par as an investment.

Another one of the purposes of this bill is to make easy the way for a central bank. The question of the establishment of a central bank of issue which shall provide currency in lieu of the national-bank notes now in circulation, is pressing to the front. This, of course, will be an administration measure. Those who are promoting the central-bank scheme recognize that one of the most difficult problems to be solved is that of providing for the national-bank notes now outstanding. It is clearly seen that in order to make satisfactory provision for these bank notes some means must be found for taking care of the \$700,000,000 of 2 per cent bonds now pledged by the national banks to secure these notes. If the circulation privilege or burden, to speak more accurately, were to be taken from these notes they would fall in price to a point which would entail a tremendous loss upon the banks which hold them. The postal savings-bank scheme was adopted as one means of relief. It is proposed that the funds of the poor people will be used by the Government to take the 2 per cent bonds off the hands of the national bankers and thereby discharge the duty which the President said in his Lincoln birthday speech "we owe to the owners" thereof. In other words, we must not allow these 2 per cent bonds to be forced to an investment basis by the issuance of Panama bonds, but the washerwomen and the poor people, generally, who are not supposed to possess sufficient intelligence to make their own investments are to have their savings invested in these 2 per cent bonds by the Government, notwithstanding the fact that these bonds are likely to go below par and would go below par on a purely investment basis.

Over and over we have been told about the duty we owe to the national bankers who own the great bulk of the 2 per cent Government bonds, and it is a distressing thing to see the administration steadily pursuing a policy which indicates an intention to shift the burdens incident to these bonds from the shoulders of the bankers to the shoulders of the poor people.

The bill in question is another of the many proofs of the folly of bond-secured currency. What a ridiculous proposition that a bank note promising to pay the bearer a dollar shall be

secured by a Government bond which would not sell in the markets for a dollar. The great function of currency is subordinated to the bond market.

Our experience with the so-called national currency has been an unhappy one. It had its origin in an attempt to force a market for United States bonds; and as is usual, one folly leads to another and this is the latest one to make its appearance. The Government of the United States has too long been in the banking business and incidentally in the business of supporting the bond market. The bonds of other nations sell in the markets of the world sometimes above par and sometimes below par. In the days of the Civil War and subsequently the American Government prided itself upon the fact that its bonds did not fall in price below par. This was merely closing the eyes to the fact that the bonds, which were a written express promise to pay, were measured in value by greenbacks, which were an only implied promise in writing to pay.

Unquestionably this bill discloses the fact that the Government of the United States has overreached itself in the matter of 2 per cent bonds. This ought to give pause to that apparently large number of people who regard the promise of the Government as the best security obtainable. It is very evident that the national bankers do not regard the possession of these bonds as the most desirable property, and instead of the administration looking the situation squarely in the face and admitting the truth of the statement that the outstanding 2 per cent bonds would not float at par on a purely investment basis, it seeks to conceal the fact by legislative jugglery. The honest, manly, statesmanlike way of meeting the difficulties of the situation is to refund all the bonds of the United States Government, so that any duty we owe to the owners thereof may be discharged by putting these bonds on such an investment basis as will protect the owners and conserve the honor of the Nation.

The Republican Party has boasted of its enlightenment and its capacity, but it has not shown incapacity and ignorance in anything more markedly than it has in dealing with the great question of banking and currency. This bill is but one more patch to the already crazy patchwork of the past 60 years.

Mr. UNDERWOOD. Mr. Speaker, I yield three minutes to the gentleman from Indiana [Mr. CULLOP].

Mr. CULLOP. Mr. Speaker, the purpose of this bill, as it will be seen from the reading of it, is that all bonds hereafter issued for the purpose of raising money to build the Panama Canal shall contain a provision in such bond that they shall not be receivable by the Treasurer of the United States as security for the issue of circulating notes to national banks, and the bonds containing such provision shall not be receivable for that purpose.

This legislation is proposed for the purpose of contracting the circulating medium of the country. It can have no other purpose. A scarcity of money makes money dearer, makes money scarce, and the rates of interest high. If it will not contract the currency, the circulating medium of the country, it will prevent an expansion of the same, and as the growing population and the commerce of the country require a greater volume of money to conduct the increasing business incident thereto, it will therefore have the effect to prevent the issuing of a larger amount of bank notes to meet the requirements of public demand.

It will do another thing, and that seems to be the real purpose of the bill. As I gather from the statements that have been made by the gentleman from Alabama [Mr. UNDERWOOD] and the gentleman from New York [Mr. PAYNE], it might properly be inferred that it is a matter of speculation created by legislation to enable bondholders and speculators in bonds to appreciate the value of their holdings. It has been suggested that legislation ought to be enacted which would prevent a depreciation in the value of the bonds of any holder in this country. Upon what principle is that suggestion founded? Is there any more reason that legislation should be enacted to sustain the value of one man's property any more than that of another? If you are to legislate to sustain the value of the bondholder's bonds, you ought to legislate to maintain the value of the farmer's corn, of his wheat, and of the merchant's merchandise, and of every other product on the market. [Applause.]

Pass this measure and it will prove an obstruction to the expansion of our circulating medium and place in the hands of capitalists an instrument by which they can regulate the amount of currency at their pleasure for their advantage at the expense of the people and the business of the country. Pass it and it will swell by millions the profits of bond speculators by increasing the value of one kind of Government bonds and depreciating the value of the other kind.

The measure is indefensible, in my judgment, and should be defeated. [Applause.]

I suggest that the proper title of this bill should be "A bonus for the bondholder." This occurs to me from its provisions to be its real purpose, and this will be the effect of its passage. The millions of Government bonds issued for the construction of the Panama Canal will have taken from them one of their most valuable functions, that of securing the issue of national bank notes, a circulating medium which constitutes a large portion of the amount of money in circulation. Eliminate this function from the Panama bonds and you depreciate their value on the market, lessen the demand for them, and increase the demands for all other Government bonds and appreciate their value. This result is inevitable. This is the real purpose for the passage of the bill. Any other purpose expressed is merely ostensible and not the real one.

It will injure the advantages now secured to the people for a stable expansion of the currency of the country by limiting the securities for the issuing of national bank notes, and for this reason in the event of a money stringency at any time would inure very advantageously to the benefit of the money sharks and enable them to exact larger interest for money loaned. Our population is rapidly increasing, our commerce is growing daily, and to enable us to conduct it freely and profitably ample money must be provided to meet its requirements.

The SPEAKER. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Speaker, I yield to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, during the four years I have occupied a seat in this House I have bitterly opposed all forms of special privilege and class legislation. I shall vote against this bill, because I consider it a proposition solely in the interest of the banks and individual bondholders. Congress has authorized the issue of \$200,000,000 of bonds, at a maximum rate of 3 per cent, to pay for the construction of the Panama Canal.

The question involved in this bill is, How shall these bonds be issued? Shall they be issued with or without the circulation privilege? To issue them without the circulation privilege will undoubtedly lessen their value and decrease the amount the Government will realize from their sale. To issue them with the circulation privilege will increase their value and add to the amount the Government will realize from their sale.

Now, Mr. Speaker, I propose to stand by the interests of the Government and the people by voting against the passage of this bill. I want the Government to receive the very best price for these bonds, therefore I shall not vote to lessen their value by taking away from them the privilege or right to be deposited with the United States Treasury for the purpose of securing circulation of bank notes. The real motive behind this bill is to increase the value of the outstanding 2 per cent bonds, of which there are \$912,000,000, and this is to be done for the benefit of the banks and individual bondholders. While I am interested in the banking business myself and would profit by the passage of this bill, I shall nevertheless vote against it and fight it just as hard as I would any other bill intended to enrich the few at the expense of the many. We are not here to legislate in the interest of the banks and bondholders, but we are here to legislate for all, and to see that everybody gets a square deal. Our duty is to the Treasury and the people, and that is the side I propose to advocate. The Member who votes for this bill must answer to his constituents and can not escape the consequences.

The country is growing rapidly and our increased population will necessitate the organization of more banks to care for the increased business, and these additional banks will be required to put up bonds with the Government to secure circulation. Of the \$912,000,000 2 per cent bonds now outstanding, all except \$72,000,000 are now owned by the banks and are deposited with the Treasury to secure circulation. This only leaves \$72,000,000 available for new banks organizing in the future. Therefore, Mr. Speaker, it will readily be seen that if the Panama bonds are denied the same privilege as the present 2 per cent bonds, it will create a very large demand for the twos and materially increase their value. This result will greatly inure to the benefit of the banks, while it will depreciate the value of the Panama bonds and work an injury to the taxpayers of the country.

Mr. Speaker, it has been argued here that to allow these bonds the circulation privilege will depreciate the value of the outstanding 2 per cent bonds held by the banks, and that it is the duty of the Government to maintain all of its securities at par. In the first place, I do not believe the 2 per cent bonds will depreciate, and, besides, the Government is under no obligation to guarantee their market value. The purchaser of a Government bond takes the same chance that the purchaser of

any other bond takes. The value of all bonds goes up and down according to the prevailing interest rates and business conditions. If you are going to ask the Government to guarantee the price of bonds for the benefit of the bondholders, why not with equal consistency ask the Government to guarantee the price of the farmer's products or the products of the manufacturer.

Ah, Mr. Speaker, this is simply a scheme to blacklist the Panama Canal bond issue for the benefit of a bond-holding class. I am not surprised that the Wall Street interests are back of this proposition, but I am surprised at the argument some gentlemen are making on this floor. To provide that no other bonds shall be issued to secure circulation except the \$912,000,000 now owned by a few people is the worst form of class legislation, and I am unalterably opposed to it.

Not only is it class legislation, but what would be the result in case of a money panic? Everybody well remembers that during the Roosevelt panic in 1907 actual money in circulation was insufficient to carry on the business, and in all the large cities they resorted to clearinghouse certificates, while in many country towns banks were forced to limited payments. Now, if you take away from the Panama bonds the circulation privilege, you will make it impossible to expand our money market at the very time it is most needed. This bill, if passed, can not but contract the circulating medium of the country, and by so doing makes money scarce and interest rates high. This will work a great hardship on the merchant, laborer, farmer, and manufacturer, and no Member who has the interest of the plain people at heart should support it.

Mr. Speaker, the issue is plain. It is the people against the bondholders. It is the interest of the masses against the selfish interest of the speculator. It is simply a proposition to rob the United States Treasury of the true value of the Panama bonds and add to the burdens of an already overtaxed people for the benefit of a bond-holding class. I am opposed to it. I shall vote to safeguard the Treasury and protect the people. I sincerely hope this bill will be defeated, and that this day will mark the beginning when the granting of special privileges will be brought to an end.

Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

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

Mr. UNDERWOOD. Mr. Speaker, how much time have I consumed?

The SPEAKER. The gentleman has 28 minutes remaining.

Mr. UNDERWOOD. I yield five minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. I want to state to our party friends over here and our contending friends on this side that this bill is, in effect, equivalent to making a direct appropriation out of the Treasury of the United States to cover losses which may be incurred by the holders of present bonds. That is what it means, because if you blacklist future issues of bonds of this Government for the benefit of the men who already own the bonds now outstanding and damage the selling value of the future issues of bonds, to the extent of that depreciation it is a direct appropriation to the present bondholders.

How many stockholders of national banks in this House are going to vote for this measure that is of direct personal interest to them? I hope not one. If you will not vote for it on account of being interested, why would you vote for it at all? Whenever you say that a future issue of United States bonds, the securities of the Government that must be issued perhaps to carry on war or defend the Nation, may be blacklisted in the effort to sustain the value of personal property of private and corporate holders, I say in effect that any man who buys Government bonds does it under the rule of caveat emptor—takes the risk and takes the profit if there is one, and takes the loss if there is no profit. Six hundred and thirty-six millions of these bonds are now owned by the banks, on which they have issued circulation to the par value. They get interest on the bonds at 2 per cent, and they get interest at 6 or 8 or 10 per cent, or whatever they loan the circulation for, in addition. There never was an hour since the Civil War, when the bonds are used to secure circulation, that the interest on the bonds so deposited should not have stopped immediately.

The proposition is brought up here that the banks bought these bonds to use as security to get United States deposits. What do they want with deposits? To loan them out for a profit. The whole object and purpose of buying these bonds to secure deposits was to make money for the banks, for the stockholders.

The people are not going to be fooled by such a measure as this. They know that this is in the interest of the Banking Trust of this country, the Money Trust, and you can not fool them one bit. If this bill will not reduce the price of the bonds hereafter to be sold, it will not reduce the price of those already sold. You can not get away from the inevitable, natural, logical result of this act.

Now, if any of you gentlemen on that side, or anybody on this side, wants to vote here directly in the interest of private holders, in order to make sure that purchasers have made no mistake in purchasing the bonds heretofore purchased, he should understand that the bonds were in fact purchased for speculative, selfish, business reasons. Who ever heard of bankers and financiers loaning out their circulation for anything less than the interest which money loaned was commanding at the time the loan was made? Why, I am astonished that our Republican friends, who have always been the friends of the national banks when they have had any friends, should come now, when they are about to go out of this House, and make this last dying effort, in order to sustain the banks and the private owners of the stock, and ask that we blacklist the securities of the Government itself in order to do so.

If these issues are to be deprived of any of the elements of value that the other issues ever had, then the argument will be made and the precedent will be set with respect to some other issue of bonds, issued, perhaps, to build a canal or do some other Government work, and that precedent will be cited as the reason for doing it again. I am astonished that financiers and great statesmen should think of embarking upon a proposition of this kind. The day will come when you may want to add taxes of certain issues, when someone who for selfish reasons has bought bonds for profit or speculation will invoke the precedent now sought to be established. My friends, that is bad business.

The SPEAKER. The time of the gentleman has expired.

Mr. UNDERWOOD. I hope the gentleman from New York [Mr. PAYNE] will take some of his time, if he has anybody else who wants to make any speech.

Mr. PAYNE. Mr. Speaker, I now yield five minutes to the gentleman from Louisiana [Mr. PUJO].

Mr. PUJO. Mr. Speaker, I regret not to be in sympathy with the views expressed on this bill by the chairman-to-be of the Ways and Means Committee, but as we disagree as to the premise we naturally arrive at different conclusions.

The Payne Tariff Act of 1909 authorizes the Secretary of the Treasury to borrow \$290,569,000 on Panama bonds at an interest-bearing rate not exceeding 3 per cent for the purpose of reimbursing the Treasury in that sum advanced and used in the construction of the Panama Canal.

The alternative to issue short-term certificates of indebtedness to obtain this sum would not meet but would merely temporize with the situation. These Panama bonds, as all others issued by the Government, have the privilege of being used to secure bank circulation.

Under the terms of the bill now under consideration, should it be enacted into law, the bonds for \$290,569,000 will be issued by the Treasury Department, but they will not enjoy the privilege of being used as the basis for securing national bank-note circulation.

It has been urged by some who are opposed to this measure that the effect of such legislation will be to maintain by law the market price of the 2 per cent bonds maturing in 1930, heretofore sold by the Government and now held by the banks, to the extent of \$607,198,000.

Mr. Speaker, this is not a correct statement of the purposes sought to be accomplished by the bill. When the Government of the United States issued these 2 per cent interest-bearing bonds, maturing in 1930, it refunded outstanding threes, fours, and fives amounting to \$646,250,150.

The greater part of these 2 per cents were purchased by the banks at par, some at 101, 102, and 103. All of the 2 per cents are now about at par. The banks used these 2 per cent bonds to secure their bank-note circulation, which has increased from \$300,000,000 in 1900 to more than \$700,000,000 at this time. Should the Secretary of the Treasury, in order to pay for the work on the Panama Canal as it progresses, issue the bonds authorized for that purpose, amounting to almost \$300,000,000, we would have a bank-note circulation of \$1,000,000,000.

I do not believe that the circulating medium of the United States should be based upon a Government bond, as it is merely a promise to pay. I think the time has come when we should by a legislative act show that we are going to put a stop to this system and endeavor to go to a more scientific and stable one.

It would almost be an act of bad faith on the part of our Government to issue these Panama bonds bearing interest at the rate of 3 per cent with the privilege of being used as a basis for circulation, because the immediate and approximate effect of such legislation would be to impair the value of the \$730,000,000 2 per cent bonds now at par. I do not for one moment contend that it is the function of the Government to maintain the market level of its obligations, but I do insist that the Government should not by its own act depreciate the value of its own obligations, sold by it to citizens at par and above, by issuing obligations of a similar character bearing a higher rate of interest. Why? Because the \$730,000,000 2 per cent bonds, already issued, would fall at least 10 per cent, thus causing loss to the holders of approximately \$70,000,000 or more.

On the other hand, should the 3 per cent Panama bonds, to be issued, not enjoy the privilege of being used for circulation, they will be bought by our citizens instead of financial institutions, thereby affording the humblest of our citizens a safe investment. It is interesting to note in this connection that out of the \$912,000,000 of United States bonds outstanding, more than 80 per cent are held by national banks and only 20 per cent among our entire population, exceeding 90,000,000 people.

In France, with a population not exceeding 45,000,000, nearly 5,000,000 people are holders of the national bonds.

Mr. Speaker, it has been claimed that this measure is in favor of the national banks of the country, but this will not bear analysis. Should the bill become a law, the banks can not buy and then use them as a basis for circulation, issuing notes to their par value, and then obtaining the 3 per cent interest less the duty on circulation. A reasonable deduction to be drawn from this legislation is that it will develop patriotism among our people, who will invest in the bonds; and it will likewise have a tendency to bring into circulation hoarded money which is wary of all investments that are not secured by the Government.

I give my unqualified indorsement to the principles of this bill and hope that it will pass.

I will add as an appendix to these remarks a statement of the Assistant Secretary of the Treasury, Mr. A. Piatt Andrew, dated February 24, 1911, marked "A;" statement showing the prices at which 1930 bonds were refunded, marked "B;" and analysis of United States bond holdings, marked "C."

A.

STATEMENT OF ASSISTANT SECRETARY ANDREW OF THE TREASURY,
FEBRUARY 24, 1911.

Secretary MacVeagh and the officers of the Treasury are awaiting with great anxiety the action which the House of Representatives may take with respect to the bill to authorize the issue of Panama bonds without the circulation privilege. This bill was proposed by Secretary MacVeagh, has passed the Senate, and now awaits the action of the House. That Secretary MacVeagh will be obliged to borrow money before many months have elapsed seems clear. The working balance which stood at \$37,000,000 on December 31 and at \$30,000,000 on January 31 was reduced, according to the cash statement of February 21, to less than \$25,000,000. Any considerable further decrease will bring it close to the danger point. Then the Secretary must begin to borrow.

Under existing legislation, although he is authorized to borrow \$290,569,000 on Panama bonds at a rate not exceeding 3 per cent, the want of adjustment with respect to the circulation tax on national bank notes issued against these new bonds forbids his issuing them at 3 per cent, the only rate at which they would find an investment market. Accordingly, if Congress fails to pass the pending bill, the Secretary might be driven to the temporary expedient of short-term certificates of indebtedness. Fortunately, he may withhold from these certificates the privilege of their being used as a basis for national bank circulation.

Recognizing that these certificates are only a temporary expedient, however, Secretary MacVeagh has urged upon Congress the passage of a law authorizing him to issue the Panama bonds without the circulation privilege. He bases his indorsement of this bill on a number of reasons.

We believe, first, that the Government bonds, because of the security which they offer as means of investment, should be available not merely for the banks but for the general public. Of the \$912,000,000 of United States bonds now outstanding, \$735,000,000, or more than four-fifths, are held by the national banks, and outside of the national banks only 20,000 among our 92,000,000 of people are registered holders of the Government debt. On the other hand, of the population of France of only 40,000,000 between 4,000,000 and 5,000,000 are holders of Government bonds. So long as the circulation privilege is attached to our Government bonds, and especially so long as such bonds yield an interest rate of less than 3 per cent, there can be little opportunity for the general public to share in their ownership. The bonds of the most stable European governments to-day sell at prices which yield more than 3 per cent—the British consols at their present prices yield 3.16 per cent; the French rentes, 3.06 per cent; and the German imperial 3 per cent bonds, 3.61 per cent. It is not likely that the credit of our Government is so much higher than the credit of England, France, or Germany that we could borrow upon an investment basis of much less than 3 per cent.

If a 3 per cent bond were issued to-day under the conditions prescribed by the act of August 5, 1909, with circulation privileges attached, subject to a tax of only 1 per cent, those bonds would have an advantage over all other United States bonds, when used for circula-

tion, amounting to one-half of 1 per cent per year, which would insure their purchase by the banks and preclude their purchase by the general public. The demand in certain parts of the country for a system of bank-deposit guaranty and the demand for a Government-guaranteed postal-savings system would seem to indicate a desire for such governmentally secured means of investment as would be presented by Government bonds available to the public. This can only be achieved by the withdrawal of the circulation privilege, which keeps our bonds in the possession of national banks.

Our second reason is based upon the practical agreement which exists among students of banking, however much they may differ in regard to the ideal system, that the system of bond-secured currency ought to be done away with. Within the last 10 years this system has become more deeply entrenched than in any other decade since its establishment. Since 1900 the circulation secured by United States bonds has increased from \$300,000,000 to more than \$700,000,000. If the Treasury is not relieved from the obligation to issue bonds with the circulation privilege as prescribed by the act of August 5, 1909, there is likely to be added nearly \$300,000,000 more to this unscientific and generally condemned currency system. The Treasury Department asks Congress to be relieved from the necessity of further intrinsching this system.

A third reason for denying the new Panama bonds the circulation privilege is that there is absolutely no connection between the requirements of the country for revenue to pay for the construction of the Panama Canal and the need of the country for additional circulating medium. Most authorities are agreed that the money supply of the world has increased too rapidly in the last decade. The world-wide rise in the prices of commodities, though due to a variety of causes in particular instances, has doubtless been largely influenced by the vast increase in gold production, which in this country has resulted in an increase in our gold stock from \$600,000,000 in 1896 to over \$1,600,000,000 in 1910, to which we have also added \$500,000,000 of national bank notes. This means an increase per capita from \$21 to \$35, or about 65 per cent. On this account it would seem unfortunate to add artificially to the existing plethora of money at the present time and so contribute further to the general rise in prices.

If the circulation privilege were removed from the Panama bonds the Secretary of the Treasury would still be able to provide for additional issues of bank notes in time of emergency through the issue of certificates of indebtedness, of which he is authorized to issue \$200,000,000, which may, but need not, be made available for circulation, as well as through the instrumentalities provided by the Aldrich-Vreeland Act of May 30, 1908.

As a final argument, we feel that the consideration that the market value of the \$730,000,000 of outstanding 2 per cent bonds would probably fall below par as a result ought to forbid the issue of additional bonds bearing the circulation privilege. The outstanding 2s, though issued some two or three points above par, have already lost their premium value and for several years have hovered about par. The national banks have already written off some \$25,000,000 to cover the loss due to the decline in the price of these bonds which has already occurred. According to the last report of the Comptroller of the Currency, they still carry these bonds at a premium of \$10,060,037. If the authorized 290 million Panama bonds were issued with the circulation privilege, the bonds now held would probably drop from 10 to 15 points, causing an additional loss to the banks of from \$70,000,000 to \$100,000,000. Secretary MacVeagh is of the opinion that the Treasury ought not to be forced to take any step which would cause such losses to the national banking system.

B.

Statement showing the prices at which 3 per cent, 4 per cent, and 5 per cent bonds were refunded into 2 per cent consols of 1930.

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 3 per cent, 4 per cent, and 5 per cent bonds refunded under circular of Mar. 14, 1900; new bonds issued at par; old bonds refunded at following prices: | |
| 3 per cent bonds of 1908-1918, at 105.562 | \$98,879,700 |
| 4 per cent bonds of 1907, at 111.349 | 274,989,750 |
| 5 per cent bonds of 1904, at 109.535 | 72,071,300 |
| Total | \$445,940,750 |
| 3 per cent and 4 per cent bonds refunded under circular of Mar. 26, 1903; price of new bonds, 102; old bonds refunded at following prices: | |
| 3 per cent bonds of 1908-1918, at 103.69 | 16,042,700 |
| 4 per cent bonds of 1907, at 107.02 | 65,099,900 |
| Total | \$81,142,600 |
| 3 per cent and 4 per cent bonds refunded under circular of Sept. 28, 1903; price of new bonds, 102; old bonds refunded at following prices: | |
| 3 per cent bonds of 1908-1918, at 103.39 | 4,337,600 |
| 4 per cent bonds of 1907, at 106.099 | 11,489,000 |
| Total | 15,826,600 |
| 3 per cent and 4 per cent bonds refunded under circular of Sept. 28, 1905; price of new bonds, 101; old bonds refunded at following prices: | |
| 3 per cent bonds of 1908-1918, at 102 | 13,189,900 |
| 4 per cent bonds of 1907, at 102.89 | 39,842,500 |
| Total | 53,032,400 |
| 4 per cent bonds refunded under circular of Apr. 2, 1907; price of new bonds, 103; old bonds refunded at 100.348 | 50,307,800 |
| Total | 646,250,150 |
| Total 3 per cent bonds of 1908-1918 refunded | 132,449,900 |
| Total 4 per cent bonds of 1907 refunded | 441,728,950 |
| Total 5 per cent bonds of 1904 refunded | 72,071,300 |
| Total | 646,250,150 |

C.

Analysis of United States bond holdings with reference to number of holders in banks and among individuals.

| Loans. | Banks. | | Institutions and miscellaneous. | |
|-----------------------|---------------|----------|---------------------------------|----------|
| | Amount. | Holders. | Amount. | Holders. |
| 2 per cent, 1930..... | \$607,198,000 | 7,071 | \$10,136,900 | 215 |
| 3 per cent, 1908..... | 19,659,900 | 476 | 4,147,020 | 339 |
| 4 per cent, 1925..... | 26,317,100 | 200 | 29,441,900 | 286 |
| P. C., 1906..... | 54,257,760 | 928 | 159,460 | 17 |
| P. C., 1908..... | 29,178,740 | 455 | 310,260 | 11 |
| Total..... | 736,611,500 | 9,130 | 44,195,540 | 868 |

| Loans. | Individuals. | | Total. | |
|-----------------------|--------------|----------|---------------|----------|
| | Amount. | Holders. | Amount. | Holders. |
| 2 per cent, 1930..... | \$24,434,060 | 2,743 | \$641,768,960 | 10,029 |
| 3 per cent, 1908..... | 19,272,420 | 12,977 | 43,079,340 | 13,792 |
| 4 per cent, 1925..... | 42,954,400 | 3,634 | 98,713,400 | 4,120 |
| P. C., 1906..... | 188,000 | 70 | 54,605,220 | 1,015 |
| P. C., 1908..... | 137,720 | 19 | 29,626,720 | 485 |
| Total..... | 86,989,590 | 19,443 | 867,793,630 | 29,441 |

Mr. PAYNE. I ask general leave to print for those who speak on this bill.

The SPEAKER. The gentleman from New York asks general leave to print for all those who speak on the bill. Is there objection?

There was no objection.

Mr. HILL. Mr. Speaker—

Mr. DOUGLAS. Will the gentleman from Connecticut permit me to make a suggestion to him?

Mr. HILL. Yes; if it is not taken out of my time.

Mr. DOUGLAS. I should like to have the gentleman address himself to the effect of this provision on the market price of the bonds, in view of the statement in the report that there are about \$220,000,000 bonds now outstanding which are available to secure circulation.

Mr. HILL. I will come to that in just a moment. The gist of the remarks made thus far on the Democratic side of the Chamber is that this legislation is for the benefit of private bondholders. Gentlemen, you never were more mistaken in your lives. These 2 per cent bonds are held largely by small banks in the country. In 1900 a new law was passed, and since that time 4,600 little banks, most of them banks of \$25,000 capital, have been organized, and they are scattered through your country towns. This is not a matter that seriously affects New England. We have only 10 per cent of the national-bank capital of this country anyway. Two thousand six hundred of those little banks are in your towns in the West and South, several hundred of them in the State of Texas, if I am not mistaken.

These banks have been compelled by law to take these bonds. They have not taken them as a matter of speculation. No national bank can organize without taking 25 per cent of its capital in Government bonds. They are not obliged to issue circulation against those bonds, but they must buy them, and they have bought them, and every dollar of these 2 per cents now outstanding, except the \$87,000,000 Panamas, are those bonds which have been issued under the refunding act, and which have been taken largely by your country banks in the West and South. They have not gone into New England, they have not gone into the pockets of private bondholders at all. You never were more mistaken in your lives as to the situation than you are in regard to this, and I refer any gentleman who wants a verification of that statement to the last comptroller's report lying on my desk.

Mr. GILLESPIE. Does the gentleman think that ought to change our attitude?

Mr. HILL. Not a bit. I am a bank stockholder myself, and anybody who wants to discount my statement because of that fact can do so if he sees fit; but that does not alter the fact that I am going to tell the truth on the floor of the House.

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

Mr. HILL. Certainly, if I have time.

Mr. FORNES. The gentleman states that most of these bonds were taken by the small banks. Did not the City National Bank of New York increase its capital and did not the Bank of Commerce, and almost every large bank, within the last 5 or 10 years increase its capital? If so, where did they obtain the bonds to make that increase?

Mr. HILL. They were organized before the act of March, 1900, and had the fours and threes as well as twos. To be sure, some of them refunded them, but one of the principal objects of the act of March 14, 1900, was to institute small banks throughout the country. That was one of the purposes for which the 2 per cent refunding act was passed.

Mr. FORNES. Was not the purpose of it to increase the capital of the large banks?

Mr. HILL. We have \$290,000,000 of bonds to issue. Congress has decided to pay the expenses of the Panama Canal by a bond issue. You have authorized those bonds with the circulation privilege attaching to them. You have now a total of \$216,000,000 of Government bonds unused for the circulation privilege. The amount taken up last year was \$9,000,000. If the same process goes on, it will take 24 years to use up the \$216,000,000 of bonds already outstanding.

Mr. FITZGERALD. Will the gentleman yield?

Mr. HILL. If I have time.

Mr. FITZGERALD. How much money is deposited in the national banks?

Mr. HILL. Forty-eight millions.

Mr. FITZGERALD. What is the nature of the security?

Mr. HILL. Government bonds.

Mr. FITZGERALD. Is there any outside security?

Mr. HILL. Not at present, but they can take something else. You have got something else with the circulation privilege, the same as you have for deposits. Talk about needing this issue for circulation—it would be just like any one of you gentlemen issuing all the notes your credit will stand and then doubling it. It would be a foolish thing for you to do, and it is a foolish thing for the Government to do. What have we got? Not only two hundred and sixteen millions of unused bonds, but on the statute books is a law which authorizes the use for emergency circulation of three hundred millions more of promiscuous bonds. The circulation privilege is saturated now.

Mr. Speaker, I find that my time has expired, and, availing myself of the privilege of the House, I will take the liberty of briefly extending my remarks in the RECORD, and submit herewith as a part of such remarks the report of the committee, which I was requested to prepare:

[House Report No. 2031, Sixty-first Congress, third session.]

BONDS FOR BUILDING PANAMA CANAL.

The Committee on Ways and Means, to whom was referred the bill (H. R. 32218) to restrain the Secretary of the Treasury from receiving bonds issued to provide money for the building of the Panama Canal as security for the issue of circulating notes to national banks, and for other purposes, respectfully report that they have had the same under consideration and recommend its adoption.

The purpose of the bill is to procure funds for the payment of the expense of the construction of the Panama Canal.

The total amount expended on purchase and construction of the canal to date is \$226,841,768.88. Of this amount there has been paid from proceeds of sale of bonds, including premiums, \$87,300,594.83. The balance, \$139,532,174.05, has been paid from the general fund of the Treasury and is reimbursable from proceeds of bonds not yet sold.

The total bonds authorized by existing law for the construction of the Panama Canal is \$375,200,980, less the number of 2 per cent Panama bonds issued to date in the sum of \$84,631,980, leaving a balance of \$290,569,000, which were authorized under the provisions of section 39 of the tariff act of 1909. Under the provisions of this act these bonds were authorized to be issued with a rate of interest not exceeding 3 per cent per annum, and the authority for the issuance of further Panama bonds at an interest rate of 2 per cent was by the same act repealed.

There is now outstanding of 2 per cent bonds having the privilege of securing circulation an amount of \$730,882,130 and an actual deposit for the security of circulation of the sum of \$680,136,080, leaving a margin of \$70,000,000 of 2 per cent outstanding bonds over and above the amount now required. The total amount of all kinds of bonds available for circulation purposes outstanding is \$913,316,590. Of this amount there is now on deposit to secure circulation \$696,758,220, leaving a margin of outstanding bonds available for further circulation of \$216,558,370.

From this statement it is manifest that the market for the bonds possessing this privilege is saturated and that the Treasury could not hope to sell the new issue at any appreciable addition to the price because of the circulation privilege being attached to the bonds; on the other hand, it is perfectly manifest that if a 3 per cent bond, issued to meet the expenses of the Panama Canal, is now issued with that privilege it will inevitably have the effect of a corresponding reduction in the value of the 2 per cent bond with the same privilege. Of this the Secretary says:

"By the opinion of everybody 3 per cent is as low as you can market these bonds, unless, of course, you could force them on the banks as the 2 per cent bonds were previously forced on the banks, but that is no longer possible. It is a condition of complete saturation and you can not put in any more moisture; but we do not want to do this if we could. It would be utterly unfair and it would destroy the present market value of the bonds. They have been held at par, but held there by their eyelids. They have succeeded in holding them at par, but if you put another issue on top there is no power in the financial world which could hold them at par."

I am advised by the Treasury Department that the value of a 2 per cent of 1930 upon a 3 per cent basis would be 85.464, and there can not be any question but what the further issue of \$290,000,000 of bonds with like privileges, except at a 3 per cent rate of interest, would bring the 2 per cent bonds to this value and with the probable result of a withdrawal of circulation of about \$120,000,000 in order to keep the

bonds now on deposit at par with the amount of circulation taken out against them as required by law.

To avoid this contingency and meet the absolute necessity both of an immediate and future supply of funds to carry on the work of the Panama Canal, it is the desire of the Treasury Department to float this new issue at 3 per cent as an investment security, putting the same upon the market in small amounts from time to time as conditions justify and the necessity for funds occurs, and it is believed that this can be done at a rate slightly above par without any shock to existing financial conditions.

The alternative to this proposition is the issuance of 3 per cent one-year certificates, which the Treasury has authority to issue to the amount of \$100,000,000, but your committee believes that it would be far better to permanently provide for the expenditures for the construction of the Panama Canal by the issue of these 50-year 3 per cent bonds, and thus carry out the intentions of Congress as manifested by the provision in the tariff act of 1909.

They therefore recommend the passage of the bill.

There is no probability, even if these 3 per cent bonds were put out with the privilege of circulation, that they would be taken by the banks in lieu of the 2 per cents which they are now hold, for the reason that at the price of \$5.464, which the Treasury states would be the equivalent value of a 2 per cent bond as compared with a 3 per cent for investment, the profit on circulation based upon 2 per cents would be materially larger than it would upon the 3 per cents, because there would be a gradual appreciation of the principal invested until maturity, when the bond would be worth par instead of the purchase price, \$5.464, so that until the outstanding twos were all exhausted probably no additional value would come to the new issue of threes because of the circulation privilege.

Under existing law the Secretary of the Treasury is compelled to require national banks to maintain the bond security to the full amount of circulation outstanding, and if at any time the bonds fall below par the banks would be required to do one of two things: First, buy additional bonds to make the margin good, or, as an alternative, to reduce circulation to the market value of the bonds. In the one case the issuance of these bonds with the circulation privilege would take more than one hundred millions of money from commercial uses for a permanent investment in additional bonds, or what would be more likely, would compel a like amount of circulation to be withdrawn.

I am wholly unable to understand how the Democratic Members of this House, with very few exceptions, can put themselves in the position of deliberately voting to depreciate the value of the bonded indebtedness of the United States, especially in view of the fact that at the last election by the deliberate action of the people of this country they were given control of the House of Representatives and were, so to speak, put on probation until another election should be held.

They have already announced that they intend to bring in at the next session of Congress and put on trial a tariff for revenue only. One would naturally suppose that the last thing they would desire would be financial disturbance or a stringency in the money market during the coming fall when their new tariff scheme is to go to the country.

Nobody knows to-day whether the Wilson tariff bill of 1894 was in and of itself a failure, or whether the failure was due in whole or in part to the financial conditions which obtained at that time. It is only fair to our Democratic friends to admit that it was born in a panic and was cut off in its childhood with the financial depression still in existence.

It would seem that their desire now would be to give to the child to be born a clear field in which to run and be glorified, and no obstructions of any kind or character put in its pathway, and yet upon the very threshold of their entrance to power we see the Republican and Democratic Parties lined up in opposition to each other, the Democratic Party declaring its undying hostility to the national banking system and a sound currency and the Republican Party favoring any and all legislation looking to the maintenance of the credit of the Government and the preservation of sound financial and industrial conditions in the business world.

Little thought was given in the last election to the fact that the time was rapidly approaching when more financial legislation would be needed in order to save the national credit and give to the country a greatly improved system of currency. It will be of little satisfaction now to those people who voted last November to transfer the House of Representatives to Democratic control that at the very first opportunity the unfortunate financial vagaries which have controlled the Democratic Party in years gone by should be again brought to the front and accepted practically without change by the men to whom this new lease of power was given.

I commend it to the careful consideration of the country.

In the wonderful development of our industries and the tremendous growth of our population this country can stand almost any form of tariff legislation and still struggle on without complete and total collapse and ultimately adjust itself to the

change, but a bad currency system is not only bad in the beginning, but is sure to go on in an increasing degree to the inevitable end of national and individual bankruptcy.

The one overshadowing necessity of this country in the near future is legislation looking to radical improvements in our banking and currency system, and if the attitude of the two parties to-day on this measure is indicative of their respective policies in the future, the men who cast their votes for a Democratic House of Representatives in the last election will have abundant cause to regret their action.

Mr. PADGETT. Mr. Speaker, I favor the passage of this bill because as I see it it is a plain, business, common-sense proposition. We have issued more than \$700,000,000 of 2 per cent bonds. Everybody knows that these bonds at 2 per cent were not investment bonds. The Government has been enabled to maintain them at par and above par because they have the circulation privilege. Now it is proposed to issue \$290,000,000 of 3 per cent bonds and give them the same circulation privilege. If we do so we will disparage the credit of the Government and drive down the 2 per cent bonds below par.

I believe in maintaining the credit of the Government. I do not believe that it is right, I do not believe that it is a good business proposition, I do not believe it is sound policy for the Government to put out a 2 per cent bond which was not an investment bond, which was maintained at par because of the artificial value that was given to it by reason of the circulation privilege, and then put out a higher interest rate bond and thereby depreciate the value of the former bond and disparage the credit of the Government by forcing its 2 per cent bonds below par.

Mr. FITZGERALD. Will the gentleman yield?

Mr. PADGETT. I will.

Mr. FITZGERALD. Would not the same logic apply to the action of the Government when it refunded under the act of 1900 and issued the 2 per cent bonds at 102?

Mr. PADGETT. Not at all; because that was a matter of interest calculation.

Mr. FITZGERALD. This is a matter of interest calculation.

Mr. PADGETT. Not at all; it is a question of policy. When you give the 3 per cent bonds the privilege that we gave to the 2 per cent bond and which held it at par, we are depreciating the value of the 2 per cent bond below par and thereby injuring and disparaging the credit of the Government.

Mr. FITZGERALD. A 3 per cent bond with a circulation privilege would bring more than without it, would it not?

Mr. PADGETT. I do not believe under existing circumstances that it would increase the value of the 3 per cent bond. I think it would simply supplement the 2 per cent bond and throw it as a drug on the market.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. PAYNE. I yield to the gentleman from Iowa [Mr. DAWSON].

Mr. DAWSON. Mr. Speaker, I desire to take this opportunity of printing in the Record a brief history of legislation relating to the greenbacks. This is done with the thought that it may prove of interest in view of the widespread study and discussion of the currency question which now prevails throughout the country.

The greenback was born February 25, 1862, and was a child of the desperate financial situation created by the Civil War and the almost exclusive circulation of wildcat State-bank notes. The bottom of the National Treasury was being scraped to provide funds for carrying on the war, and the issue of these notes was deemed essential to the very existence of the Government. It is not surprising that a child born of such parents and during such travail should have a turbulent and eventful life.

On the above date a law was enacted authorizing the Secretary of the Treasury to issue 150,000,000 of United States notes, ever since known as greenbacks, on the credit of the Government. If you will examine one of these notes you will find printed on the back that it "is a legal tender at its face value for all debts, public and private, except duties on imports and interest on the public debt," and this constituted the principal propelling force behind them. They were given a continuous lease on life, it being provided that when redeemed at the Treasury they should be reissued and kept in circulation.

Four months later an equal amount was authorized, and nine months after that another equal sum was provided for, of which \$50,000,000 were to be used to redeem temporary loans. As the volume increased the purchasing power decreased. Before the first 100,000,000 had been issued a paper dollar was worth about 87 cents in gold. When 300,000,000 were in circulation they were 23 cents below par. When the public debt

reached its maximum, on August 31, 1865, there were \$432,553,912 of greenbacks in circulation, and they were slightly over 30 per cent below par, although the fluctuations had at times carried them down to a much lower figure.

It was the intention of the leaders in Congress that these irredeemable paper promises should ultimately be redeemed or convertible into real money, and to that end it was provided by law in 1864 that the total amount outstanding should never exceed \$400,000,000, and until this limit was reached in the process of reduction, all notes redeemed were to be canceled and retired from circulation.

When the war drew to a close the money circulation of the country consisted of the greenbacks and State bank notes, gold and silver having almost entirely disappeared. The national bank act, which was passed in 1863, was now liberalized in its provisions, and with the rise in the circulation of national bank notes Congress set about to put a few crimps in the greenback circulation, in pursuance of a well-defined policy looking to their future redemption or convertibility.

In the early part of Johnson's administration a law was passed providing for their retirement at the rate of not more than ten millions within the following six months, and thereafter at the rate of four millions per month. Correlated to this, and as a part of the general financial policy, was the act placing a 10 per cent tax on State bank notes, which effectually retired them from circulation. This legislation was designed to increase the stability and security of the currency system by exterminating the wildcat State bank notes and gradually replacing them and the greenbacks retired with bond-secured national-bank notes.

Under this legislation of 1866 the national-bank circulation did not increase as rapidly as had been expected, and the result was a temporary stringency in the money market. These causes, coupled with the political agitation on the subject, resulted in the act of February 4, 1868, which repealed the former law and suspended the process of retirement and cancellation. The greenbacks outstanding had been reduced to three hundred and fifty-six millions.

Ever since the close of the war the money question had been gradually drifting into politics, and this legislation had the effect of injecting an additional amount of partisanship into the subject. The Democrats, forgetting their opposition to the original issue of the greenbacks, now became their ardent champion. They not only opposed retirement, but went to the other extreme and favored their further issuance without any specified limit. The political exigencies of the period incubated a variety of other schemes. The bondholder was the principal subject of attack, and a proposition was set on foot to pay the principal of the five-twenty bonds in greenbacks. The Democrats took up this proposal with energy and enthusiasm and incorporated it in their national platform of 1868 as one of the leading planks. The Republicans took the ground that such a step was opposed to the spirit of the law, and would be virtual repudiation. Sides were taken along these lines, and it is hardly necessary to chronicle that Gen. Grant won an overwhelming victory at the polls.

President Grant called a special session of Congress shortly after taking his seat, and the first law that he signed was the act of March 18, 1869, to strengthen the public credit, a similar bill having been defeated by President Johnson only a short time before by means of a "pocket veto." This act declared that the faith of the Government is solemnly pledged to the payment in coin of all the greenbacks. It further solemnly pledged the faith of the Government to make provision for such redemption at the earliest practicable period.

Backed by this pledge and strengthened by this solemn assurance the greenback traveled along an even path for the next four years, the aggregate amount outstanding remaining at \$356,000,000 until the panic of 1873 came on, with Black Friday and the suspension of currency payments in all the large cities of the country. Under the stress of this monetary crisis the Secretary of the Treasury, Hon. William A. Richardson, of Massachusetts, put into circulation \$26,000,000 of the greenbacks which had been retired by the act of 1866. The administration held that the law of 1866, while it provided for a reduction of the greenbacks, did not repeal that part of the law of 1864 which fixed the maximum at \$400,000,000, and therefore the \$14,000,000 between the amount outstanding and this maximum limit constituted an emergency reserve.

The currency thus paid out by the Treasury did much to prevent further spread of the panic and its disastrous consequences. These new notes also had the effect of producing a lively debate when Congress met as to the legality of their issue. Out of all the discussion came a Senate bill to fix the maximum amount of greenbacks at \$400,000,000, thus in effect

legalizing Secretary Richardson's emergency issue and relieving the Treasury from the embarrassment of exercising a disputed power, and further providing for an increase of \$16,000,000 of bank-note circulation, but the measure was vetoed by President Grant, and sufficient votes could not be mustered to pass it over the veto. Later in the session an appropriation bill was made the vehicle for passing through Congress a proviso by which the maximum amount outstanding was fixed at \$382,000,000.

All this time the country was on a paper basis, and the sentiment was steadily growing in favor of making concrete provisions for specie resumption. President Grant had repeatedly urged it in his messages to Congress, expressing the opinion in his message to the first session of the Forty-third Congress in December, 1873, that the country "can never have permanent prosperity until a specie basis is reached." This sentiment had crystallized into a determination among the Republicans to bring about this result during that Congress, but the first session was fruitless in this particular. The election of a Democratic House of Representatives in the fall of 1874 served as the necessary spur, and during the short session between that election and the 4th of March following, when the new Congress would begin, the resumption act was passed by a unique and somewhat unusual method of procedure.

Promptly after the assembling of Congress in December, 1874, the Republicans of the Senate named a select committee of 11, which soon drafted a measure and submitted it to the party caucus. The bill was so adroitly drawn that men of widely divergent views accepted it, by placing their own construction upon its phraseology. From one who was a member of this committee of 11 I learn that the caucus not only unanimously agreed to support the measure and pass it without dotting an "i" or crossing a "t," but also that no Republican would debate the bill or undertake to explain its provisions on the floor of the Senate. In the discussion which followed it must have been a little embarrassing for Senator Sherman, then chairman of the Finance Committee, in charge of the bill, to answer all inquiries from opponents of the measure as to the interpretation or effect of its provisions by saying that the bill spoke for itself and each Senator could read it and decide for himself as to the true construction to be placed upon it. Under these tactics the bill ran the gantlet of unlimited Senate debate in a few days, speedily passed the House, and became a law before the middle of January over the signature of President Grant, who took the unusual method of conveying the notice of approval to Congress in a special message.

In addition to the provisions for the resumption of specie payments on January 1, 1879, the bill provided for a gradual redemption and retirement of the greenbacks to an amount equal to 80 per cent of the national-bank notes thereafter issued, until the amount of greenbacks outstanding should be 300,000,000 and no more, and provided for a fund in the Treasury by sale of bonds and accumulation of surplus for such redemption. Beyond this a layman should perhaps not undertake to interpret this law, inasmuch as there was among its supporters in Congress a marked difference of opinion as to whether or not these notes when redeemed should be reissued. A few years later Congress dispelled all doubt on this point by further legislation.

Once again the retirement of the greenbacks commenced. The process continued steadily until late in the spring of 1878, when once again further retirement was prohibited by the act of May 31, after thirty-five millions had been retired. The amount had been reduced to \$346,681,016, and these are still outstanding, except those lost or destroyed. Congress in this law specifically provided that all the greenbacks then outstanding should be reissued after redemption. Thus was forged the "endless chain" which was dragged through the Treasury during the second Cleveland administration, drawing a constant stream of gold along with it.

The greenback enjoyed a fairly peaceful existence in the currency system of the Government for the next 12 years, so far as legislation goes, but it was not forgotten politically. A national party appeared in 1876 calling itself the Greenback Party, which maintained an organization during three successive presidential campaigns, reaching its maximum strength in 1880, when its candidate for President, Gen. James B. Weaver, of Iowa, polled over 300,000 votes.

The Sherman Act of 1890, which one writer has felicitously described as a "concession born of political timidity," brought forth a twin brother to the greenback by creating the Treasury notes, with the same provisions as to their legal-tender qualities and reissuance. They were to be issued to pay for four and a half million ounces of silver, which the law directed the Secretary of the Treasury to purchase each month. Under

this law one hundred and fifty-seven millions of these Treasury notes were placed by the side of the greenbacks, with nothing for them to lean upon except the silver bullion so purchased and the reserve set aside for the redemption of the greenbacks.

Under fair financial skies no trouble was occasioned, but when pinching times came in 1893 there came with them a feeling of apprehension that unless the purchasing clause of the Sherman Act were repealed the convertibility of the greenbacks was endangered and the country would soon be on a silver standard.

Few have forgotten the memorable struggle in the special session of the Fifty-third Congress, called together in August by President Cleveland for the express purpose of repealing this purchasing clause. It was a struggle replete with sensational and dramatic incidents, from the ringing message of the President to the final repeal three months later over the negative votes of a majority of the President's own party.

Provision was made in 1900 for the retirement and cancellation of the Treasury notes of 1890 as fast as silver dollars were coined, and they have all disappeared from circulation, except \$3,388,000, which are shown to be outstanding by the Treasury statement to-day.

To-day the stability of the greenbacks is amply assured, fortified as they are by the one hundred and fifty millions of gold held in the Treasury as a reserve under the gold-standard act of 1900; and they seem to be reasonably secure in the affections of the people, although the charge is laid against them that they are unscientific and should be supplanted.

Mr. UNDERWOOD. I yield three minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I am not a currency expert, and if I was one I could not make much of a statement in regard to this important measure in three minutes; but I desire to express my views on this bill briefly.

The first Panama bonds were 2 per cent bonds, but for some reason or other which seemed good and sufficient to the Committee on Ways and Means and the House, in the Payne Tariff Act of August 5, 1909, we provided for an additional issue of two hundred and ninety millions of 3 per cent bonds. Eighty-four millions were issued of the 2 per cent bonds. Now, I do not understand what has occurred since the legislation of August 5, 1909, to make it wise to amend in the way proposed that legislation. We should have understood the effect on the Government credit when we passed the legislation. I think this legislation is unwise, first, because it is very unwise and very dangerous to begin to differentiate in the matter of Government bonds touching the circulation privilege.

Second, I do not believe that the issue of a 3 per cent bond would affect the market value of the 2 per cent bonds outstanding unless it be the unfortunate fact, which I do not believe to be true, that the country is in such a condition that we can not sell a bond for what it is worth. It is true that there is outstanding some \$200,000,000 of bonds which may be used for circulation, and it is assumed that the market has been saturated with bonds having the circulation privilege and that we do not need any further bonds for circulation purposes. Well, that is assuming we are always to have the present condition. We have an emergency currency provision of law in contemplation of conditions when we may want to expand our currency, and if that legislation was wise when passed, and is still wise, I think it is well to have an anchor to windward in the matter of additional bonds which may be made the basis of circulation.

The latter is certainly the better as the basis of an expanding currency, rather than to call upon the very questionable law which we passed to provide for emergencies. So it seems to me that, first, we took the action we did in the matter of the Panama bonds with our eyes open and understanding conditions, and that there have been no changes to warrant this modification of law; second, we are embarking upon a very questionable policy when we depart from the practice of having the circulation privilege apply to all Government bonds.

The SPEAKER. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. HITCHCOCK].

Mr. HITCHCOCK. Mr. Speaker, I have been surprised that so little has been said of any weight in favor of this extraordinary proposition. I had supposed, when I began to listen to the argument, that there must be cogent and important reasons why this important and revolutionary step to blacklist this big bond issue should be taken. I realized that the banking interests of the country were strongly in favor of it, but I did not assume they were in favor of it, as now appears from the debate, simply for the purpose of giving them practically a monopoly of the bonds that may be used for the purpose of securing circulation.

The gentleman from Connecticut [Mr. HILL] has called our attention to the fact that during the recent past there has been a rapid increase particularly in the West and South in the number of national banks. That increase will go on, if given an opportunity, but I want to tell the House that that increase can not go on if by an act of Congress the bonds which can be used for the purpose of securing circulation are limited to those already authorized and monopolized by existing banks. I want to tell the House that three or four hundred national banks can not be organized every year hereafter, as has been done in recent years, if, when the organizers of those banks go into the market to buy bonds for the purpose of securing their circulation, they find that all the bonds that may be used for that purpose are already owned by the national banks of the country and held at a premium, as they will be.

Mr. MADDEN. Will the gentleman yield?

Mr. HITCHCOCK. I do.

Mr. MADDEN. Does the gentleman from Nebraska know what percentage of increase there is in the national bank capitalization every year?

Mr. HITCHCOCK. I am not familiar with the figures at the present time, but I understand that about 300 new national banks are organized every year in the natural course of the growth of the country and that these banks must buy bonds to secure circulation. We now have 7,200 national banks, and those banks practically own at the present time all of the bonds available for national-bank circulation. What are the new banks to do; how are they to get the bonds upon which to issue circulation if, hereafter, bonds to be issued shall not be available as security for bank notes?

Mr. HUGHES of New Jersey. The gentleman from Connecticut states that it would take 25 years at the natural increase for the national banks to absorb the bonds we have already issued.

Mr. HITCHCOCK. But the gentleman is mistaken. There are at the present time only \$72,000,000 worth of 2 per cent bonds that are not being used by banks for that purpose, and I want to tell the gentleman that those bonds are quoted in the market at a premium of 1 per cent in the New York papers this morning. If they bring a premium of 1 per cent now, what premium will they bring if this legislation is passed and Congress gives a practical monopoly of bank-note security privilege to the present holders of those bonds? They will undoubtedly rise to a high premium. That is the purpose of this legislation—first, to restrict the organization of new banks; second, to restrict the issuance of the circulating medium; and, third, to increase the premium on these bonds.

Mr. HILL. I would like to ask a question. What are you going to do with the \$142,000,000 threes and fours that are equally available for circulation?

Mr. HITCHCOCK. I am not going to do anything with them.

Mr. HILL. I do not think anybody is, and that is the reason there is no necessity—

Mr. HITCHCOCK. They take care of themselves. There are few of them. They will gradually be retired. Here in this bill we have a proposition to blacklist the future bond issues of the United States; here is a proposition, by discriminating against these bonds, to make necessary a higher rate of interest in order to sell them. The Secretary of the Treasury already has the power to issue bonds at 2 per cent with this circulation privilege. Why does he not exercise that privilege? He says the market is saturated. How can he prove the market is saturated when these bonds are selling at a premium of 1 per cent? How can you prove that the market is saturated when Government 2 percents now sell in the open market at a premium of 1 per cent?

Mr. HILL. New York City bonds sold less than a month ago—\$60,000,000 of them—bearing 4½ per cent interest, at less than 1 per cent premium. How can you sell 2 per cent bonds at par?

The SPEAKER. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Speaker, I ask the gentleman from New York whether he expects to have more than one speech in closing.

Mr. PAYNE. Two.

Mr. UNDERWOOD. Then I will ask the gentleman to use some of his time.

Mr. PAYNE. I yield 10 minutes to the gentleman from New York [Mr. VREELAND].

Mr. VREELAND. Mr. Speaker, it seems to me unfortunate that a question of such great importance as the one now before the House should seem to be put to the judgment of the House mainly from the standpoint of whether the banks will make or lose some money by the transaction. To my mind that is a very small part of the question presented for us to determine.

Although, Mr. Speaker, it seems clear to me that from that standpoint alone this bill should pass, it seems to me that as a matter of fairness to the customers of the United States who have purchased their securities—and they at present are mainly the banks, and mainly the banks because the securities of the country have been sold below the credit of the country—upon that standpoint alone we should not inflict loss needlessly and deliberately upon the customers of the United States. These 2 per cent bonds have gone down in the last few years in an amount equal to \$30,000,000; that has been charged off by the banks holding them, except ten or eleven millions still carried in the last report as premium. The Comptroller of the Currency has steadily required every bank that holds these bonds to charge off constantly a portion of their premium value. As I say, it seems to me, if we merely regard it from the standpoint of selling more bonds, it will be unwise for Congress needlessly and deliberately to inflict this great loss upon the holders of these bonds. There seems to be no question, Mr. Speaker, that if this bill should pass the 2 per cent bonds of the United States will go down, not all at once, but go down as the years go by until they reach at least 90, and probably lower. No gentleman can doubt this who is familiar with bond issues of this Government or the bonds of the city of New York which have been referred to.

Mr. HITCHCOCK. Will the gentleman yield?

Mr. VREELAND. I will.

Mr. HITCHCOCK. Is it not a fact while the banks may have lost some premiums upon these bonds they have made large sums by their privilege to issue their circulation upon them, and the transaction as a whole has been profitable, as the dividends show?

Mr. VREELAND. I think that is true, I will say to the gentleman. I think if we figure out the money they have been able to make on circulation that they have made money, or come out even, but that of course depends upon many other things, but I think upon the whole transaction up to date there will be no loss in that respect. But the banks should make something out of the money they invest in bonds—

Mr. SHERLEY. Will the gentleman permit a question?

Mr. VREELAND. Yes.

Mr. SHERLEY. Is the privilege to issue bonds as a basis for circulation a valuable privilege?

Mr. VREELAND. It will not be considered a valuable privilege in the years to come if this bill is passed because the profit is very small and so much uncertainty would exist as to whether any profit at all would accrue that banks will keep their circulation down to the minimum.

Mr. SHERLEY. Is it not in point of fact that it was for the reason of increasing the sale value of the bond, that the privilege was given to it? Is not that true?

Mr. VREELAND. Originally?

Mr. SHERLEY. Originally.

Mr. VREELAND. I do not wish to say no to the whole question. That was a part of the purpose. Of course, I can not go into that now. The primary purpose, as the gentleman will find in reading the debates of Congress and reports of the Secretary of the Treasury at that time, was to furnish a national system of money with which to pay the troops of the United States—to create a national currency. But I can not go into that part of the discussion.

Mr. SHERLEY. If the gentleman will permit, the purpose of my inquiry is to ask you, if we take away this privilege from the 3 per cent bonds, do we not to a certain extent reduce their sale value in the market?

Mr. VREELAND. I will say frankly that I do not believe we do. We will realize as much as we are likely to receive, with circulation right included, because by our action we shall deal a blow to the credit of the country.

Mr. SHERLEY. Is it not true that in the past we have, by giving the privilege, increased the sale value of other Government bonds?

Mr. VREELAND. We undoubtedly have in the past.

Mr. SHERLEY. Then you think the rule of the past will not be the rule of the future?

Mr. VREELAND. I have answered the gentleman's question. I was saying that anyone familiar with bonds and their issue in this country must know that the issue of these bonds will drive down the price of the 2 per cent bonds to at least 90; that is, 10 per cent below par. We only need to look at the issue of bonds in the great city of New York, which a few years ago was issuing 3 per cent bonds, then 3½ per cent bonds, and now it is issuing 4½ per cent bonds. The earlier bonds have gone down and down until they are worth only about 85 on the market, bonds for which a premium was paid when they were purchased.

But I will say, gentlemen, that I do not consider that an important part of this question. The fact is that if we choose to inflict this loss of 75, 80, or 90 millions on the banks of the country, my judgment is that they are able to stand it. They have not appeared in the hearings here. They can absorb that loss, if we choose to put it upon them. My contention is that that is one of the least of the questions involved in this discussion. The question is, How will the credit of the United States be affected?

The next great question is, What will be the effect on the business of the country and on the banking and currency system of the country if we permit our already redundant bank-note circulation to be increased by several hundred millions of dollars or more of national bank notes, which will be crowded into the channels of business, whether there is need for them or not?

Mr. FITZGERALD. There is a limit upon the amount of bank circulation that can be issued in addition to the amount of bonds outstanding, is there not? It is regulated by the capital or unimpaired surplus of the banks, is it not?

Mr. VREELAND. But the capital of national banks is over \$1,000,000,000; that is \$300,000,000 more than the present circulation of banks; so that question is not pertinent. It leaves it open for these new bonds to be turned into national bank circulation. I will ask the gentleman if the people of the United States want to see their bonds go down, and down, until they reach 90 cents on the dollar? I will ask, furthermore, if they realize the fact that, in case these bonds go down, it becomes the duty of the Comptroller of the Currency to require of the banks of the country to put up additional security for the \$700,000,000 of bank circulation which now exists? I ask the gentlemen how they would think the people would view it, if we pass an act whereby it takes \$1.10 of the bonds of the United States to support as credit one of the paper dollars issued by the national banks of the country. It seems to me that the first great question involved is the credit of the United States. I have said here, and I say it unhesitatingly, that, in my judgment, the Treasury will receive as much money for these bonds if this bill passes as it will if it does not pass.

It seems to me it would make those who might desire to buy United States bonds afraid of the bonds of the United States, because they would be afraid to invest their money in bonds when, overnight, by the passage of a law, their value might be dropped down from par to less than 90 cents on a dollar. Mr. Speaker, what connection should there be between digging the Panama Canal and issuing \$300,000,000 of bonds to pay for it and forcing \$300,000,000 more of paper money into the channels of the business of the United States? What sort of a system of currency is that? Gentlemen are treating the issuance of \$290,000,000 more of bank circulation, if these bonds are issued, as merely incidental to this discussion. Why, gentlemen, if to-day in any of the great countries across the sea—in France, in Germany—the proposition were made to increase the paper circulation by \$100,000,000 even, it would be a question that would be deliberated upon by the finance minister, by the Government. It would be brought up in the Parliaments of those countries. It would be discussed long and carefully as to the effect on their financial systems and upon the business of their country. And yet we, lightly and carelessly, incidentally, as a mere side issue in the passage of a bill authorizing the sale of bonds—

Mr. TILSON. Will the gentleman yield?

Mr. VREELAND (continuing). Of the United States are deliberately injecting into our currency possibly \$290,000,000 of paper money. I regret that I can not yield to the gentleman until I am through.

The SPEAKER. The time of the gentleman has expired.

Mr. PAYNE. Mr. Speaker, I yield three minutes more to the gentleman.

The SPEAKER. The gentleman from New York [Mr. PAYNE] yields three minutes more.

Mr. VREELAND. I want to say, Mr. Speaker, that some Members think that if we have more bank circulation the people in their districts can borrow it at lower rates of interest. But I want you to take this into consideration: Very likely the issuance of this great mass of additional bank-note circulation does not mean that we will have more money in the United States. It means, rather, that we will have poorer money in the United States. All of you, gentlemen, are familiar with the fact that when we push out more money than is needed for the business of the country, more of this bank-note circulation, it pushes out the gold that we have, and it flies away to some country where it is more needed.

I call attention to the fact that during the last two years, while our bank-note circulation has steadily increased, we have made a net loss of gold exported of more than \$135,000,000. Why, gentlemen, our bank-note circulation has more than

doubled in the last seven years. It has gone up from a little over \$300,000,000 to over \$700,000,000. We all know that the great fault of our financial system to-day—one of the great faults—is that there is no present connection between the demands of business and the amount of bank notes that we push into the channels of business.

This action here to-day illustrates one great fault in our system. We all know that the amount of circulation issued by banks depends, not upon the needs of business, but depends almost entirely upon the price of United States bonds on the market and upon whether the banks can make more money by issuing more circulation than by issuing less circulation.

Now, gentlemen, it is well known to all students of this question, to all business men—and all economists agree in the opinion—that we shall never have a system suitable for our needs until the circulation of money is disassociated from bonds; until the circulation depends on the needs of the business of the country; until it shall come out when more money is needed in the fall and go back when less money is needed in the spring.

We may disagree about the best plan for accomplishing this purpose, but I say that opinion in the country is unanimous that we must dissociate bonds from our circulating medium and connect them with the needs of the business interests of the country.

Already this great sum of \$700,000,000 of 2 per cent bonds, with circulation depending upon it, is one of the great obstacles in the road of accomplishing any banking and currency reform, and from that standpoint alone I say that we ought not to make this problem more difficult by adding \$290,000,000 more of bond-secured circulation to our already redundant issue.

Mr. PAYNE. I will say to the gentleman from Alabama that there will be only one more speech on this side.

Mr. UNDERWOOD. Mr. Speaker, I think this is a very important bill, and that a quorum ought to be present.

The SPEAKER. Does the gentleman make the point of no quorum present?

Mr. UNDERWOOD. I make the point of no quorum present.

The SPEAKER. The point is sustained.

Mr. UNDERWOOD. I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk proceeded to call the roll, when the following Members failed to answer to their names:

| | | | |
|--------------|-----------------|-----------------|----------------|
| Alken | Dent | Hughes, W. Va. | Poinexter |
| Ames | Denver | Kahn | Pray |
| Ansberry | Dies | Kelley | Reld |
| Ashbrook | Driscoll, M. E. | Kennedy, Iowa | Rhinock |
| Barclay | Durey | Kennedy, Ohio | Rothermel |
| Bates | Englebright | Knowland | Sabath |
| Bennett, Ky. | Estopinal | Kronmiller | Saunders |
| Bocher | Foelker | Legare | Sheffield |
| Bowers | Fowler | Lindsay | Smith, Cal. |
| Bradley | Gaines | Lively | Southwick |
| Broussard | Gardner, Mass. | Lundin | Sparkman |
| Burke, Pa. | Gardner, Mich. | McCredie | Sperry |
| Burnett | Garner, Pa. | McKinlay, Cal. | Spight |
| Byrd | Gill, Md. | McLachlan, Cal. | Stevens, Minn. |
| Capron | Gill, Mo. | Maynard | Sturgiss |
| Clark, Fla. | Gillet | Mays | Wallace |
| Cline | Goulden | Millington | Wanger |
| Collier | Graham, Pa. | Moore, Tex. | Weisse |
| Coudrey | Hamill | Morgan, Mo. | Wiley |
| Cox, Ohio | Haugen | Mudd | Willett |
| Craig | Hayes | Murdock | Wilson, Ill. |
| Cravens | Heald | Needham | Wood, N. J. |
| Creager | Huff, Pa. | Parsons | Woods, Iowa |
| Crow | Hughes, N. J. | Patterson | |

The SPEAKER. The roll call shows that there are 290 Members present—a quorum.

Mr. PAYNE. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. PAYNE. Mr. Speaker, I give two minutes to the gentleman from Iowa [Mr. PICKETT].

Mr. PICKETT. Mr. Speaker, the brief limit of time granted does not permit of a discussion of the question involved, and I will confine my remarks to a single observation.

It is practically conceded that the 2 per cent bonds were enhanced in value through Government action. It is also conceded that if the Panama bonds are used as a basis of circulation the effect will be to depress the 2 per cent bonds below par. In other words, the Government having given to the 2 per cent bonds an enhanced or artificial value, it is now urged that converse action ought to be taken or permitted which would have the effect of depreciating the value of the bonds below par. I do not believe in legislation the effect of which will be to place obligations of the Government below par, which seems to be the status if this measure is not passed. I have never

stood for any legislation which I believed would directly or indirectly amount to a repudiation of our obligations. [Applause.]

While this will not be the direct result if we fail to pass the pending bill, it will at least be the effect. It seems to me there is a moral obligation Congress can not ignore. In view of circumstances with which you are familiar it does not seem to me that the proposition is a debatable one or that the House should hesitate to pass this measure. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. FITZGERALD].

Mr. FITZGERALD. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has 15 minutes.

Mr. FITZGERALD. Mr. Speaker, the gentleman from Iowa [Mr. PICKETT] says that he will not vote for legislation that will in effect depreciate the outstanding securities of the United States. He is not asked to do anything of the kind. Nobody has proposed legislation to depreciate securities now outstanding. The law now authorizes the issuance of two hundred and ninety millions of Panama bonds. If the Secretary of the Treasury were properly to discharge his duty he would issue them at the rate of interest he believes advisable up to the limit permitted by law, and obtain the best price he could for them in the market. But the effect of this bill will be to fasten the hold of certain great national banks upon the Treasury Department, and to perpetuate a deplorable and shameful situation.

In 1900 the so-called gold standard act was passed. In that act certain refunding schemes were authorized, and authority was given to refund certain 5, 4, and 3 per cent bonds by the issuance of 2 per cent bonds in their place. The act provided that the Secretary of the Treasury might redeem those outstanding bonds at a valuation not greater than their then present worth so that they would yield an income of 2½ per cent per annum; but in order to make the refunding proposition more palatable to the national banks the then law was changed so as to permit the banks to use bonds of the United States to secure circulation up to the par value of the bonds instead of up to 90 per cent, as the law then provided.

The cause for the refunding proposition was that the 5, 4, and 3 per cent bonds were rapidly becoming due and the Treasury at that time was overflowing with money. Its revenues were largely in excess of its expenditures and the Treasury Department was redeeming the outstanding obligations of the Government. Suddenly it was realized that if the Treasury continued to pay off the outstanding bonded debt of the United States there would be no basis for the circulation of the national banks; widespread alarm was awakened among the banking interests and efforts made to protect their circulation. The result was the refunding scheme, by which 2 per cent 30-year bonds were to be exchanged for our then outstanding and almost due obligations.

Gentlemen talk about depreciating the securities held by the banks. Let me read you how they operated under the refunding proposition. Under the first circular issued by the Treasury Department, under the law of 1900, over four hundred and forty-five millions of 2 per cent bonds were issued at par in exchange for outstanding fives, fours, and threes. Let me read from the testimony of one who benefited by the process how the scheme was conducted:

I was connected with one of these banks and am still, and have a great interest in it. I telegraphed our correspondent right after the act was passed to purchase \$250,000 in those bonds. The currency against these bonds issued as currency against this particular bank was used to pay for the purchase of the bonds, less a small item of premium, and thereafter and since that time this bank has been saving 2 per cent on the bonds substantially without any investment whatever. The bonds yield about 1½ per cent net, and as the national banks are getting the interest on over \$700,000,000 of bonds which cost the banks nothing, or a negligible amount, they have abused the confidence of the friends in claiming to have been buncoed.

In other words, these banks, under the refunding scheme, arranged to obtain a certain number of 2 per cent bonds; by taking out an equal amount of circulation it was necessary to pay only the trifling sum required to equalize values, or for commissions, in effecting the exchanges, and by issuing their notes without interest, upon which a tax of one-half of 1 per cent was paid, they obtained in return bonds to the same amount, upon which they received 2 per cent interest. Ever since then the transaction has netted them 1½ per cent interest annually on the par value of the bonds, for which they have been compelled practically to invest nothing.

Mr. WEEKS. I did not understand what authority the gentleman was reading from.

Mr. FITZGERALD. I am reading from a speech by a Senator, made in the United States Senate, and not challenged by any of the distinguished financiers in that body. It was

during the session of Congress when the postal savings-bank bill was under discussion—the session just ended.

Mr. WEEKS. Who was it?

Mr. FITZGERALD. Mr. OWEN—largely interested in the national bank which purchased these bonds in this manner. The gentleman laughs. Perhaps the gentleman comes from a community where his banks were not sufficiently sharp to engage in such an enterprise; perhaps the institutions with which he is familiar may have bought their bonds of the New York and Oklahoma bankers who were so much more keen and informed about the banking business than the gentlemen whom he represents. Nobody professes that the national banks have been fooled in this operation.

Two other circulars have been issued by the Treasury Department under which refunding operations have been conducted. So profitable was the exchange of bonds to the national banks that, under the circular issued in March, 1903, for additional refunding operations, although in 1900 the 2 per cent bonds had been exchanged at par, the Treasury Department was able later to issue and exchange them on a basis of 102, and eighty-one millions of them at that price were issued in March, 1903; in September, 1903, fifty millions more were exchanged at 102. In 1905 fifty-three millions were exchanged at 101.

I know some gentlemen have said to me that the national banks have already sustained a great loss. But they are unduly alarmed, and laboring under a misapprehension. All of the operations under the refunding act have been highly profitable to the national banks. They eagerly seized the opportunity to obtain 30-year 2 per cent bonds under the highly favorable conditions for their rapidly maturing fives, fours, and threes.

It may be, however, that some of the smaller and more recently organized banks were shorn by the skillful men in charge of the larger and stronger banks.

At some time after the refunding operations were initiated the Secretary of the Treasury made it known that he was prepared to deposit some fifty or seventy-five millions of dollars in the national banks, and that Government bonds would be required as security for those deposits. Some of the banks rushed into the market to obtain bonds to enable them to obtain deposits, and very probably had unloaded on them by those banks which engaged in the profitable refunding operations some of the 2 per cent bonds.

In some instances as high as 109 was paid for them. In a short time, through the operations of our indefensible appropriations, our surplus greatly dwindled, and it was necessary to withdraw these deposits from the banks. It was then that the innocent national-bank lambs found themselves with some securities on their hands that were not quite as useful and as valuable and as desirable as they had been led to believe. But the original parties to the refunding scheme sat back and laughed and waited and have probably bought back these unloaded bonds at greatly reduced prices.

The gentleman from New York [Mr. VREELAND] spoke about inflating our currency by \$300,000,000 through the issuing of two hundred and ninety millions of these bonds, with the right to use them for circulation privileges. There is not much danger of the bank circulation being inflated for any such reason. The gentleman overlooked the fact that while there are seven hundred and thirty-five millions of our outstanding bonds deposited in the Treasury to secure circulation, a balance up to nine hundred and twelve millions is still available for circulation, and that there has been no extraordinary desire on the part of banks to obtain and use these bonds, and by their use to increase the now outstanding circulation. Upon what does he base his assertion that a bond issue increases the circulation? Who is threatening to do so? Whence is there a demand for it? Who can profit by it? The statement is preposterous. There are nearly two hundred millions of bonds available for the purpose of increasing circulation not so used, but nobody is attempting to use them for any such purpose.

Mr. VREELAND. I would like to ask the gentleman if he does not think that the doubling of the bank-note circulation in six years and a half is a measure of inflation which ought to be avoided if possible.

Mr. LIVINGSTON. That does not follow as a matter of course.

Mr. FITZGERALD. There is no indication that there will be any such inflation; but, after all, Mr. Speaker, that leads to the point I wish to reach in this discussion. Gentlemen have overlooked the important point in this entire discussion; have missed the question of first importance to us. Because of the condition of the Treasury, the Treasury Department finds it imperative to issue a certain number of bonds in order to obtain money to pay our current obligations.

That is the object of selling the bonds at this time. The working balance in the Treasury is between \$25,000,000 and \$30,000,000. The Secretary of the Treasury asserts that within a very short time he must sell bonds in order to replenish the Treasury. He has authority to issue bonds up to \$290,000,000 to reimburse the Treasury to the extent that expenditures have been made for the construction of the Panama Canal. We have already issued \$84,000,000 of such bonds at 2 per cent, and have expended something over \$200,000,000 in the construction of the canal. There is at least \$125,000,000 which may be reimbursed by the sale of bonds for canal construction. The prime purpose of issuing these bonds is to obtain money to replenish the Treasury. What is the important thing for us to look at? Are we to be interested chiefly in those who have been speculating in United States bonds heretofore, or are we to take such action as will result in the largest possible price being received for the bonds about to be sold? Is our interest and duty to protect the Treasury and the people, or the bondholders and the banks? In other words, are we to look to the interests of the people, or are we to look to the interests of some banks who either have made advantageous or foolish investments?

Mr. REEDER. Will the gentleman permit a question?

Mr. FITZGERALD. Yes.

Mr. REEDER. If it is true that all the gentleman from New York is looking after is to make the bonds produce as much as possible and get the money into the Treasury, why not put into this law a provision that the bonds used for circulation shall not be used and these alone shall be used for circulation? That would make these sell at about 4 per cent.

Mr. FITZGERALD. That would be just as fair to the people as to pass this bill, with its resulting advantage, is to the banks. There is no difference at all in principle.

Mr. REEDER. If the gentleman concedes it would make a good deal more money in the sale of these bonds, then on your theory you ought to favor it.

Mr. FITZGERALD. I am in favor of getting the highest possible price for our obligations. When bonds are sold, under any circumstances, it is unfortunate for the country. If bonds must be sold and the future mortgaged, it should be under as little onerous conditions as possible. Some gentlemen may be oversolicitous for the bondholders. In my opinion, our duty is to the Treasury and to the people. That is the side I prefer to advocate. No one will be able to escape the consequences of his action upon this question. A choice must be made between the people and the bond-holding banks. This bond issue is authorized in the act of August 4, 1909. Nobody dreamed at that time of putting a restriction upon the issue for circulation purposes. What has happened since? All should remember that certain important financial interests in this country are quietly and industriously and persistently working to secure a very drastic change in our monetary laws. They have in mind the desire to control the financial operations not only of the Treasury, but of the country. There was never a suggestion that any bank had lost a dollar on these refunding schemes until the postal-savings act came up for consideration in the Senate. Then when a provision was inserted to permit the use of the funds acquired through the operations of the postal savings-bank act for the purchase of outstanding bonds we commenced to hear much about the injustice that would be done to the national banks if the outstanding twos were not protected.

Did it ever occur to this House that opposition to the postal-savings system from powerful banks suddenly ceased? That opposition stopped when certain provisions were inserted in the bill to compel the application of the proceeds of postal-savings bonds to the redemption at par of outstanding bonds of the United States subject to call.

The next step to fasten the hold of the national banks upon the Treasury is this bill.

National banks are being organized continuously. They are required to invest in a certain amount of United States bonds. They need bonds to secure circulation. This bill fixes definitely the present outstanding bonds of \$912,000,000 as the limit of bonds available for such purposes. The twos are selling to-day at 101.

The enactment of this bill will have a twofold effect. It will lessen the value of the \$290,000,000 of Panama bonds to be issued and compel them to be issued at a higher rate than otherwise, and it will greatly enhance the value of the outstanding twos. This bill, if enacted, enriches the bondholding banks at the expense of the people. I venture to predict that within six months the price of our outstanding 2 per cent bonds will be much greater than at present. Why such solicitude for the

banks, when the Treasury is depleted? Why not some thought for the protection of the Treasury?

It has been asserted that the failure to enact this bill will depreciate the bonds now outstanding. Suppose it should do so. Will anyone assert that the Government is bound to legislate so as to maintain at par its bonds? The same logic would require us to refrain from issuing any additional bonds whatever, since every additional bond issued increases by so much the obligations of the Government and lessens the security of the present bondholder.

Had I time I should discuss some other phases of this entire subject. I view, however, with suspicion a bill of such far-reaching effect upon our entire financial system submitted in the rush and hurry of the closing days of the session, and passed through one House without any discussion and crowded upon us here without adequate time for sufficient analysis and consideration.

Let me, however, call attention to one phase of the question which, because of my duties in connection with the appropriation bills, I have not had time to consider sufficiently to appreciate and determine the anxiety for this legislation.

Practically all of the 5, 4, and 3 per cent bonds have matured or will mature within a very few years.

The 2 per cents issued under the act of 1900 are 30-year bonds and will mature in about 20 years. The \$84,000,000 of Panama bonds heretofore issued are redeemable 10 years after issue, and will be subject to call before the twos issued under the act of 1900.

But, Mr. Speaker, the \$290,000,000 of bonds authorized under section 39 of the Payne-Aldrich Act (approved August 5, 1909) may bear interest at not exceeding 3 per cent and are redeemable 50 years from the date of issue. None of these bonds have yet been issued. Long-term bonds, capable of paying up to 3 per cent interest, they should not be made unavailable for a purpose for which all other Government bonds are applicable. Not more than 12 months ago the Treasury Department accepted certain State, municipal, and other securities as security for deposits in place of Government bonds because they were unobtainable. No one can foretell accurately what the necessities of the future will require. It is little less than criminal for the Congress deliberately to act in such a manner as to impair the value of Government securities about to be sold for the purpose of replenishing the Treasury solely to protect bond-holding banks from possible loss.

The issue here is plain. It is the people against the banks; the Treasury against the bond speculators; the welfare of the many against the selfish interests of the few. Such a choice must be made. It can not be evaded. Those who vote for this bill do so with full knowledge of its purpose and effect. I hope it will not pass, but that it will be defeated; that the Treasury, where the people's interests are, and not the bond-holding banks, where the interests of the speculators in the Government's credit centers, will be safeguarded. [Applause.]

Mr. PAYNE. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. WEEKS].

Mr. WEEKS. Mr. Speaker, I want to state in a word what this proposition means. We have authorized an issue of \$290,000,000, in round numbers, of Panama bonds, at a maximum rate of 3 per cent. About \$90,000,000—somewhat less than \$90,000,000—have been issued, leaving an authorization of \$200,000,000 available. More than \$100,000,000 has been spent on the Panama Canal in addition to the amount provided by the bonds issued, and the purpose of this act is to determine the rate of interest and form of the bonds to be issued in future. We have outstanding \$867,793,630 of bonds. Of these, \$98,713,400 are 4 per cent bonds issued in 1895, coming due in 1925; \$641,768,950 more are 2 per cent bonds, due in 1930, issued under the act of March, 1900, and they are the result of refunding operations; \$84,231,940 are Panama twos; and \$43,079,340 are threes due in 1918, but callable since 1908. The bonds which are generally used for circulation purposes by the banks are the fours and the twos, the reason being that, except the Panama twos, they have a definite date of maturity.

Now, the only question for this House to consider is how these bonds shall be issued. Undoubtedly rates of interest are increasing the world over. The little community where I live issued about 10 years ago 3 per cent bonds on a 2.95 per cent basis. We are now selling bonds on a 3½ per cent basis. All first-grade bonds have advanced in about the same ratio, and the 2 per cent bond, with the circulation privilege behind it, acceptable though it may have been when issued, is not now attractive to anyone, and bonds will have to bear even a higher rate of interest to be sold to the public or to the banks.

We provided in the postal savings bank bill that depositors could exchange their deposits for 2½ per cent bonds, and there was grave doubt in the minds of many Members of this House whether that rate was high enough, whether it should not be

made 2½ or even 3 per cent; but a saving clause was added that that bond could be presented and paid at par, and therefore, the depositor in the savings bank would be protected in the market value of his investment. There are other reasons than the consideration of the circulation privilege, which bear on the issuing of these bonds. In the first place, from the standpoint of most men who have considered financial matters it seems wise to get our national debt into the hands of the people rather than have it concentrated in the banks.

Mr. KOPP. Will the gentleman yield?

Mr. WEEKS. Yes.

Mr. KOPP. Can the gentleman state how these bonds will be given to the public?

Mr. WEEKS. I assume they will be given to the public at the best price at which they can be sold.

Mr. KOPP. With no limitation as to whom—

Mr. WEEKS. I do not know about that.

Mr. KOPP. I am favorable toward the proposition, but there are some things I want cleared up. Will these bonds be callable?

Mr. WEEKS. I do not understand so.

Mr. KOPP. Now, then, if they are all issued, or practically so, how can they be used by the Government for paying postal savings depositors or exchanging postal savings deposits for the bonds?

Mr. WEEKS. The trustees of the postal savings banks have a right to invest in any Government bond, twos, threes, or fours, or whatever rate it may bear, but the depositor in the postal savings bank has only the privilege of exchanging his deposit for a 2½ per cent bond, which has not the circulating privilege.

Now, I must go on. I would like to know how much time I have remaining.

The SPEAKER. The gentleman has six minutes.

Mr. WEEKS. What I was saying, Mr. Speaker, was this, that it is desirable to get these bonds into the hands of the people, and usual and proper means will be used for that purpose. It makes a better citizen of a man if he has a United States bond, for it gives him a personal interest in his Government, even if it is not more than a \$20 bond; and it is desirable from that standpoint that we distribute these bonds rather than to have them go into the hands of the banks. This policy has been followed for many years in France with most satisfactory results. It is said that more than 4,000,000 French citizens own Government bonds.

Now, as to the circulation privilege. We have \$35 per capita of circulation in this country, which is the largest per capita circulation of any nation in the world. There is no desire or need for more, and the only reason that circulation is not reduced is because the banks have these 2 per cent bonds on hand, and they can not sell any great quantity of them and retire the circulation. It has been correctly stated to-day that the country is saturated with circulation, and we would be better off with less rather than more; but to add to that the possibility of \$200,000,000 more would result in depreciating our currency and would drive gold out of the country.

My friend from Tennessee Mr. Sims talks about the "Money Trust." But national banks do not make abnormal profits, which is proven by the statement that the national banks are not increasing in number in proportion to the increase in other banks. The proportion is more than two to one of State banks as compared with the national banks, and the capital going into State banks is in about the same ratio. My friend from New York [Mr. VREELAND], for instance, is the president of a State bank, not a national bank. Undoubtedly, he would prefer to have a national charter if conditions were equal, but because of the fact that he can make more money as a State banker than as a national banker he takes the State charter. That condition is general throughout the country, and it is the reason why State banks are increasing in number so rapidly, at the expense of national banks.

Some gentlemen have suggested that there is a very large profit to be made out of circulation. This is not a correct statement, for it only varies from three-fourths of 1 per cent to 1½ per cent. But there are so many restrictions placed upon national banks by the Government, and the profits from circulation are so limited compared with the possibilities of loss on bonds, and so forth, that I do not recall any bank in a large community that is not limiting itself as nearly as possible to its minimum amount of circulation. It must have 25 per cent of its capital invested in Government bonds, and the only way it can get a decent return on that is to issue against them its circulation.

Now, the gentleman from New York [Mr. FITZGERALD] referred to the statement made by a Senator in debate during the discussion of the postal savings-bank bill. It must have been delivered at one of those times when the Senate Chamber was empty.

Mr. FITZGERALD. The gentleman was making his speech, and he interrupted.

Mr. WEEKS. Anybody who has a semblance of financial knowledge could make a complete and convincing answer to that statement. The banks exchanged high-rate bonds for 2 per cent bonds. They had their money invested in fives, fours, and threes, which were about to mature. They simply exchanged one class of bonds into another.

And incidentally they wanted to aid the Government in its refunding operations. As a matter of fact the Government saved between \$16,000,000 and \$17,000,000 in these different refunding operations, which it would not have saved if these bonds had been allowed to come to maturity.

In addition to that, the very fact that the national banks hold these 2 per cent bonds, the fact that the circulation privilege has made a market for them, has enabled the Government to save something like \$7,000,000 a year since 1900. If they had been issued on a 3 per cent basis, the Government would have lost the difference between 2 and 3 per cent. Furthermore, the Government has sold all these bonds at a premium, obtaining on each \$1,000,000 of twos sold about \$40,000 premium, whereas if the bonds had been sold in the open market there would have been received for them between \$100,000 and \$150,000 less than par on every \$1,000,000 of bonds sold.

Now, while I am not contending that it is the duty of the Government to bolster up the national banks, I do contend that it is the duty of the Government to maintain its own credit. The Government of the United States uses the national banks as its fiscal agents. It does its business through them, so far as it can do so. It has cooperated with the banks, and the banks have cooperated with the Government, in placing these bonds whenever it has been found necessary to sell bonds. I understand the last twos sold were taken by the banks on the condition that at that time a certain percentage of the money paid for them should be left on deposit in the banks. As far as I know no bank wanted to take the 2 per cent bonds, either at a premium or at par, and the only reasons for so doing were the possibilities of making something out of the money left on deposit and because they wished to be of service to the Government.

Mr. STAFFORD. Will the gentleman yield?

Mr. WEEKS. Yes.

Mr. STAFFORD. Will the gentleman explain what effect the issuance of the 3 per cent bonds of the issue of 1898 had upon the 2 per cent bonds?

Mr. WEEKS. There were no twos outstanding at that time.

I want to state to the House what, in my judgment, will happen if we issue these 3 per cent bonds with the circulation privilege attached. The 4 per cent bonds are selling on a 2½ basis, the 3 per cent bonds are selling on a 2¼ per cent basis, and they are selling on that basis because they are callable at any time, and naturally they do not command a high premium. The 2 per cent bonds are selling at about par. If they were sold on a 2½ per cent basis, as the fours are, and as they undoubtedly would sell if we put other bonds on the market bearing a higher rate and having the same privilege, I believe it is safe to say that they would gradually go down to about 90. The banks have already charged off \$35,000,000 of loss on account of those bonds, marking them down from 104 or 104½ to par.

Under the law, if security behind circulation decreases in value so that the bonds sell below par, the comptroller calls on the banks for additional security, or to reduce their circulation, or to deposit the cash difference between the price of the bonds and their par value. Therefore if they should decrease in price to 90, which would be about a 2½ per cent basis, it would mean a loss to the banks of the country of \$70,000,000, which the banks would have to supply, either with other securities, Government bonds, or in cash. Now, I maintain that it is the duty of Congress to prevent any such condition as that. The banks should not be considered as corporations, but as collections of individuals who own this stock. In the State of Massachusetts, for instance, among the limited investments which our mutual savings banks can make are national-bank stocks. They hold something like \$11,000,000 of national-bank stocks. Two millions of the three and a quarter millions population of Massachusetts are depositors in our mutual savings banks. This legislation would directly affect not the interests of "the Money Trust," but in this instance of those 2,000,000 depositors in savings banks, and it would be an element in destroying the credit which we have all taken pride in. [Applause.]

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to a third reading, and was accordingly read the third time.

The question being taken on the passage of the bill, Mr. UNDERWOOD demanded a division.

The House divided; and there were—ayes 131, noes 99.

Mr. UNDERWOOD and Mr. MORSE demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 169, nays 135, answered "present" 11, not voting 68, as follows:

YEAS—169.

| | | | |
|------------------|-----------------|-------------------|----------------|
| Aiken | Fassett | Kinkaid, Nebr. | Parker |
| Alexander, N. Y. | Focht | Knapp | Parsons |
| Andrus | Fordney | Knowland | Payne |
| Austin | Foss | Kopp | Peters |
| Barchfeld | Foster, Vt. | Küstermann | Pickett |
| Barclay | Fuller | Lafean | Plumley |
| Barnard | Gardner, Mass. | Lamb | Pratt |
| Bartholdt | Gardner, Mich. | Langham | Pray |
| Bartlett, Ga. | Gardner, N. J. | Langley | Pujo |
| Bennet, N. Y. | Gillett | Law | Ransdell, La. |
| Bennett, Ky. | Glass | Lawrence | Reeder |
| Bingham | Goebel | Lenroot | Roberts |
| Boutell | Graff | Longworth | Rodenberg |
| Bradley | Graham, Pa. | Loud | Scott |
| Burgess | Grant | Loudenslager | Simmons |
| Burke, Pa. | Greene | Lowden | Slemp |
| Burke, S. Dak. | Griest | McCall | Snapp |
| Burleigh | Guernsey | McCreary | Sperry |
| Butler | Hamer | McCredie | Stafford |
| Calder | Hamilton | McGuire, Okla. | Steenerson |
| Calderhead | Hanna | McKinlay, Cal. | Sterling |
| Cassidy | Hardwick | McKinley, Ill. | Stevens, Minn. |
| Chapman | Havens | McKinney | Sulloway |
| Cole | Hawley | McLaughlin, Mich. | Swasey |
| Cooper, Pa. | Heald | McMorran | Tawney |
| Cowles | Henry, Conn. | Madden | Taylor, Ohio |
| Crumacker | Higgins | Madison | Thistlewood |
| Dalzell | Hill | Malby | Thomas, Ohio |
| Davidson | Hinshaw | Mann | Tilson |
| Dawson | Hollingsworth | Martin, S. Dak. | Townsend |
| Denby | Howell, N. J. | Massey | Volstead |
| Diekema | Howell, Utah | Miller, Kans. | Vreeland |
| Dodds | Howland | Miller, Minn. | Washburn |
| Douglas | Hubbard, Iowa | Moon, Pa. | Weeks |
| Draper | Hubbard, W. Va. | Moore, Pa. | Wheeler |
| Dupre | Hull, Iowa | Morehead | Wilson, Ill. |
| Durey | Humphrey, Wash. | Morgan, Mo. | Woods, Iowa |
| Dwight | Johnson, Ohio | Morgan, Okla. | Woodyard |
| Edwards, Ky. | Joyce | Moxley | Young, Mich. |
| Ellis | Kelifer | Murphy | Young, N. Y. |
| Elvins | Kellher | Olcott | |
| Esch | Kennedy, Iowa | Olmsted | |
| Fairechild | Kennedy, Ohio | Padgett | |

NAYS—135.

| | | | |
|-----------------|------------------|----------------|----------------|
| Adair | Edwards, Ga. | Johnson, Ky. | Rainey |
| Alexander, Mo. | Ellerbe | Johnson, S. C. | Randall, Tex. |
| Anderson | Ferris | Tones | Rauch |
| Ansberry | Fish | Kendall | Richardson |
| Anthony | Fitzgerald | Kinkaid, N. J. | Riordan |
| Barnhart | Flood, Va. | Kitchin | Robinson |
| Beall, Tex. | Floyd, Ark. | Korblly | Roddenbery |
| Boehne | Fornes | Latta | Rucker, Colo. |
| Booher | Foster, Ill. | Lee | Rucker, Mo. |
| Borland | Gaines | Legare | Saunders |
| Burleson | Gallagher | Lever | Shackelford |
| Burnett | Garrett | Lindbergh | Sheppard |
| Byrns | Gillespie | Lively | Sherley |
| Campbell | Godwin | Lloyd | Sherwood |
| Candler | Good | McDermott | Sims |
| Cantrill | Gordon | Macon | Sisson |
| Carlin | Graham, Ill. | Maguire, Nebr. | Small |
| Cary | Gregg | Martin, Colo. | Smith, Iowa |
| Clark, Mo. | Hamlin | Mays | Smith, Tex. |
| Clayton | Hammond | Mitchell | Stanley |
| Cline | Hardy | Mondell | Stephens, Tex. |
| Collier | Harrison | Moon, Tenn. | Sulzer |
| Cooper, Wis. | Hay | Morrison | Talbot |
| Covington | Hedin | Morse | Taylor, Colo. |
| Cox, Ind. | Helm | Moss | Thomas, Ky. |
| Cox, Ohio | Henry, Tex. | Nelson | Thomas, N. C. |
| Craig | Hitchcock | Nicholls | Tou Velle |
| Cullop | Houston | Norris | Turnbull |
| Davis | Howard | Nye | Underwood |
| Denver | Hughes, Ga. | O'Connell | Watkins |
| Dickinson | Hull, Tenn. | Oldfield | Webb |
| Dickson, Miss. | Humphreys, Miss. | Page | Wickliffe |
| Dixon, Ind. | Jameson | Poindexter | Wilson, Pa. |
| Driscoll, D. A. | | Pou | |

ANSWERED "PRESENT"—11.

| | | | |
|----------------|--------------|---------------|--------------|
| Adamson | Conry | Livingston | Sharp |
| Bartlett, Nev. | Currier | McHenry | Smith, Mich. |
| Brantley | Garner, Tex. | Palmer, A. M. | |

NOT VOTING—68.

| | | | |
|--------------|-----------------|-----------------|--------------|
| Ames | Driscoll, M. E. | Hughes, W. Va. | Rhinock |
| Ashbrook | Englebright | Kahn | Rothermel |
| Bates | Estopinal | Kronmiller | Sabath |
| Bell, Ga. | Finley | Lindsay | Sheffield |
| Bowers | Foelker | Lundin | Slayden |
| Broussard | Fowler | McLachlan, Cal. | Smith, Cal. |
| Byrd | Garner, Pa. | Maynard | Southwick |
| Capron | Gill, Md. | Millington | Sparkman |
| Carter | Gill, Mo. | Moore, Tex. | Spight |
| Clark, Fla. | Goldfogle | Mudd | Sturgiss |
| Cocks, N. Y. | Goulden | Murdoch | Taylor, Ala. |
| Coudrey | Hamill | Needham | Wallace |
| Cravens | Haugen | Palmer, H. W. | Wanger |
| Creager | Hayes | Patterson | Weisse |
| Crow | Hobson | Pearce | Wiley |
| Dent | Huff | Prince | Willett |
| Dies | Hughes, N. J. | Reid | Wood, N. J. |

So the bill was passed.

The following additional pairs were announced:

For the session:

Mr. CURRIER with Mr. FINLEY.

Until further notice:

Mr. HUFF with Mr. GARNER of Texas.

Mr. GARNER of Pennsylvania with Mr. BELL of Georgia.

Mr. HENRY W. PALMER with Mr. GOULDEN.

Mr. KRONMILLER with Mr. BROUSSARD.

Mr. PRINCE with Mr. DIES.

Mr. PEARRE with Mr. DENT.

Mr. LUNDIN with Mr. HUGHES of New Jersey.

Mr. SOUTHWICK with Mr. ESTOPINAL.

Mr. HAUGEN with Mr. MOORE of Texas.

Mr. COCKS of New York with Mr. SPARKMAN.

Mr. MUDD with Mr. TAYLOR of Alabama.

For balance of day:

Mr. SHEFFIELD with Mr. GOLDFOGLE.

On this vote:

Mr. MICHAEL E. DRISCOLL with Mr. SLAYDEN.

Mr. CREAGER with Mr. CARTER.

Mr. CURRIER. Mr. Speaker, I desire to inquire if Mr. FINLEY has voted.

The SPEAKER. He has not.

Mr. CURRIER. I voted "aye" and I desire to change my vote.

The name of Mr. CURRIER was called, and he answered "Present," as above recorded.

The result of the vote was then announced as above recorded.

On motion of Mr. PAYNE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

A similar House bill, H. R. 32218, on the House Calendar, was laid on the table.

BOARD OF MANAGERS NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

Mr. TILSON. Mr. Speaker, I call up House joint resolution 294, and move to suspend the rules and pass the resolution.

The Clerk read the House joint resolution 294, as follows:

Joint resolution for the appointment of members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

Resolved, etc., That Hon. Z. D. MASSEY and Capt. Lucian S. Lambert be, and they are hereby, appointed as members of the Board of Managers of the National Home for Disabled Volunteer Soldiers of the United States; Hon. Z. D. MASSEY to succeed Walter P. Brownlow, deceased, whose term of office would expire April 21, 1914, and Capt. Lucian S. Lambert to succeed Thomas J. Henderson, deceased, whose term of office would expire April 21, 1914.

The SPEAKER. Is a second demanded?

There was no demand for a second.

The question was taken; and (two-thirds having voted in favor thereof) the House joint resolution was passed.

CONSTRUCTION OF A CANAL IN BERGEN COUNTY, N. J.

The SPEAKER laid before the House the bill (S. 10883) authorizing the Erie Railroad Co. to construct a canal connecting the Hackensack River and Berrys Creek, Bergen County, N. J., as an aid to navigation, and for other purposes, a similar House bill being on the calendar.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Erie Railroad Co., a corporation of the State of New York, its successors and assigns, is hereby authorized, for the purpose of removing perils and delays now incident to the navigation of Berrys Creek, in the county of Bergen and State of New Jersey, through the presence of the bridge of the said Erie Railroad Co. across said creek at a distance of about 8,700 feet from the point where said creek empties into the Hackensack River and of improving the navigation of said Berrys Creek, to construct a suitable canal, from a point in the center of Berrys Creek, northeast of the bridge of the Erie Railroad Co. over said stream, to and into the Hackensack River: *Provided,* That no canal shall be constructed under this authority unless the plans for the same are approved by the Corps of Engineers and the Secretary of War, who are authorized to impose such conditions as may be necessary to maintain the navigability of Berrys Creek unimpaired. And if said railroad company shall construct said canal to the approval of the Secretary of War, said railroad company shall be authorized and permitted to maintain a fixed bridge over Berrys Creek at a point where the main line of the railroad company now crosses said creek.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 32910) on the calendar was laid on the table.

On motion of Mr. HUGHES of New Jersey, a motion to reconsider the vote whereby the bill was passed was laid on the table.

INDEBTEDNESS OF THE DISTRICT OF COLUMBIA.

Mr. SMITH of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 13474) to provide for the payment of the debt of the District of Columbia, and to provide

for permanent improvements, and for other purposes, with the following amendment, which I send to the desk.

The Clerk read as follows:

Strike out all after the enacting clause and insert the following:

"That from and after June 30, 1911, the Commissioners of the District of Columbia, in determining the estimates of funds available for appropriation for each succeeding fiscal year, shall first provide for and set aside from the estimated District revenues a sufficient sum to meet all estimated and fixed charges required by law to be paid wholly from said revenues, including interest at 3 per cent on the annual balance due the United States on account of advances made to the District of Columbia, and including, further, the sum of \$300,000 as a repayment on account of said advances, until the indebtedness of the District of Columbia to the United States shall be extinguished; and the annual estimates of appropriations for the expenses of the government of the District of Columbia, exclusive of the charges aforesaid, and including amounts estimated or to be estimated under any general appropriation bill, shall not exceed in the aggregate a sum equal to twice the amount of the said District revenues then remaining: *Provided,* That the said commissioners shall allow for the extinguishment of the bonded debt of the District of Columbia out of the combined revenue fund by annually including in their estimates of appropriations a sum equal to the sum heretofore annually appropriated for the interest and sinking fund, namely, \$975,408, until the said debt as evidenced by outstanding bonds shall be extinguished: *Provided further,* That hereafter the Commissioners of the District of Columbia shall provide in their estimates of appropriations for permanent works of improvement a sum not less than \$1,230,000, beginning with the fiscal year ending June 30, 1913, and annually thereafter an amount not less than the same sum increased by the sum of \$100,000 for each succeeding fiscal year until and including the fiscal year to end June 30, 1924; and said estimates for permanent improvements shall include the reclamation of the Anacostia Flats above the navy-yard bridge, and their conversion into a park or parks; the gradual extension of the park system of the District; the construction of public wharves; the extensions of trunk water and sewer mains into the suburban portions of the District; the elimination of dangerous grade crossings; and such other permanent public works as may be hereafter authorized by Congress from time to time."

The SPEAKER. Is a second demanded?

Mr. SIMS. I demand a second.

The SPEAKER. Under the rules a second is ordered.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that the time be extended to 40 minutes on a side. This is a very important bill.

Mr. SMITH of Michigan. I have no objection.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the time under the rules, which is 20 minutes on a side, be extended to 40 minutes on a side.

Mr. DALZELL. Reserving the right to object—

Mr. SMITH of Michigan. I desire to say to the gentleman from Pennsylvania that there are at least four or five gentlemen on this side who want to speak.

Mr. DALZELL. But that makes an hour and 20 minutes. I suggest that the gentleman ask for 30 minutes on a side; that will make an hour.

Mr. SMITH of Michigan. Mr. Speaker, I desire to say to gentlemen who may want to follow this debate that this bill, as reprinted, can be found at the desk.

In my judgment, this is one of the most important bills that has been reported from the Committee on the District of Columbia during this Congress. No one regrets more than myself that we have not had an opportunity to present this bill to the House before this time, but everyone knows that it is because this committee has been denied its time under the rules of the House, so much so that we have not had two full legislative days since the middle of last May, and I further regret that we are obliged to consider this bill under the suspension of the rules, which allows so little time for debate. I have no hesitancy in saying that if this bill could be fairly and fully debated and understood by the Members, it would receive even more than the two-thirds vote required under the suspension of the rules.

This bill, if enacted into law, will accomplish two things: First, it will pay the debt of the District and provide for some needed permanent improvements.

The estimated funded debt of the District on the 30th of June, 1911, will be \$8,800,000. The floating debt at that time will be \$2,400,000. The estimated funded debt on the 30th of June, 1912, and that is what the estimates have already been made for, will be \$8,200,000, and the floating debt will be \$1,800,000. The funded debt of the District is the debt owed by the District and the General Government in the form of outstanding bonds, which bear 3.65 per cent. The floating debt of the District is the debt which the District owes to the General Government, and which bears 2 per cent interest. It may be of interest to Members to know that the bonded debt is paid one-half by the United States and one-half by the District. The debt of the District at any one time is determined by adding the floating debt to one-half the bonded debt, or by subtracting the District surplus from one-half the bonded debt. I shall be glad to insert in my remarks a table, and an explanation of the table, showing the actual debt of the District at this time.

[Explanation of table.—Column I, fiscal year; Column II, surplus in Treasury at end of fiscal year standing to credit of District; Column III, floating debt, being balance due the United States by the District at the end of the fiscal year; Column IV, bonded debt outstanding at end of fiscal year, payable half and half; Column V, actual debt of District proper (to wit, one-half of bonded debt, plus the floating debt, or minus the surplus) at end of fiscal year.]

| I | II | III | IV | V |
|-------------------|----------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------|
| Fiscal year. | Surplus in United States Treasury to credit of District. | Deficit, balance due United States by District. | Bonded debt, balance outstanding, due half by United States and half by District. | Actual debt, District proper. |
| 1879 ¹ | \$257,618.47 | | \$21,688,473.33 | \$10,586,618.19 |
| 1880 ¹ | 302,923.45 | | 22,144,400.00 | 10,769,276.55 |
| 1881 ¹ | 410,768.08 | | 21,892,750.00 | 10,535,606.92 |
| 1882 ¹ | 446,411.73 | | 21,664,600.00 | 10,385,883.27 |
| 1883 ¹ | 461,580.29 | | 21,501,950.00 | 10,289,394.71 |
| 1884 ¹ | 515,764.16 | | 21,279,100.00 | 10,123,785.84 |
| 1885 ¹ | 505,963.20 | | 21,279,550.00 | 10,133,811.80 |
| 1886 ¹ | 685,652.89 | | 21,070,150.00 | 9,849,422.11 |
| 1887 ¹ | 978,349.15 | | 20,635,100.00 | 9,339,200.85 |
| 1888 ¹ | 1,310,119.39 | | 20,581,450.00 | 8,980,605.61 |
| 1889 ¹ | 1,328,747.78 | | 20,142,050.00 | 8,742,277.22 |
| 1890 ¹ | 314,240.81 | | 19,781,050.00 | 8,576,284.19 |
| 1891 ¹ | 112,210.64 | | 19,500,300.00 | 8,637,939.36 |
| 1892 ¹ | | \$5,088.04 | 19,133,400.00 | 8,571,758.04 |
| 1893 ¹ | 83,767.19 | | 18,575,400.00 | 8,203,932.81 |
| 1894 ¹ | 625,207.74 | | 18,184,200.00 | 8,466,892.26 |
| 1895 ¹ | 429,090.99 | | 17,772,700.00 | 8,457,259.01 |
| 1896 ¹ | 845,335.93 | | 17,207,000.00 | 7,758,164.07 |
| 1897 ¹ | 683,936.80 | | 16,649,700.00 | 7,640,913.20 |
| 1898 ¹ | 917,581.91 | | 16,038,100.00 | 7,111,468.09 |
| 1899 ¹ | 603,255.28 | | 15,888,200.00 | 7,340,844.72 |
| 1900 ¹ | 387,577.18 | | 15,091,300.00 | 7,158,072.18 |
| 1901 ¹ | | 220,182.57 | 15,068,350.00 | 7,754,357.57 |
| 1902 ¹ | | 1,759,238.34 | 14,196,550.00 | 8,857,513.34 |
| 1903 ¹ | | 1,653,517.51 | 12,917,250.00 | 8,112,142.51 |
| 1904 ¹ | | 1,349,661.69 | 12,492,700.00 | 7,596,111.69 |
| 1905 ¹ | | 2,240,030.14 | 12,051,350.00 | 8,265,705.14 |
| 1906 ¹ | | 2,931,259.49 | 11,587,700.00 | 8,725,109.49 |
| 1907 ¹ | | 3,277,866.28 | 11,103,750.00 | 8,829,741.28 |
| 1908 ¹ | | 3,650,563.06 | 10,602,750.00 | 8,951,938.06 |
| 1909 ¹ | | 3,992,515.03 | 10,114,150.00 | 9,049,590.03 |
| 1910 ¹ | | 3,274,278.98 | 9,492,100.00 | 8,020,328.98 |
| 1911 ² | | 2,400,000.00 | 8,800,000.00 | 6,996,000.00 |
| 1912 ² | | 1,800,000.00 | 8,200,000.00 | 5,971,000.00 |

¹ Fiscal years 1879-1885 include also trust and water funds.

² Estimated.

D. J. DONOVAN,
Acting Auditor, District of Columbia.

OFFICE OF THE AUDITOR, DISTRICT OF COLUMBIA,
January 7, 1911.

You will see that the actual debt of the District proper, estimated on June 30, 1911, is \$6,996,000.

I apprehend that in this body there are two schools of financiers, so to speak. There are those who believe that a city like this should never be out of debt, while on the contrary there are those who maintain the debt should be paid as soon as practicable. I find these opposite views entertained by the opponents of this bill. I do not know on this point how they may seek to harmonize their differences. While I do not claim to belong to any school of finance, I believe in paying the debt of this city as well as that of any other city as soon as possible.

I apprehend that if the distinguished Member from New York [Mr. ANDRUS] were to express his opinion, as doubtless he will before this debate is over, it will be shown that he belongs to that school of financiers who believe that the debt of the District ought not to be paid, at least for the present, and certainly his opinion is entitled to great respect, for while he does not often participate in debate he has taken great interest in the affairs of the District, is a wizard in finance, and one of the profound thinkers of the House.

In my opinion, while we are paying the debt of the District, we ought at the same time to provide funds for permanent improvements. The plea is constantly made in this Chamber, when appropriations are being made for the District, that nothing is being done in behalf of the people of the General Government. In other words, under our present system, which is half and half under the organic law beginning with 1878, Members frequently say, What does the General Government, in these appropriations, do for our constituents, and what do our constituents, so to speak, get out of this proposition by which the District contributes one half and the United States the other half. If this bill is enacted into law, when money is raised to carry on the affairs of the District instead of the balance being used for current expenses that balance will be used for permanent improvements, as I insist it should be, and when our constituents come to the Capital City they will see upon every hand something in the form of permanent substantial improvements which would be the result of the one-half that is contributed by the General Government.

I am sure before this debate is concluded some Member or Members will take the position that the United States should no longer contribute one-half. There are Members of this body and their friends who are fortunate enough from time to time to go abroad. We are glad they can. They come back and tell us of the beauties and the glory and the grandeur of Paris, Vienna, Berlin, and other cities; and they must not forget that the Republic of France and the other countries of which these cities are capitals contribute their proportion, as does this Republic to the city of Washington, toward making splendid improvements, which are admired not only by the people of those cities and countries, but by the entire world.

I frankly admit that if the revenues of the District continue to increase as they have been doing in the past the time will come, doubtless, when the organic law will be changed so that the General Government will not contribute as much as it does at this time, but I am sure that no one will contend for a single moment that the time is ripe for such legislation as this.

This bill has been reported from the committee and has been on the calendar for many months. It has been the subject of much discussion in the newspapers of this city and before the chamber of commerce and the board of trade and in other ways, and as a result we have had an opportunity to learn of some of the objections that have been offered, and especially by Members who no doubt will participate in the debate.

First. Some gentlemen complain of the form of government for the District and say that this must be changed before this legislation is passed. I want to say to you that, in my judgment, the present form of government is established for many years to come, and whether you agree with me or not, I have no hesitancy in saying that under the present form of government the city of Washington is the best-governed city in this Republic.

Second. Others are dissatisfied with the law as to the assessment of personal property and insist that it should be remedied. I agree with all such and want to call attention to the fact that upon the calendar of the District of Columbia we have had for months a bill to tax intangible property, yet I have no hesitancy in saying to the Members of the House that if we had time now or had had weeks ago to pass this bill, as we doubtless could, through this body and it had gone to the other end of the Capitol it would have slept where the bill for taxing inheritances sleeps, and you all remember that this bill took a whole District day. I refer to the bill which was introduced and so ably presented by the gentleman from Minnesota [Mr. MILLER]. So I say we can hardly afford to wait until legislation of this character is passed, for, as much as you and I may desire it, no one can foretell when such legislation will be enacted into law.

These, briefly, are some of the objections that are made. Let us see if we can not agree on some things in the bill that are stated under the head of permanent improvements. I doubt if there is a Member who is not in favor of giving to the people of the District additional suburban trunk sewers and an extension of trunk water mains, to the end that the people of Anacostia, Tennytown, and other portions of the District may have the same. Provision is made in this bill for 25 miles of suburban trunk sewers and 40 miles of extensions of trunk water mains, and I have heard no one contend that they would not be needed by the time, under the provisions of this bill, when the money will be available to pay for them. Is there anyone here that is not in favor of doing away with railroad grade crossings? The time is past when there is any longer any difference of opinion among the people or even among the railroad companies upon this proposition. It is in the interest of human life, if for nothing else.

Even our constituents who visit the National Capital are in favor of appropriating money for the doing away of that eyesore, that disturber of public health, to the end that the Anacostia Flats may be improved; and in so doing this is only one link in that chain of permanent improvements which are outlined in this book which I hold in my hand, entitled "Improvement of the Park System of the District of Columbia," the result of the labors of a commission authorized by Congress, and composed of Burnham, St. Gaudens, Olmstead, and McKim, men eminent in their profession, and which was obtained at a cost of \$70,000. The question is, Shall we make use of and take advantage at this time of the labors of these gentlemen?

But, gentlemen, the most serious bone of contention in this bill is undoubtedly that portion of it which seeks to own and control the link between Rock Creek Park and Potomac Park,

and it is to this question for a moment I desire to address myself. I hold in my hand Senate Document No. 458, Sixtieth Congress, first session, "Report upon improvement of valley of Rock Creek from Massachusetts Avenue to mouth of the creek," and want to call your attention to page 8 of this report which, without objection, I will insert in my remarks, and for the moment I wish each of you had this page before you.

Estimates for the improvement of Rock Creek Valley, open-valley plan.

| MASSACHUSETTS AVENUE TO P STREET. | |
|---------------------------------------------------------------------------|------------------|
| 2,490,733 square feet land (including improvements)----- | \$1,061,386 |
| 492,000 cubic yards grading, at 30 cents----- | 147,600 |
| 300 linear feet tunnel (Massachusetts Avenue), at \$350----- | 105,000 |
| 7,500 square feet bridge (Montrose), at \$6.50----- | 48,750 |
| 8,750 square feet bridge (pumping station), at \$4----- | 35,000 |
| 9,000 square feet bridge (Lyons's mill), at \$5----- | 45,000 |
| 50,000 square feet bridge (R and S Streets), at \$9----- | 450,000 |
| 21,056 square feet bridge (Q Street), at \$8.50----- | 178,978 |
| 20,915 square feet bridge (P Street), at \$8.50----- | 177,778 |
| Removing P Street Bridge and temporary bridge----- | 8,000 |
| 4,792 linear feet retaining walls----- | 239,600 |
| 2,100 linear feet parapet walls, at \$6.75----- | 14,175 |
| 1,000 linear feet railing, at \$5----- | 5,000 |
| 2,400 linear feet cemetery walls, at \$7----- | 16,800 |
| 17,989 linear feet roads----- | 82,750 |
| 18,200 linear feet paths, at 50 cents----- | 9,100 |
| 38 acres of cultivation, at \$1,200----- | 45,600 |
| 6,000 linear feet 4-inch water pipe, with laterals, at \$1.50----- | 9,000 |
| 3,933 linear feet, west side Rock Creek intercepting sewer, at \$15----- | 59,000 |
| 5,000 linear feet 12-inch sewer, at \$2----- | 10,000 |
| 33 catch basins, with connections, at \$100----- | 3,300 |
| 130 traps, with connections, at \$40----- | 5,200 |
| 250 graves to be removed----- | 50,000 |
| Restoring Lyons's mill----- | 3,500 |
| Total cost, Massachusetts Avenue to P Street----- | 2,810,515 |
| FROM P TO L STREET. | |
| 1,261,827 square feet land (including improvements)----- | \$860,351 |
| 308,000 cubic yards grading, at 30 cents----- | 92,400 |
| 9,333 square feet bridge (P Street low level), at \$3.75----- | 35,000 |
| 20,700 square feet bridge (N Street), at \$8----- | 165,600 |
| 16,200 square feet bridge (M Street), at \$8----- | 129,600 |
| 19,285 square feet bridge (Pennsylvania Avenue), at \$8----- | 154,280 |
| 7,000 square feet bridge (Chesapeake & Ohio Canal), at \$5.70----- | 40,000 |
| Removing M Street Bridge----- | 8,000 |
| Removing Pennsylvania Avenue Bridge----- | 6,000 |
| 2,799 linear feet retaining walls----- | 245,950 |
| 1,200 linear feet parapet walls, at \$6.75----- | 8,100 |
| 5,000 linear feet railing, at \$5----- | 25,000 |
| 9,638 linear feet roads----- | 53,010 |
| 15,000 linear feet paths, at 50 cents----- | 7,500 |
| 6,000 linear feet 4-inch water pipe (with laterals), at \$1.50----- | 9,000 |
| 3,900 linear feet intercepting sewer (west side Rock Creek), at \$15----- | 58,500 |
| 7,250 linear feet 12-inch sewer, at \$2----- | 14,500 |
| 15 catch basins, with connections, at \$100----- | 1,500 |
| 15 traps, with connections, at \$40----- | 600 |
| 12 acres of cultivation, at \$1,200----- | 14,400 |
| Total cost P to L Street----- | 1,929,291 |
| Total cost Massachusetts Avenue to L street----- | 4,739,806 |

NOTE.—Engineering and contingencies included in total.

It is only an estimate of the expense that is to be incurred if this improvement is to be made, and there are gentlemen who insist that it is too much. Let us see. From Massachusetts Avenue to P Street there are 2,490,733 square feet land (including improvements), estimated at \$1,061,386. From P to L Street there are 1,261,827 square feet land (including improvements), estimated at \$860,351, making a total of 3,752,560 square feet, estimated at \$1,921,737, approximately \$0.50 per square foot. Who is there that is familiar with this territory and surrounding country that will say that this number of square feet, with the improvements which are already on it, is not worth approximately \$0.50 per square foot?

But I want to be fair in the discussion of this matter, and so will add that there are those who insist that the estimated total cost of \$4,739,806 is too much for this number of square feet with the improvements which are already on the same and the improvements which are to be put upon it in accordance with the plans for the "Improvement of the park system of the District of Columbia"—in round numbers, 75 cents per square foot. I doubt if some gentlemen who are opposing this proposition, and who so far have only casually considered it, will further investigate the matter, if they even will think that 75 cents per square foot is far out of the way. And in this connection I want to call your attention to the number of bridges and their estimated cost which of necessity must be built across Rock Creek whether this bill is enacted into law or not. Their estimated cost amounts to hundreds of thousands of dollars.

But, gentlemen, this question of the cost of land when improvements are to be made in the District is no new one. It is ever with us. When I came to Congress 14 years ago they were completing that splendid structure, the Congressional Library. I heard it said many times then that too much was paid for the land upon which the Congressional Library stands. Who is there here to-day that has not heard complaints about the price which was paid for the land upon which the House Office Building stands, and so with the Senate Office Building. This is equally true of the land on which the splendid municipal building on Pennsylvania Avenue stands. One morning a few years ago we woke up and found that the old power house which stood on this land had burned, and for months we were drawn about the city by mules. Later on this land was purchased for the municipal building, and again I repeat, Who is there that has not heard complaints that too much was paid for this property? Recently the Government purchased squares at the corner of Pennsylvania Avenue and Fifteenth Street, upon which are to be erected three buildings—the Department of Justice, Department of Commerce and Labor, and the Department of State. Already criticisms and complaints are heard that too much has been paid for the land, and so, in my judgment, it will ever be, not only here but elsewhere, as long as improvements continue to be made.

Mr. MARTIN of South Dakota. Does the gentleman desire not to be interrupted?

Mr. SMITH of Michigan. I want to answer questions, but I do want to reserve time for other Members.

Mr. MARTIN of South Dakota. There are some of us very desirous of light on this subject. Is it the understanding of the gentleman that if this bill passes it would authorize the construction of these various projects, and it would leave it entirely discretionary with the commissioners?

Mr. SMITH of Michigan. Oh, no. The bill as reported does not confer additional power on the commissioners, but rather enjoins them:

First. To limit their estimates to the combined revenues, whereas until last year they have been in the habit of submitting estimates exceeding by millions of dollars the anticipated revenues.

Second. To include in their estimates provision for payment of the debt, whereas preceding last year it has been the habit of the commissioners, in connection with their estimates, to seek to borrow large sums annually in the way of advances from the United States Treasury.

Third. To put in their estimates for the action of Congress the things to execute which they have been asking large loans from the Federal Treasury.

Mr. MARTIN of South Dakota. Would it authorize the construction of these various undertakings and leave the matter of the order with the Board of Commissioners?

Mr. MANN. Oh, no. They would be appropriated for specifically.

Mr. MARTIN of South Dakota. Appropriations would have to be made specifically, but a reading of the report would indicate that authorization of these various enterprises would go with the passing of this bill. I would like to know if that was the view of the chairman of the committee.

Mr. MANN. You mean so as not to be subject to a point of order?

Mr. SMITH of Michigan. That is all.

Mr. MARTIN of South Dakota. I would like to know whether the gentleman does not think it is giving pretty large authorization in the hands of a single board of commissioners covering all these subjects of improvements?

Mr. SMITH of Michigan. I certainly do not. Taking into consideration that the General Government pays half, I think they certainly should begin to get something in the way of permanent improvements for the payment of this money.

Mr. MARTIN of South Dakota. Would the discretion be left entirely with the board as to which one of these enterprises would be taken up first?

Mr. SMITH of Michigan. Oh, no; Congress would have the say.

Mr. MARTIN of South Dakota. It seems to me that Congress would have to appropriate the money, but is not the authorization and discretion left entirely with the board of commissioners?

Mr. SMITH of Michigan. The last line in the bill provides that Congress shall have the say.

I want to call your attention to who has taken an interest in this proposed legislation. It is quite natural that we should hear criticisms of the board of commissioners, active and earn-

est as they are in the discharge of their duties, a commission which is made up of three men, namely: Two civilians and an officer from the Army. These men are appointed by the President of the United States, and I have no hesitancy in saying to you that I care not what party the President comes from he will always select commissioners who will reflect honor and credit upon themselves, the District, and the Government.

It was not the two civil commissioners that originated this proposed legislation; they do not claim, neither do they want any credit for it.

Under the practice here legislation for the District can originate in two ways. It is within the province of any Member of Congress to introduce a bill affecting legislation in the District, and such bills, under the practice, are referred by the chairmen of the Senate and House District Committees to the Commissioners of the District for their report on the same. The citizens, if you please, can appear before the commissioners and urge legislation, and if they can convince the commissioners of the wisdom of the same, then the commissioners prepare the bills and send them to the chairmen of the respective House and Senate District Committees, who, under the practice, introduce them in the respective bodies, the Senate and the House; and for years it has been the practice for the chairman of the House District Committee to introduce no other legislation affecting the District of Columbia save that which first receives the indorsement of the commissioners, so that it has become known that when a bill affecting the District of Columbia is introduced by the chairman of the House Committee on the District of Columbia it goes without saying that it has first received the indorsement of the commissioners.

This bill did not originate among the real-estate people of the District, as we have often heard it said. It originated in the brain of the engineer commissioner of the District, a man who is not only eminently fitted as an Army engineer, but who is so fortunate as to possess an added qualification, viz, that of being a good business man—a very happy combination, indeed, to say the least.

At first there were few to be found who favored the proposed legislation, but the more they investigated the matter and listened to the engineer commissioner the more they became satisfied that it was good legislation and was in the interests of the people of the District and the country in general.

It was some time even before the citizens of this District could be convinced that this proposed legislation was wise, but it was only necessary for the engineer commissioner to accept an invitation to speak before the chamber of commerce and the board of trade, when these bodies gave the same their hearty and cordial support, as is shown by the following communication from the Washington Chamber of Commerce:

THE WASHINGTON CHAMBER OF COMMERCE,
Washington, D. C., March 2, 1911.

The following is a transcript taken from the minutes of the regular monthly meeting of the chamber of commerce, held November 9, 1909. Under reports of committees the following:

COMMITTEE ON DISTRICT FINANCE.

Mr. George W. White, chairman, introduced Mr. Alonzo Tweedale, of committee, who presented an able and exhaustive report on bonded debt of District of Columbia. It was listened to with pleasure by the organization.

Mr. Tweedale proposed the following:

"Resolved by the Washington Chamber of Commerce, That the plan proposed by the Commissioners of the District of Columbia looking to the final extinguishment of the debt of the District of Columbia and proper provision for the future needs of the municipality, both ordinary and extraordinary, is most strongly approved, and that a committee of three members of the chamber be appointed by the president to urge upon Congress the passage of appropriate legislation giving effect to the commissioners' recommendation."

On motion of Mr. Sinclair, the committee's report and resolution were adopted.

And from the Washington Board of Trade:

SPECIAL REPORT OF THE COMMITTEE ON MUNICIPAL FINANCE, WASHINGTON BOARD OF TRADE.

WASHINGTON, D. C., February 23, 1910.

To the Washington Board of Trade:

The committee on municipal finance has had under consideration S. 3260 and H. R. 13474—precisely similar bills—to provide for the payment of the debt of the District of Columbia, and to provide for permanent improvements, and for other purposes—referred to it by the board of directors and begs to submit thereon the following report:

These bills were sent to the Senate and House of Representatives by the honorable Commissioners of the District of Columbia, and were drawn to carry out the plan suggested by Maj. Judson, engineer commissioner, to relieve the present financial situation of the District and to accomplish the objects suggested in the title of the bills. This plan

has been published in the newspapers, and has been so thoroughly discussed in financial circles, and has been received with such general expressions of approval, that your committee deems it unnecessary to make further extended explanations. A brief statement of the present financial status of the District and of the proposed methods of relief may, however, be appropriate:

The present funded debt of the District, approximating \$10,000,000, is being provided for by annual payments to the sinking fund of \$975,408, one-half of which—\$487,704—is charged against the revenues of the District. The floating debt, some \$4,000,000 additional, covering advances by the United States for and on account of the District in constructing permanent improvements, is payable under present requirements of law in five years, or if annual installments are demanded at the rate of \$798,503 per annum, with interest at 2 per cent, making \$79,850 additional.

With this total annual charge of \$1,366,057 against the revenues of the District—which reduces by the same amount the contribution of the United States—there remains, after providing for urgent current needs, as shown in the letter of the commissioners accompanying the bill, "no sufficient provision for the many great public works of importance to the future which should be undertaken and carried forward with reasonable rapidity."

This situation, which has to a great extent been brought upon the District by charging, in many instances, large appropriations wholly to the revenues of the District in clear violation of the organic act, and by requiring advances of the United States, made necessary by reason thereof, to be repaid in too short a period, demands careful consideration of the board of trade.

Under the existing plan of financing the requirements of the District, while the funded debt has decreased under the payments to the sinking fund, the floating debt has increased from approximately \$1,900,000, July 1, 1903, to about \$4,000,000, notwithstanding large repayments to the United States since that date. If continued, it promises to afford only temporary relief at the expense of increased financial embarrassment. It is evident that the District can not from its present revenues meet its obligations to the United States, provide for current needs, and do much in the way of permanent improvements. Such important public works, necessary to the health, convenience, and comfort of not only the residents of the District, but of all who visit the national capital, as the reclamation of the Anacostia Flats, improvement of Rock Creek Valley, improvement of harbor front, high-pressure fire-protection system, suburban trunk sewers, extension of trunk water mains, building for reformatory and workhouse, acquiring land for park purposes, municipal hospital, and other important works must be indefinitely deferred unless some more satisfactory and effective plan be provided for financing these projects than the one now in practice, which has proven after long trial only adapted, as was doubtless intended, to meet temporary needs.

Shall the debt under any form be increased? The illuminating letter of the commissioners, already referred to, turns a strong light upon the heavy penalty which the District incurs in borrowing money at any ordinary rate of interest. Its annual interest charges are deducted from its revenues, resulting in a corresponding reduction in the contribution of the United States toward the expenses of the District, so that when the full residue of the District revenues is appropriated the practical result is the same as if the District paid double the nominal rate of interest on its debt. For instance, while it pays 3.65 per cent on its funded debt and 2 per cent on its floating debt, yet under the operation of the 50 per cent clause of the organic act the rate of interest is practically 7½ per cent on its funded and 4 per cent on its floating debt. Every dollar of interest paid by the District reduces the combined revenues* of the District and the United States available for District needs by \$2. Other strong objections to a further increase of the debt are mentioned by the commissioners. They say:

"It appears to be generally true in the lives of cities that the so-called extraordinary improvements in sight at any one epoch are always more numerous and costly than works of the same class that were in sight at any previous epoch, even though all of the latter works may have been executed. The board of commissioners, therefore, is unwilling to advocate a policy of borrowing to accomplish works of this class, as it is apparent that there would be no end of such borrowing. The loans would, in fact, come due at the very time when other so-called extraordinary improvements would demand to be done."

Whatever the views of the board of trade may be as to the expediency of increasing the District debt to provide for permanent improvements, your committee feels assured that no member of the board desires any further debt to be incurred in the way the present floating debt was in great part created by repeated infractions of the organic act.

Sections 12, 16, and 17 provide:

"The said commissioners shall submit to the Secretary of the Treasury for the fiscal year ending June 30, 1879, and annually thereafter, for his examination and approval, a statement showing in detail the work proposed to be undertaken by them during the fiscal year next ensuing and the estimated cost thereof.

"To the extent to which Congress shall approve of the commissioners' estimates Congress shall appropriate the amount of 50 per cent thereof.

"And the remaining 50 per cent of such approved estimates shall be levied and assessed upon the taxable property and privileges in said District other than the property of the United States and of the District of Columbia."

That act pledges Congress to appropriate 50 per cent, nothing less, of the amount of the approved estimates of the commissioners, and authorizes the remaining 50 per cent, nothing more, to be levied and assessed against District property.

One-half the total amount of the approved estimates was made the measure of the tax levy upon District property after 50 per cent thereof had first been appropriated by Congress. Every appropriation made exclusively from the revenues of the District, except for payment of debt and interest, is in violation of that act and costs the District \$2 for every \$1 expended.

This act was a tardy recognition by Congress of its long-neglected financial responsibilities and obligations to the District of Columbia. Its observance has brought prosperity; its nonobservance, floating debt, with all its serious consequences. The board of trade should take note of how slowly but surely the nonobservance of this act by Congress has eaten into the revenues of the District to the extent of many millions of dollars, until it threatens, unless checked, the ultimate destruction of the half-and-half feature.

From the first dangerous precedent, established in 1891, 13 years after the passage of the organic act, appropriating wholly from the revenues of the District the insignificant sum of \$3,000 for a bathing beach, the amounts so appropriated have increased from year to year until they aggregated at the end of the fiscal year ending June 30, 1909, \$2,847,283.51. That large sum, with interest thereon, including the interest upon the same amount made thereby unavailable for appropriation for District purposes from the Federal Treasury, approximates the amount of the present floating debt. The importance of the 50 per cent clause of the act, and that it was intended to be a permanent (and final) assumption by the United States of one-half the entire burden of carrying on the government of the District of Columbia, is clearly shown not only in the unmistakable language of the act, but in the protracted debates upon the measure in both Houses of Congress.

Mr. Hendee, in reporting the bill H. R. 3259, Forty-fifth Congress, second session, said:

"There is another clause in the bill which I consider very wise, and perhaps the most important provision in it. It provides that of the expenses or burdens of this District the United States Government shall bear 50 per cent and the people of the District 50 per cent. The United States owns 55 per cent of the entire area of this District. * * * Since the seat of government was established in this District, the entire expenditures of the United States for improvements in the District have been about \$9,000,000, while the amount paid by the citizens of the District for the same purpose exceeds the sum of \$34,000,000—about four times the amount which has been appropriated by the Federal Government. I make these statements upon data furnished by the Treasury Department and other departments of the Government."

Mr. Blackburn of the committee said:

"I desire to say that the understanding that I have of this feature of the bill—and I am sure that I shall be supported by the committee in the interpretation I give to it—is that the proposition embodied in the bill to divide the expenses between the Federal Government and the District upon the basis of 50 per cent does include all the expenses necessarily incurred in the conduct of the affairs of the District, and does include the very items to which my attention was called by the gentleman from Missouri, Mr. Buckner. * * *

"There is one point more to which I desire to call the attention of the House and then I have done: It is the necessity of having some basis of expenditure fixed between the Federal Treasury and the District treasury. How can a property holder in the District of Columbia determine or gauge the value of his property to-day? Can he tell what tax it will be subjected to as long as he is left the victim of the whim and caprice of Congress? The property holder does not know whether the appropriation made by Congress will be 10 per cent or 90 per cent of the expenditures of the District. No value can be attached to a foot of real estate owned by a property holder within the limits of this District, because the purchaser can not tell what taxation he will be subjected to. The people of the District have a right to demand that you shall fix this question permanently and finally. If you do not intend to bear more than 10 per cent of the burdens of taxation, say so; if you will bear 50 per cent of it, then say so. But whatever per cent the Federal Government is to bear should be determined and fixed permanently, so that legitimate and permanent values may be established in this District. I beg Congress to establish some permanent form of government."

Mr. Hunton said:

"I have studied this question with a great deal of care, and having been a member of the joint select committee, and also a member of the committee which framed and reported this bill, I say after the maturest reflection I could give to the subject that it is but just to the people that the Government should bear equally with the people the burdens of the government of the District of Columbia."

Two amendments were offered in the House—one reducing the share of the expenditures to be assumed by the United States to 25 per cent and the other to 40 per cent thereof. Both amendments were overwhelmingly defeated.

In the Senate no amendment was offered upon this feature of the bill. Senator Bayard offered an amendment, which was accepted by the Senate, reducing the rate per hundred from \$2 to \$1.50. Upon that amendment he said:

"The bill contains excellent provision as to estimates for the expenditures of the District, so that Congress shall have control of the cost of governing the District, of carrying on public works here, and then the laying of the tax shall follow that. I have before now expressed the belief, and I now reiterate it, that I do not believe the property of this District in the hands of private citizens can bear one-half the cost of keeping up improvements such as we see around us on the scale which they have assumed. The effect of overtaxation is obvious. It stops all improvements; it deters immigration; it lowers the value of property; discourages persons coming here and attempting to improve the city."

These debates show in the strongest and clearest language that it was the intention of the framers of the organic act, and the intention of the Congress which enacted it into law, that it was to permanently and finally fix the share of expenditures in this District to be assumed by the United States at 50 per cent, and that the amount was not to be left—in the language of Mr. Blackburn—to the whim or caprice of Congress. They show also that Congress intended to protect property here from excessive taxation by reserving to itself the exclusive right to fix the amount of taxes to be raised each year, rather than leave it to the caprice or whim of anyone charged with the duty of valuing property for taxation. The assessor may not fix the value for taxation at less than two-thirds its actual market value nor the rate at more than \$1.50 per hundred. But whatever the rate may be, or whatever the value may be, whether they go up or down, these two factors, if the organic act is to be followed, must be so adjusted as to produce 50 per cent, or more, of the amount of the approved estimates. That law contemplated no surplus revenues in this District to induce or tempt extravagant expenditures on the one hand nor did it on the other hand contemplate floating debt with its evil consequences.

If this act may be ignored for one purpose, it may be ignored for all purposes. Let there be no infractions of the half-and-half plan should be the slogan of the board of trade, in the opinion of your committee.

Fortunately for all concerned, the plan under consideration, while avoiding any additions to the present debt, provides in a simple and

effective way for current needs, all necessary permanent works, and for the gradual and easy extinction of both the funded and floating debts within 30 years. By extending the time for the payment of the floating debt until 1925, when the funded debt will have been extinguished under the operation of the sinking fund, there will be released until that time the amount that otherwise would be annually paid on the floating debt, plus an equal amount contributed by the United States, so that had this plan been authorized by the last Congress there would have been available for permanent improvements in 1911 approximately \$1,030,000, after providing sufficiently for all current needs. Under this plan the normal annual increase of \$500,000 in the District revenues, including the 50 per cent to be paid by the United States, will be applied as follows: Four hundred thousand dollars to current needs and \$100,000 to permanent improvements, thus largely increasing the annual expenditures for these purposes.

"If," say the commissioners, "the arrangement be adopted during the 12 years beginning with 1912, the amounts available for extraordinary improvements will aggregate \$20,160,000. It is believed that in 12 years not more than this sum can be expended on the objects proposed (those hereinafter mentioned) with economy and in accordance with plans deliberately matured."

CONCLUSIONS.

The great advantages of the plan proposed in S. 3260 and H. R. 13474 are:

- First. Its simplicity.
- Second. That it avoids further advance by the United States or further increase of the District debt.
- Third. That it provides a certain and easy way for gradually extinguishing the entire debt within 30 years.
- Fourth. That it provides amply for all needs, current and extraordinary, and for an annual increase of half a million dollars in the appropriations for all purposes.

Fifth. That with the knowledge for several years in advance of approximately the amount that will be available each year, the commissioners and the committees of Congress can work out more economical and better digested plans for all important works.

Finally, it will, if adopted, make a most satisfactory settlement of a most unsatisfactory and disturbing financial situation, and place the financial affairs of the District upon a safe, certain, and permanent basis.

Your committee, therefore, strongly recommends that the board of trade give these bills its unqualified approval and earnest support.

Respectfully submitted.

GEORGE TRUESDELL, *Chairman.*

APPENDIX A.

Revenues of the District of Columbia for fiscal years 1898-1909, inclusive.

| | |
|-------|----------------|
| 1898 | \$3,316,099.85 |
| 1899 | 3,618,141.95 |
| 1900 | 3,437,367.62 |
| 1901 | 3,387,635.73 |
| 1902 | 3,594,569.55 |
| 1903 | 4,540,228.00 |
| 1904 | 4,757,236.85 |
| 1905 | 4,847,644.54 |
| 1906 | 5,094,744.97 |
| 1907 | 5,286,802.10 |
| 1908 | 5,494,447.18 |
| 1909 | 6,058,077.32 |
| Total | 53,432,995.66 |

APPENDIX B.

Extraordinary improvements.

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 2. Improvement of Rock Creek Valley from Massachusetts Avenue to mouth of creek: Appropriation of \$4,000 made to prepare plans and estimates in District appropriation act for 1908. Report made Apr. 25, 1908. Total estimated cost | \$4,750,000 |
| 3. Improvement of harbor front: Appropriation of \$2,500 for plans and estimates made in District appropriation act for fiscal year 1907. Report made May 23, 1908. Total estimated cost, \$2,880,000. To be expended in 12 years | 1,200,000 |
| 4. High-pressure fire protection system: Project estimated for by superintendent of the water department (not by direction of Congress) | 750,000 |
| 5. Park system of District of Columbia: Report made Jan. 15, 1902, in pursuance of Senate resolution dated Mar. 8, 1901. No estimate of cost given. Approximate estimate of value of land recommended to be acquired for park purposes Amount to be expended in improvements in 12 years | 5,000,000 1,000,000 |
| 6. Suburban trunk sewers: Estimate of the superintendent of sewers for extension of suburban trunk sewer system for the next 12 years | 2,000,000 500,000 |
| 7. Municipal hospital | 400,000 |
| 8. Elimination of dangerous grade crossings outside of city limits | 800,000 |
| 9. Extension to suburbs of trunk water mains | |
| 10. Buildings for reformatory and workhouse: Plans for permanent buildings authorized in the District appropriation act for fiscal year 1910. Estimated cost of buildings | 1,000,000 |
| Total | 19,952,320 |

APPENDIX C.

Statement of appropriations made since 1878, chargeable wholly to the revenues of the District of Columbia, including fiscal year ended June 30, 1909.

| Fiscal years. | Street extensions. | Expenses of excise board. | | Miscellaneous. | Total for fiscal year. |
|---------------|--------------------|---------------------------|--------------------------------------------------------------------------|----------------|------------------------|
| 1891..... | | | Bathing Beach..... | \$3,000.00 | \$3,000.00 |
| 1893..... | | | {Alleys..... | 40,000.00 | |
| 1894..... | \$15,000.00 | \$2,218.53 | {G. A. R. Encampment..... | 90,000.00 | 130,000.00 |
| 1895..... | 22,500.00 | 6,794.58 | Payment to W. S. Abert for compilation of laws..... | 4,000.00 | 17,218.53 |
| 1896..... | | | Judgment of Chas. C. Tucker, administrator, v. District of Columbia..... | 699.40 | 33,993.98 |
| 1897..... | 17,991.00 | 7,000.00 | Redemption tax sale certificates..... | 1,031.00 | 26,022.00 |
| 1898..... | 121,686.00 | 6,935.83 | Relief of Emmart Dunbar & Co..... | 14,548.22 | 143,170.05 |
| 1899..... | 21,179.50 | 4,011.65 | Investigating Northern Liberty Market claims..... | 5,000.00 | 30,191.15 |
| 1900..... | 250,576.03 | 5,995.65 | Northern Liberty Market claims..... | 134,578.50 | 391,150.18 |
| | 235,465.99 | 3,682.17 | do..... | 275.00 | |
| 1901..... | | | Redemption tax lien certificates..... | 415.00 | 239,838.16 |
| 1902..... | 301,232.64 | 6,900.00 | | | 308,132.64 |
| 1903..... | 1,194,889.78 | 8,000.00 | | | 1,199,889.78 |
| 1904..... | 2,500.00 | | | | 2,500.00 |
| | 4,900.00 | 17.50 | Alleys..... | 25,000.00 | 29,917.50 |
| 1905..... | 5,691.58 | | Reimbursement of Alice L. Riggs..... | 1,004.96 | |
| 1906..... | | | Reimbursement of L. I. O'Neal..... | 140.00 | 6,836.54 |
| 1907..... | 47,871.46 | | | | 47,871.46 |
| | 27,073.43 | | Alleys..... | 50,000.00 | |
| 1908..... | | | Relief of Gurley Memorial Church and others..... | 4,101.39 | 81,174.82 |
| | 60,369.09 | | Alleys..... | 50,000.00 | 110,369.09 |
| 1909..... | 45,457.63 | | Investigating Northern Liberty Market claims..... | 550.00 | 46,007.63 |
| Total..... | 2,374,384.13 | 48,555.91 | | 424,343.47 | 2,847,283.51 |

And individual citizens became deeply interested as they acquainted themselves with the proposition, as is shown by the following letter from Mr. Hopewell H. Darneille, for several years one of the best and most popular assessors of the District:

WASHINGTON, D. C., April 18, 1910.
HON. SAMUEL W. SMITH,
Chairman District of Columbia Committee,
House of Representatives.

MY DEAR MR. SMITH: In accordance with my promise, I send you herewith my views of House bill No. 13474, known as the Judson financial bill.

After consulting some of my most intimate friends, who are very familiar with the District's finances, and making a thorough and lengthy study of this bill, I am of the opinion that it is a fine solution of the financial affairs of the District of Columbia.

The condition that confronts the District at the present is that there are permanent improvements which seem to demand immediate attention, viz, reclamation of the Anacostia Flats, Rock Creek Valley improvements, harbor front, high-pressure service, parking system suburban trunk sewers and water mains, municipal hospital, grade crossings, and workhouse, estimated at about \$18,733,795, after eliminating section 1 of the estimates for Anacostia Flats, which is for a navigable river and will no doubt be provided for by the General Government appropriations, which is usual for such rivers.

The bonded debt of the District is approximately \$10,000,000, at 3.65 per cent interest, and the floating debt about \$4,000,000, at 2 per cent interest.

By operation of the sinking fund the bonded debt will be extinguished in about 12 years, thus leaving the \$487,704, which is now paid yearly from District revenue for interest and sinking fund, it being one-half of the appropriation, to be applied to the liquidation of the floating debt, and in addition to this sum the \$80,000 annual interest on the \$4,000,000 floating debt, and we have \$567,704 annually from District revenues to take care of the floating debt after the bonded debt is extinguished. In other words, at the end of the term of, say, 12 years, or at the most 14 years, the District will have paid the bonded debt and the interest on the floating debt up to that time, leaving its indebtedness to the United States in the sum of \$4,000,000 at 2 per cent interest per annum. This sum, together with the interest, could be paid by applying the \$567,704 annually to its liquidation in a little over seven years.

On this basis of present revenues available and its reasonable annual increase, it would leave after providing for other municipal needs about \$1,100,000 annually to be applied to these permanent improvements out of combined revenues, without any increase in indebtedness. This would leave the District in first-class financial condition.

Congress should have entire control of the expenditures, and I would suggest that a proviso be added to the bill that hereafter no indebtedness be incurred or money expended under the provisions of this act without the specific authorization of Congress, and then you could so regulate appropriations and avoid making any serious indebtedness in the future.

To pay back the \$4,000,000 in five years, as is now provided, would so cripple the revenues that any considerable amount of permanent improvements is out of the question and will be for some years to come.

I feel very confident that 20 years, or 22 years at most, would be the limit for the entire extinguishment of all indebtedness now owed by the District if the scheme proposed in this bill is carried out.

I send herewith figures demonstrating how the \$4,000,000 could be paid in eight years after the bonded debt has been paid.

Yours, very sincerely,
H. H. DARNEILLE.

| | |
|------------------------|-------------|
| Debt..... | \$4,000,000 |
| Interest..... | 80,000 |
| Debt and interest..... | 4,080,000 |
| First payment..... | 567,704 |
| Balance of debt..... | 3,512,296 |
| Interest..... | 70,246 |

Debt and interest..... \$3,582,542
Second payment..... 567,704

Balance of debt..... 3,014,838
Interest..... 60,297

Balance and interest..... 3,075,135
Third payment..... 567,704

Balance..... 2,507,431
Interest..... 50,148

Balance and interest..... 2,557,579
Fourth payment..... 567,704

Balance..... 1,989,875
Interest..... 39,797

Balance and interest..... 2,029,672
Fifth payment..... 567,704

Balance..... 1,461,968
Interest..... 29,239

Balance and interest..... 1,491,207
Sixth payment..... 567,704

Balance..... 923,503
Interest..... 18,470

Balance and interest..... 941,973
Seventh payment..... 567,704

Balance..... 374,269
Interest..... 7,483

Balance..... 381,752

And last, but not least, I insert a quotation from the annual message of President Taft of December 6, 1910, viz:

PERMANENT IMPROVEMENTS.

Among the items for permanent improvements appearing in the District estimates for 1912 is one designed to substitute for Willow Tree Alley, notorious in the records of the police and health departments, a playground with a building containing baths, a gymnasium, and other helpful features, and I hope Congress will approve this estimate. Fair as Washington seems with her beautiful streets and shade trees, and free, as the expanse of territory which she occupies would seem to make her, from slums and insanitary congestion of population, there are centers in the interior of squares where the very poor, and the criminal classes as well, huddle together in filth and noisome surroundings, and it is of primary importance that these nuclei of disease and suffering and vice should be removed, and that there should be substituted for them small parks as breathing spaces, and model tenements having sufficient air space and meeting other hygienic requirements. The estimate for the reform of Willow Tree Alley, the worst of these places in the city, is the beginning of a movement that ought to attract the earnest attention and support of Congress, for Congress can not escape its responsibility for the existence of these human pestholes.

The estimates for the District of Columbia for the fiscal year 1912 provide for the repayment to the United States of \$616,000, one-fourth of the floating debt that will remain on June 30, 1911. The bonded debt will be reduced in 1912 by about the same amount.

The District of Columbia is now in an excellent financial condition. Its own share of indebtedness will, it is estimated, be less than \$6,000,000 on June 30, 1912, as compared with about \$9,000,000 on June 30, 1909.

The bonded debt, owed half and half by the United States and the District, will be extinguished by 1924, and the floating debt of the District probably long before that time.

The revenues have doubled in the last 10 years, while the population during the same period has increased but 18.78 per cent. It is believed

that, if due economy be practiced, the District can soon emerge from debt, even while financing its permanent improvements with reasonable rapidity from current revenues.

To this end, I recommend the enactment into law of a bill now before Congress—and known as the Judson bill—which will insure the gradual extinguishment of the District's debt, while at the same time requiring that the many permanent improvements needed to complete a fitting Capital City shall be carried on from year to year and at a proper rate of progress with funds derived from the rapidly increasing revenues.

And I want to say that no President since the days of Washington has taken a deeper interest in the affairs of the District of Columbia than has our beloved President, William Howard Taft.

I do not feel that these remarks would be complete without inserting as a part of the same a letter from the former commissioners, addressed to Hon. JOSEPH G. CANNON, Speaker of the House of Representatives, dated October 25, 1909:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
EXECUTIVE DEPARTMENT,
Washington, October 25, 1909.

Hon. JOSEPH G. CANNON,
Speaker of the House of Representatives.

SIR: In preparing its annual estimates for the fiscal year 1911, the Board of Commissioners of the District of Columbia has found no difficulty in providing within the estimated means available for all current needs in accordance with reasonable standards of efficiency.

In addition to current needs, provision has been made for the payment of \$975,408 on account of interest and sinking fund pertaining to the bonded indebtedness, and provision has further been made for repayment to the United States of \$480,000, principal and interest, on account of advances made by the United States to the District proper.

The debt of the District of Columbia, considering the latter as made up of two partners, the District proper and the United States, includes a bonded debt of approximately \$10,000,000. The District proper owes the other partner, the United States, approximately \$4,000,000. Inasmuch as repayments on account of this \$4,000,000, principal and interest, will be deducted from the District's future contributions to the partnership fund, perforce the contributions of the other partner, the United States, will be diminished accordingly. That is to say, in the future as the District proper repays to the United States this \$4,000,000, with interest, the total means available of the partnership will be reduced by an amount equivalent to \$8,000,000, with interest at 2 per cent. The financial condition of the District, then, considered as a partnership, is precisely as if it owed a bonded debt of nearly \$10,000,000, bearing 3.65 per cent interest, and a floating debt of approximately \$8,000,000, bearing 2 per cent interest.

It appears to be the intention of Congress that the floating debt shall be paid off within five years. The bonded debt must be paid within 15 years, if the bonds are to be met at maturity. Thus the District, considered as a partnership, appears obligated to pay off its debt of virtually \$18,000,000 wholly within 15 years and in very large part within five years.

Due to payments on account of debt, the combined resources of the partnership available for general purposes are, in effect, reduced, in the estimate submitted for the fiscal year 1911, by \$975,408, plus \$960,000, or a total of \$1,935,408.

While, as above stated, current needs have been amply provided for in the 1911 estimates, yet it must be admitted that no sufficient provision has been made for the many great public works of importance to the future, which should soon be undertaken and carried forward with reasonable rapidity. In the past this provision has been made by generous advances from the Federal Treasury. It is apparent, however, that if this arrangement is continued in order that these great projects which already demand initiation shall be undertaken, not to mention the enterprises which experience shows will undoubtedly present themselves in the future, the amount of debt now incurred will be greatly increased and its burden will eventually rest heavily upon the District. If, therefore, any plan can be presented whereby these advances shall cease and yet these large permanent improvements can be carried forward without sacrificing the efficiency in current municipal work, the commissioners believe that such a plan would commend itself to Congress and to the community, whose affairs are, in part, intrusted to their administration. The solution of the problem, in their judgment, lies in extending the period of time in which the debt of the District shall be paid.

If of the contribution of the District proper there be each year applied to payment of debt, principal, and interest \$567,704, it is certain that the process will, in some such period as 25 years, extinguish principal and interest of the half of the bonded and floating debt of the District proper, such half amounting to approximately \$9,000,000. Each year the financial condition of the District will be improved, for each year its debt will be less, until within 25 years it will be extinguished, provided nothing more be borrowed in the meantime. This arrangement would be equivalent to an extension of time granted by the United States to its partner, the District proper, for the repayment of the \$4,000,000 which the latter owes the former. The annual provision of \$567,704 from District revenues includes \$487,704, which is the District's half of annual payments, sufficient to extinguish the bonded debt, and the further sum of \$80,000, the interest due annually on the \$4,000,000 advanced by the United States to the District proper. After the extinction of the bonded debt in 1924, the \$567,704 would be applied annually toward the extinction of the debt owed by the District proper to the United States.

If this arrangement had been authorized by Congress when the estimates for the fiscal year 1911 were being prepared, there would have been available for extraordinary improvements approximately \$1,030,000.

The revenues of the District proper increase at the rate of practically \$250,000 per annum. Thus the revenues of the partnership may be said to increase at the rate of \$500,000 per annum. This rate of increase, past and prospective, makes the proposed plan practicable. The board of commissioners is confident that four-fifths of this increment will be an ample annual increase in the aggregate of all those items of the estimates devoted to current needs.

It is proposed, therefore, as a quid pro quo, if Congress shall extend the time during which the debt shall be paid to some such period as 25 years, that it shall be made obligatory upon the commissioners, in submitting their estimates, to provide annually for such reduction of the debt as will make it each year less and finally extinguish it, principal and interest, in about 25 years; to borrow no more money from the United States Treasury or elsewhere, and to provide annually for extraordinary improvements on the scale on which they might have been undertaken in 1911 (without sacrifice of current needs) if the payment of the debt had already been made more gradual, as proposed above, adding each year to the fund for extraordinary improvements a sum estimated to be one-fifth of the increase in combined revenues. Thus for any fiscal year there would be added for extraordinary improvements to \$1,030,000 one-fifth the increment of means available, counting from 1911, so that, for example, if in 1911 \$1,030,000 were available, that amount would be increased by \$100,000 the subsequent year; \$100,000 more would be added the next year, and so on.

To the end that this policy may be inaugurated and the continuance of the policy safeguarded, the board of commissioners presents herewith a draft of a bill designed to place such a system in operation and to insure its continuance. A term of 12 years has been provided in the bill as the period during which this arrangement shall continue.

If the arrangement be adopted, during the 12 years beginning with 1912 the amounts available for extraordinary improvements will aggregate \$20,160,000. It is believed that in 12 years not more than this sum can be expended on the objects proposed with economy and in accordance with plans deliberately matured.

By the end of the 12 years doubtless other great projects will demand recognition, but by that time, under the same system, much larger sums will be annually available.

To recapitulate, the plan advocated will not only reduce the debt every year and finally extinguish it, but, always caring for current needs, will insure the expenditure of some \$20,000,000 in extraordinary improvements during the 12 years ending with 1923, and leave, at the end of that period, an even greater power in the District to accomplish the extraordinary projects which will then be in sight.

There is inclosed herewith, in addition to the draft of the proposed bill, a memorandum of the proposed items of extraordinary improvements, together with tentative estimates of cost.

Very respectfully,

HENRY B. F. MACFARLAND,
HENRY L. WEST,
W. V. JUDSON,

Commissioners of the District of Columbia.

And the full and comprehensive argument of the Engineer Commissioner—Maj. W. V. Judson:

Payment of District debt and permanent improvements.

COMMITTEE ON THE DISTRICT OF COLUMBIA,
HOUSE OF REPRESENTATIVES,
Thursday, March 3, 1910.

The subcommittee met at 11.10 o'clock a. m., Chairman Smith presiding.

ARGUMENT OF MAJ. W. V. JUDSON, ENGINEER COMMISSIONER, REPRESENTING THE BOARD OF DISTRICT COMMISSIONERS.

The city of Washington, because it is the seat of government and the capital city of the United States, possesses among all American cities a peculiar function, which is to attract and hold the sentimental regard of all the Nation and add to its patriotic feeling. Its physical characteristics must be such as are consistent with this function.

In a sense, the capital city of a nation is symbolic of its stability and aspirations.

In performing its function it acts in a certain degree as do the national colors, centering about itself the affection of the people and inspiring them to a healthy national feeling.

In time of war a national capital is often made the objective of hostile operations by reason of the moral effect that would result from its capture, injury, or destruction, and a government would rely largely upon the love of a people for its capital to stir the nation to a successful resistance.

The public interest of all the people of the United States in Washington is evidenced not only by the constitutional provision for its government and by the considerations I have mentioned, but also by the policy of Congress, as evidenced by annual contributions to the District of Columbia of between \$5,000,000 and \$6,000,000. In fairness the people must find in Washington some quid pro quo. When they visit Washington or talk or read about it, they expect, as a result of their contributions, to contemplate a city worthy of the natural pride that has induced such contributions. It would seem, even, that they may properly demand this.

In Washington, then, to satisfy physical requirements, so far as they depend upon public funds, a part of the expenditures must be directed toward, we may say, monumental things. To satisfy bare current necessities by current public expenditure will not produce a city such as the people have a right to demand. And yet in our last few appropriations acts nothing has been done except to care for current needs. In the last year or two, certainly, the people of the Nation, not resident in Washington, have received but little for their very large contributions to the funds appropriated.

The revenues of the District of Columbia have been increasing rapidly, at the rate of about \$250,000 per annum; thus the combined revenues have been and are increasing at the rate of about \$500,000 per annum. Current needs, being a function of area and of population, are increasing at a much less rapid rate than are the means available. The debt is being rapidly paid off. The only thing that is not being done at the present time is to effect those permanent or extraordinary improvements such as are essential in the case of Washington. These improvements can be made more economically if made systematically. The ample revenues eliminate any need for the borrowing of money. It is only necessary to make a program of expenditure so that each item of work shall not be "new legislation," requiring, for consideration and appropriation, the action of four or more committees of Congress and the passage of a separate act.

The bill is designed to carry out this idea of establishing a program. As the result of the passage of this bill, \$20,160,000 would become available for expenditure on permanent or extraordinary improvements within the next 12 years. The gradual elimination of the debt is provided for so that within 25 years no indebtedness would remain.

There is nothing in this bill that would divert from the funds annually available more than can be spared for the purposes under consideration. An ample amount will remain each year for all current needs. This bill has been forwarded to Congress by the Commissioners of the District of Columbia with their most favorable consideration. It is very important that it should become a law at this session of Congress in order that the halt in the making of permanent improvements may end before the advance in real estate values shall materially increase the cost of obtaining the land that will be required for parks, etc.

In preparing its annual estimates for the fiscal year 1911 the Board of Commissioners of the District of Columbia found no difficulty in providing within the estimated means available for all current needs in accordance with reasonable standards of efficiency.

In addition to current needs, provision was made for the payment of \$975,408 on account of interest and sinking fund pertaining to the bonded indebtedness, and provision has further been made for payment to the United States of \$480,000, principal and interest on account of advances made by the United States to the District proper.

The debt of the District of Columbia, considering the latter as made up of two partners, the District proper and the United States, includes a bonded debt of approximately \$10,000,000. The District proper owes the other partner, the United States, approximately \$4,000,000. Inasmuch as payments on account of this \$4,000,000, principal and interest will be deducted from the District's future contributions to the partnership fund, perforce the contributions of the other partner, the United States, will be diminished accordingly. That is to say, in the future, as the District proper repays to the United States this \$4,000,000, with interest, the total means available of the partnership will be reduced by an amount equivalent to \$8,000,000, with interest at 2 per cent. The financial condition of the District, then, considered as a partnership, is precisely as if it owed a bonded debt of nearly \$10,000,000, bearing 3.65 per cent interest, and a floating debt of approximately \$8,000,000, bearing 2 per cent interest.

It appears to be the intention of Congress that the floating debt shall be paid off within 5 years. The bonded debt must be paid off within 15 years, if the bonds are to be met at maturity. Thus the District, considered as a partnership, appears obligated to pay off its debt of \$18,000,000 wholly within 15 years, and in very large part within 5 years.

In the last 30 years the debt has been reduced from \$23,000,000 to virtually \$18,000,000. What is provided in the bill is, therefore, a great improvement on what has been done in the past, as regards the debt, for the bill contemplates the complete extinction of the debt in 25 years or less.

Due to payments on account of debt, the combined resources of the partnership available for general purposes are, in effect, reduced in the estimates submitted for the fiscal year 1911 by \$975,408 plus \$960,000, or a total of \$1,935,408.

The District appropriation bill as it comes from conference shows a reduction of \$555,205.50 from the estimates of the commissioners. The effect is to cause the District to repay to the United States on account of advances a further sum of one-half that amount, or \$277,602.75. The total reduction due to payments on account of debt during 1911 may therefore be set at \$2,490,613.50.

While, as above stated, current needs have been amply provided for in the 1911 estimates, and Congress has been able to provide for said current needs with an appropriation \$555,205.50 less than the estimates, yet it must be admitted that no sufficient provision has been made for the many great public works of importance to the future which should be undertaken and carried forward with reasonable rapidity.

The Board of Commissioners hesitates to employ the phrase "extraordinary improvements" as applied to works of this class, for the reason that it appears to be generally true in the lives of cities that the so-called extraordinary improvements in sight at any one epoch are always more numerous and costly than works of the same class that were in sight at any previous epoch, even though all of the latter works may have been executed. The Board of Commissioners, therefore, is unwilling to advocate a policy of borrowing to accomplish works of this class, as it is apparent that there would be no end to such borrowing. The loans would, in fact, come due at the very time when other so-called extraordinary improvements would demand to be done.

In emergencies doubtless the creation of municipal debts is justifiable. Certainly the borrowing of money by anybody is a sound business proposition when a larger interest can be earned upon the money borrowed than is paid for its use. But it is, nevertheless, true that no one should go in debt whose means are ample, with due economy but with reasonable dispatch, to make all of the outlays which he considers desirable. And such is the position of the District of Columbia at this time.

It appears to be in accordance with sound business policy now to arrange our finances and our public works in such a manner as will permit of an annual reduction of our debt and at the same time insure the carrying forward of the permanent improvements that, for lack of a better word, may be termed "extraordinary," since it is apparent that these things can be done without sacrifice of efficiency in the ordinary current work.

The Board of Commissioners is convinced that but one thing is needed to make this practicable, and that is an extension of the period of time during which the debt of the District shall be paid. Even this extension is more apparent than real, as only the estimates of the commissioners are to be based upon such extension, while by one-half of whatever amount Congress shall in appropriating see fit to reduce such estimates—and, judging by the past, it seems probable that Congress will reduce them—the debt due the United States by the District will, in fact, be diminished. Moreover, whatever appropriations be made, there are always some balances unexpended at the end of each fiscal year, and one-half of all such balances are applied to a reduction of the debt due the United States by the District.

If of the District proper contribution there be each year applied to the payment of debt, principal and interest, \$567,704, it is certain that the process will, in some such period as 25 years, extinguish principal and interest of the District proper half of the bonded and floating debt, such half amounting to approximately \$9,000,000. Each year the financial condition of the District will be improved; for each year its debt will be less, until within 25 years it will be extinguished, provided nothing more be borrowed in the meantime. This arrangement would be equivalent to an extension of time granted by the United States to its partner, the District proper, for the repayment

of the \$4,000,000, which the latter owes the former. But, as is above pointed out, this debt would in all probability be paid in a considerably shorter space of time, due to the anticipated action of Congress in reducing the commissioners' estimates.

The annual provision of \$567,704 from the District revenues includes \$487,704, which is the District's half of an annual payment sufficient to extinguish the bonded debt, and the further sum of \$80,000, the interest due annually on the \$4,000,000 advanced by the United States to the District proper. After the extinction of the bonded debt in 1924, the \$567,704 would be applied annually toward the extinction of the debt owed by the District proper to the United States, if any such debt should then remain.

If this arrangement had been authorized by Congress when the estimates for the fiscal year 1911 were being prepared, there would have been available for extraordinary improvements approximately \$1,030,000. Or assuming that the provisions of the District appropriation bill, as agreed upon in conference, are ample for current needs, then \$1,585,205.50 would have been so available.

As has been before stated, the revenues of the District proper increase at the rate of practically \$250,000 per annum. Thus the revenues of the partnership may be said to increase at the rate of \$500,000 per annum. The Board of Commissioners is confident that four-fifths of this increment will be an ample annual increase in the aggregate of all those items of the estimates devoted to current needs.

It is proposed therefore as a *quid pro quo*, if Congress shall extend the time for paying the debt, as provided in the bill and as explained above, that it shall be made obligatory upon the commissioners, in submitting their estimates, to provide annually for such reduction of the debt as will make it each year less and, finally, extinguish it, principal and interest, in less than 25 years; to seek to borrow no more money from the United States Treasury or elsewhere, and to provide annually for extraordinary improvements on the scale on which they might have been undertaken in 1911 (without neglect of current needs) if the payment of the debt had already been made more gradual, as proposed above, adding each year to the fund for extraordinary improvements a sum estimated to be one-fifth of the increase in combined revenues. Thus, for any fiscal year there would be added for extraordinary improvements to \$1,030,000 one-fifth of the increment of means available, counting from 1911; so that, for example, if in 1911 \$1,030,000 were available, that amount would be increased by \$100,000 the subsequent year, \$100,000 more would be added the next year, and so on.

To the end that this policy may be inaugurated and the continuance of the policy safeguarded, the Board of Commissioners presents herewith a draft of a bill designed to place such a system in operation and to insure its continuance. A term of 12 years has been provided in the bill as the period during which this arrangement shall continue.

If the arrangement be adopted, during the 12 years beginning with 1912 the amounts available for extraordinary improvements will aggregate \$20,160,000. It is believed that in 12 years not more than this sum can be expended on the objects proposed with economy and in accordance with plans deliberately matured.

At the end of the 12 years doubtless other great projects will demand recognition, but by this time, under the same system, much larger sums will be annually available.

To recapitulate, the plan advocated will not only reduce the debt every year and finally extinguish it, but, always caring for current needs, will insure the expenditure of some \$20,000,000 in extraordinary improvements during the 12 years ending with 1923, and leave at the end of that period an even greater power in the District to accomplish the extraordinary projects that will be then in sight.

List of extraordinary improvements.

1. Reclamation of the Anacostia Flats:
Secretary of War directed to submit project by joint resolution approved Apr. 11, 1898. Report made Dec. 12, 1898, with the following estimates—

| | |
|---------------------------------------------------------------------------------------------------------------|-------------|
| Section 1, mouth of river to navy-yard bridge | \$1,218,525 |
| Section 2, navy-yard bridge to Bennings bridge | 976,195 |
| Section 3, Bennings bridge to District line | 644,600 |
| | 2,839,320 |
| Less cost of work already undertaken by United States incident to improving the Anacostia up to the navy yard | 1,218,515 |
| | \$1,620,795 |
2. Improvement of Rock Creek Valley from Massachusetts Avenue to mouth of creek:
Appropriation of \$4,000 made to prepare plans and estimates in District appropriation act for 1908. Report made Apr. 23, 1908. Total estimated cost—
4,750,000
3. Improvement of harbor front:
Appropriation of \$2,500 for plans and estimates made in District appropriation act for fiscal year 1907. Report made May 23, 1908. Total estimated cost, \$2,880,000. To be expended in 12 years—
1,200,000
4. High-pressure fire-protection system:
Project estimated for by superintendent of the water department (not by direction of Congress)
750,000
5. Park system of District of Columbia:
Report made Jan. 15, 1902, in pursuance of Senate resolution dated Mar. 8, 1901. No estimate of cost given. Approximate estimate of value of land recommended to be acquired for park purposes—
\$5,000,000
Amount to be expended in improvements in 12 years—
1,000,000
6,000,000
6. Suburban trunk sewers:
Estimate of the superintendent of sewers for extension of suburban trunk-sewer system for the next 12 years—
2,000,000
7. Municipal hospital—
500,000

| | |
|------------------------------------------------------------------------------------------------------------|------------|
| 8. Elimination of dangerous grade crossings outside of city limits: | |
| Estimated amount required in 12 years..... | \$400,000 |
| 9. Extensions to suburbs of trunk water mains: | |
| Work desirable in next 12 years..... | 800,000 |
| 10. Buildings for reformatory and workhouse: | |
| Plans for permanent buildings authorized in the District appropriation act for fiscal year 1910. | |
| Estimated cost of buildings..... | 400,000 |
| Total..... | 18,420,795 |
| Amount available under bill for extraordinary improvements..... | 20,160,000 |
| Amount that can be expended on additional extraordinary improvements if and as authorized by Congress..... | 1,739,205 |

SUPPLEMENTAL STATEMENT BY MAJ. JUDSON, FEBRUARY 28, 1911.

The argument for this bill was prepared about a year ago. Since that time there has been a considerable reduction of both bonded and floating debts.

By June 30, 1911, it is estimated that the bonded debt will be reduced to \$8,800,000, and the floating debt to \$2,400,000; and by June 30, 1912, it is estimated that the bonded debt will be reduced to \$8,200,000, and the floating debt to \$1,800,000.

The bill now before the House controls the allotment of District funds in the estimates of the commissioners from and after June 30, 1912, when the debt condition will be as last stated.

If this bill shall become a law the bonded debt will necessarily be extinguished by 1924, and the floating debt by 1928. Certain practical causes will operate to extinguish the debt at a much earlier period. In the first place it is inconceivable that Congress will appropriate in the future any more than it has in the past every dollar recommended by the commissioners in their estimates. And by every dollar that Congress, in appropriating, reduces the annual estimates of the commissioners the floating debt of the District will be reduced 50 cents. Again, the commissioners, in beginning to prepare their annual estimates, are obliged to start out with a conservative estimate of the amount that will be received from taxes and other sources. By just the amount that the actual receipts exceed this conservative estimate of them the floating debt will be automatically reduced. Experience shows that the commissioners do make this estimate conservatively, and that the actual revenues do exceed their estimates of them. And finally there are always unexpended balances of appropriations that revert to the Treasury every year. These balances operate automatically to reduce the floating debt.

The closest students of the District's finances believe that the floating debt will in fact be extinguished before 1924, when the bonds will have been retired. At any rate, it is certain that if this bill passes, the District will emerge from debt at some time between 1924 and 1928—and in all probability by 1924.

Mr. SMITH of Michigan. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 13 minutes remaining.

Mr. SIMS. I yield 10 minutes to the gentleman from Kentucky [Mr. JOHNSON].

Mr. SMITH of Michigan. Mr. Speaker, I reserve the balance of my time.

Mr. JOHNSON of Kentucky. Mr. Speaker, as has been properly said by the chairman of the District Committee, this is one of the most important bills that has come before this body for its consideration. And in connection with it there has been more parliamentary legerdemain than I ever saw connected with any bill that has ever come upon this floor.

About a year ago a bill was introduced under the number which this one now bears. It was considered by the committee, and thereby a bill under this number was brought before the committee. There it was considered by the committee; and, if I recollect correctly, it passed the committee by a scant majority.

But the other day, Mr. Speaker, I ask this House to remember, when this bill by number came up for consideration, the chairman of the committee asked that a Senate bill, which, if I am correctly informed, has not yet passed the Senate, be substituted for it.

Mr. SIMS. It has not been reported by any committee.

Mr. JOHNSON of Kentucky. Yes. And yet in less than a minute he changed his position and asked that another bill still might be introduced in lieu of the bill that was introduced here a year ago.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SMITH of Michigan. I am sure that the gentleman does not intend to make a misstatement. I have never made the claim for a single moment that the Senate bill had passed.

Mr. SIMS. He did not even show the number of it.

Mr. JOHNSON of Kentucky. Now, Mr. Speaker, when this bill was called up by number for consideration, it was moved, I repeat, to substitute a Senate bill, which had never been reported, as I understand, to the Senate, and therefore had never been adopted by the Senate. Then, in a few seconds thereafter, the chairman of the committee asked leave to

withdraw that and to substitute another bill in lieu of the Senate bill. That other bill which he asked leave to introduce in lieu of it had not then been prepared. Not only had it not been introduced before this House, not only that, but it had never gone to a committee of either this House or the Senate; and, I repeat, it had not then been prepared. But on night before last it was prepared and was printed in the Record of yesterday, and here it comes to-day, offered to this House, changed even again, so that it is not the bill which you gentlemen read in the Record of yesterday morning.

And, more than that, I say that the bill which you are asked to vote for now has never been considered by a committee, either of this House or of the Senate.

Mr. SMITH of Michigan. The gentleman is mistaken. The bill which is reported here is identical with the one printed in the Record, with the exception of one line, and that was stricken out to please Members here, and certainly they ought not to object to that.

Mr. JOHNSON of Kentucky. When did the committee meet to approve this bill?

Mr. SMITH of Michigan. The gentleman knows why we have not met. It has simply been because we have not had opportunity to do business.

Mr. JOHNSON of Kentucky. Here is a bill called up before this House which the committee has not been called together to consider, and even the bill which appeared yesterday morning in the Record for your consideration is changed now, and the Members of this House are asked to vote for a bill which they have not seen, unless they have gotten it from that desk a few moments ago.

The members of the committee have not been advised as to the changes made in the bill except as by diligence, perchance, they themselves have found them.

Now, what does this bill do—this bill that is sprung before this House without notice and without warning? It appropriates more millions of dollars than any man here supposes. I say there is no limit to the amount of money which this bill carries. And when you have adopted it you have taken from the District Committee, you have taken from this House, the right to make appropriations for permanent improvements herein contained until the year 1925.

The bill provides that in determining the estimates of funds available for appropriation in each succeeding fiscal year the commissioners shall first provide and set aside from the estimated District revenues a sufficient sum to meet all the estimated and fixed charges required by law to be paid wholly from the revenues of the District. How much is that? Who knows? Where is the man who can tell us how much that amounts to? And then you go along further down to the bottom of the page and observe that it appropriates the sum of \$300,000 as "a repayment on account of said advances" until the indebtedness of the District of Columbia to the United States has been paid. How many years, I pray of you, will it take at \$300,000 a year to pay the indebtedness to the United States?

Mr. BORLAND. Twelve years.

Mr. JOHNSON of Kentucky. It is not stated here, and no man can tell if those commissioners are left to approximate the amounts as they may see fit.

In addition to that the District of Columbia is now indebted to the United States Government to the amount of something like \$13,500,000. They say this bill is introduced in order that the District of Columbia may pay that indebtedness, but how is it to be paid?

Mr. GARDNER of Michigan. Did I understand the gentleman to say that this District was indebted to the Government to the amount of \$13,500,000?

Mr. JOHNSON of Kentucky. I said about that sum, and I can prove it.

Mr. GARDNER of Michigan. I should like to hear the proof.

Mr. JOHNSON of Kentucky. Here is a letter, signed by a man whose name I can not read, but he is auditor of the District of Columbia, in which he says:

On page 13 you will find a recapitulation of the total debt of the District. The bonded indebtedness, represented by 3.65 bonds outstanding June 30, 1910, is \$9,492,100. The floating indebtedness at the same time amounted to \$3,374,278.98, making a total of \$12,866,378.98.

Mr. GARDNER of Michigan. Will the gentleman yield for a question?

Mr. JOHNSON of Kentucky. Yes.

Mr. GARDNER of Michigan. Does the gentleman from Kentucky know, or does he not know, that the Government of the United States pays one-half of the bonded indebtedness?

Mr. JOHNSON of Kentucky. I say—

Mr. GARDNER of Michigan. Will the gentleman answer?
Mr. JOHNSON of Kentucky. That depends on whether or not this bill passes.

Mr. GARDNER of Michigan. On the bonds outstanding which the gentleman speaks of.

Mr. JOHNSON of Kentucky. Here are \$9,500,000 in a bonded debt owing by the District of Columbia to the United States. And this measure proposes not that the District of Columbia shall pay that debt to the United States, but that it shall be paid out of the joint funds owned by the District of Columbia and the United States, thereby compelling the United States Government to pay one-half of the bonds held against the District of Columbia, which bonds are made payable to the United States.

The SPEAKER. The time of the gentleman has expired.

Mr. SMITH of Michigan. How much time has the gentleman used?

The SPEAKER. Ten minutes. The gentleman from Tennessee [Mr. SIMS] has 20 minutes remaining.

Mr. SIMS. I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, as a member of the District of Columbia Committee I wish to substantiate what the gentleman from Kentucky [Mr. JOHNSON] has said concerning this measure.

The bill has been changed four times within 48 hours. It has never been reported from our committee; it has never been submitted to the members of the committee, separately or individually, and yet, at this late hour, this House is asked to suspend the rules for the purpose of divesting Congress of the power and giving to the Commissioners of the District of Columbia certain functions, for which the sum of at least \$20,000,000 is to be expended in the next 12 years, and the amount of money may run to thirty or forty millions of dollars.

Now this is the proposition before the House. As a result of the study of the organic act of 1878 creating the District government, I maintain that it was never contemplated to divest Congress of its power over the appropriations for great contemplated public works in the District. That act shows that those urging them must come to Congress every year for their public works. The chairman of the District of Columbia Committee [Mr. SMITH of Michigan] gave the whole secret away when he said it emanated from the brain of the District Engineer Commissioner. It did emanate from his fertile brain, for the purpose of seizing power which now belongs to Congress, and which should not be placed beyond the power of Congress.

As a member of the District of Columbia Committee I have favored large appropriations for public improvements, but I do not desire in the closing hours of my service in this House to give my sanction to any such bill as this. It has a very pleasing fringe about it in the beginning of the bill, where it speaks about wiping out debt, but the purpose of this bill, as the gentleman from Michigan [Mr. SMITH] himself has said, is to increase the power of the District engineer officer and to make the District Commissioners and not Congress the arbiters of permanent improvements in the District.

I submit, Mr. Speaker, that the House should never enact legislation of so extraordinary a character unless there is some general demand for it, and as a member of the Committee on the District of Columbia, I must say that I have failed to see any demand for it except from some real estate speculators and the District engineer commissioner. Among the public improvements contemplated by this bill, may I ask why there is only one mentioned by name, and that is the reclamation of the Anacostia flats? Who are behind that, that they have power enough to spring their pet project in a bill like this? Now, I wish to call the attention of the House to the report of the committee on the Union Calendar, No. 276, made by the gentleman from Michigan when this bill was first introduced in the House some year and a half ago.

Mr. SMITH of Michigan. In June, 1910.

Mr. FISH. They have stricken out of this bill improvements estimated to cost some \$6,000,000.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. I ask for one minute more.

Mr. SMITH of Michigan. I yield to the gentleman one minute more.

Mr. FISH. I want to call attention of the House that while this bill estimates for improvements to cost the same amount as the bill originally introduced by the gentleman from Michigan—that is, covering at least \$20,000,000—they have left out

of this bill the improvement of Rock Creek Valley, at an estimated cost of \$4,750,000, and the improvement of harbor front, at an estimated cost of \$1,200,000, the two items aggregating almost \$6,000,000. In all there should be only \$14,000,000 instead of \$20,000,000 appropriated in this bill. [Applause.]

Mr. SMITH of Michigan. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, the revenues of the District of Columbia are increasing every day. Every dollar of the revenue thus far raised has been used for the ordinary running expenses of the government. All permanent improvements thus far made have been made from funds borrowed from the Federal Treasury. There are \$2,800,000 of this money borrowed to be paid. This bill provides for the payment of this \$2,800,000 out of the revenues of the District at the rate of \$300,000 every year. This bill provides for the setting aside of \$1,230,000 a year until 1924, for the purpose of making permanent improvements, and these permanent improvements consist of the reclamation of the Anacostia Flats and the turning of these flats into a park. They consist of a permanent system of sewerage, the extension of the water mains, furnishing facilities to the people who are here to-day and those who are yet to come.

The bill provides that after these two sums—\$1,230,000 and \$300,000, making \$1,530,000—every year shall have been taken from the revenues of the District, that what remains after the deduction of these sums shall be appropriated for the ordinary conduct of the District of Columbia, and to this sum, which is set aside after making these enormous deductions, shall be added an equal sum out of the Treasury of the Federal Government.

This bill should be entitled "For economy of government." It is the best bill ever reported by any committee in charge of District affairs. It contains a permanent system of improvements. It contains a policy of paying the debt of the people of the District of Columbia. It contains the policy of the extension of parks for the people of the District. It contains a permanent policy for the beautification of the District of Columbia, a thing in which every citizen of the Union is interested. It economizes in the conduct of the government. It takes \$1,550,000 every year less out of the Federal Treasury than is taken from it now. It compels the people of the District to pay for their permanent improvements out of the revenues which they raise from taxation every year, and there is nothing behind the bill to frighten anybody. It is a bill prepared after the most deliberate consideration. It is a bill in the interest of the future of the District of Columbia. It is a bill which prompts men to do what is best for the people of this District in the days that are to come, and there is no man on the floor of this House, no matter which side of the aisle he may sit upon, who ought not to be in favor of its enactment into law.

The gentleman from Kentucky [Mr. JOHNSON] did not state the facts. He talked about the bonded debt, and this bill has nothing to do with the bonded debt. This bill deals with the floating debt, and it compels them to pay a fixed sum every year, and at the same time appropriates for the development of the District so that every citizen in America will be proud of Washington when he comes to visit it. [Applause.]

Mr. SIMS. I yield five minutes to the gentleman from New York [Mr. ANDRUS].

Mr. ANDRUS. Mr. Speaker, it is not an easy thing for me to disagree with the chairman of the District of Columbia Committee. I respect him highly; I consider him an honest, forceful, efficient Member, and whatever I accord to myself I am willing to give to every other person. If I want to investigate a matter, and my judgment dictates a certain line of policy, it is my duty to follow it, because I want to live in peace with my conscience.

I object to certain features in this bill, and I see no good reason why we should pay the funded debt just now, or why we should pay for these great improvements upward of \$20,000,000 as the work is done.

Mr. TAYLOR of Ohio. Will the gentleman yield?

Mr. ANDRUS. I can not; I have only five minutes. I believe good business sense should prevail in my district as in yours. Perhaps our people are paying 4 to 4½ and 5 per cent and perhaps 6 per cent on money used for purposes in our cities, villages, or county. Is it not good business to pay the obligations drawing the highest rate of interest rather than to pay the obligations drawing the lowest rate of interest?

I see no reason why we should not continue to issue a few bonds. What is the bonded debt of the District to-day? Thirteen million five hundred thousand dollars. To the credit of the District be it said they are reducing their indebtedness rather than increasing it, but during the last 30 years what has been the result? They have reduced their bonded indebtedness from twenty-three million to thirteen million five hundred thousand.

I secured these figures in the report accompanying the original bill, and the District has reduced its bonded indebtedness during the last 30 years at the rate of \$166,666 a year. It is creditable to the District.

Now, what is it we propose to do? We propose to spend twenty millions and reduce the indebtedness of \$13,500,000 in 12 years. We have been reducing it at the rate of one hundred and sixty-six thousand plus, and now we are proposing to reduce it three millions—plus 19 times as much—and pay off this sum each year. I think this proposition should be voted down.

But there is a more serious objection. In this report there is an item of \$4,750,000 for buying and improving that part of Rock Creek south of Massachusetts Avenue to the Potomac River—a ravine, with steep-sided hills, so narrow at the bottom in some places that the bed of the stream crowds right to the shore, to the foothills of the banks, and it is proposed to buy that ravine, including cost of improvements, for the sum of \$4,750,000. It costs, as the chairman of the committee says, about 60 or 70 cents per square foot. It costs, with estimated improvements, about \$2,000 a city lot of 25 feet by 100. It costs about \$32,000 an acre. What have we after we buy and improve it? It is merely a roadway, a link between the Potomac and Rock Creek Park, a driveway for automobiles, carriages, and equestrian uses, and it costs \$4,750,000 improved, according to the report. Sometimes we are amazed when we see that railroads report spending \$400,000 or \$500,000 a mile for a four-track road over which limited trains run at more than a mile a minute, and the people want that sort of thing investigated, and when we build a park road from the Potomac to Rock Creek Park that costs \$3,166,666 a mile, is there not a chance for investigation? [Applause.]

The SPEAKER pro tempore (Mr. BURKE of Pennsylvania). The time of the gentleman has expired.

Mr. SMITH of Michigan. Mr. Speaker, I yield one-half minute to the gentleman from New York [Mr. OLCOTT].

Mr. OLCOTT. Mr. Speaker, in this half minute I can not say very much. All I want to say is that this is one of the best bills ever presented by the District of Columbia Committee during the six years that I have been here, and it ought to pass.

I want to extend my remarks in the RECORD and show wherein the statements even of the gentleman for whom I have such high respect, my colleague from New York [Mr. ANDRUS], are in error as to the figures which he has used. This bill ought to pass.

[By unanimous consent, Mr. OLCOTT was permitted leave to extend his remarks in the RECORD.]

Mr. SMITH of Michigan. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Speaker, the amount of taxes which we collect from the District is fixed by law. It does not depend upon the amount of the expenditures. The expenditures depend upon the taxes, and this bill simply proposes to limit the current expenses of the Government, so that there shall be a surplus fund out of the current revenues which can be applied to permanent improvements of \$1,230,000, and that is all it does do.

Mr. HULL of Tennessee. I will ask the gentleman—

Mr. MANN. The gentleman will not ask me anything in two minutes. That is all it does. It does not confer any additional authority upon the District Commissioners in any respect whatever. It confers no additional authority upon the Committee on Appropriations in any respect whatever. Every item in it not authorized by previous law will still remain subject to a point of order when it comes into the House. The District Commissioners may now estimate for \$2,000,000 of public improvements if they wish to or they can estimate for \$10,000,000 if they wish to. All this bill does is to require them to save out of the current revenues in making their estimates enough to estimate \$1,270,000 for public improvements and a certain amount to repay the indebtedness of the District, and it does not make those items in order on an appropriation bill. It will still be simply an estimate, the same kind of an estimate the commissioners can now make.

The fear that gentlemen have that this will create a park system depends solely on what Congress will do in the future, because this will not make park systems in order. All it will do will be to have a fund of \$1,230,000 which could be applied to public improvements, and which, if not applied to public improvements will be applied to the extinguishment of the debt.

Mr. JOHNSON of South Carolina. Then, why put anything about parks in the bill?

Mr. MANN. Because they have to make their estimate include everything.

Mr. SMITH of Michigan. How much time have I remaining?

The SPEAKER pro tempore. The gentleman has six and a half minutes.

Mr. SMITH of Michigan. Will the gentleman from Tennessee use some of his time?

Mr. SIMS. Is the gentleman going to use all of his time in one speech?

Mr. SMITH of Michigan. No.

Mr. SIMS. Then the gentleman should use some time. He only yielded two minutes to the gentleman from Illinois [Mr. MANN].

Mr. SMITH of Michigan. How much time has the other side?

The SPEAKER pro tempore. The gentleman from Tennessee has nine minutes and the gentleman from Michigan six and a half minutes.

Mr. SIMS. I yield one minute to the gentleman from South Dakota [Mr. MARTIN].

Mr. MARTIN of South Dakota. Mr. Speaker, from a somewhat careful study of this bill and report I am obliged to entirely differ from the gentleman from Illinois in his views, and only desire in this one minute to show that the committee itself in making this report took a different view from what the gentleman has put upon it. This report says, on page 2:

The only thing that is not being done at the present time is to effect those permanent or extraordinary improvements such as are essential in the case of Washington. These improvements can be made more economically if made systematically. The ample revenues eliminate any need for the borrowing of money. It is only necessary to make a program of expenditure, so that each item of work shall not be "new legislation," requiring for consideration and appropriation, the action of four or more committees of Congress and the passage of a separate act.

The bill is designed to carry out this idea of establishing a program.

Evidently one purpose of this bill is to authorize the various improvements mentioned in the report, extending over a period of 12 years. I believe in liberal improvements in the District, but think that Congress should not relinquish its power to designate what improvements shall be made and the order of their importance from year to year.

Mr. SIMS. Mr. Speaker, I yield four minutes to the gentleman from Missouri [Mr. BORLAND], a Member of the District Committee.

Mr. BORLAND. Mr. Speaker, the effect of this bill is that it fastens upon the United States Congress and the District for the next 12 years the same iniquitous system of fiscal revenue that has made this District the haven for the tax dodgers for years. It is to enable the District to carry on these expenditures for permanent improvements at the expense of the people of the country. Now, in 30 years, according to the statement of the engineer commissioner, they have only reduced their indebtedness to the United States about \$5,000,000. The reason why they have only reduced their indebtedness \$5,000,000 is because they have found a way to increase their expenditures and dump a floating debt upon the United States and get the money advanced to them by the Federal Treasury at 2 per cent. Now they propose to have not only \$30,000,000 advanced and pay that back without any interest, but to charge 50 per cent of it to the Federal Treasury. According to the words of the bill, the commissioners—

shall provide in their estimates of appropriations for permanent work of improvements a sum not less than \$1,230,000.

And are to increase that amount \$100,000 every year. They are to estimate no less than \$1,230,000. How much they are going to estimate depends upon how much more will be submitted to by this Congress. We are binding ourselves now for 12 years to a system of Uncle Sam paying 50 per cent of every important improvement in the District of Columbia. The time has long since come when the taxpayers living in this District ought to be put in a position where the District could easily take care of itself, if we were to undertake to tax the property in the District in any fair way. Under a Democratic Congress we will tax some of these tax dodgers and compel

them to make returns to the District of Columbia, and there will be ample revenue in the District to carry on a system of improvements without paying 50 per cent of that which belongs to the people of this Government. I hope when the District Committee is reorganized in the Sixty-second Congress that the first thing will be to tax these tax dodgers on some of the personal property they have brought here into the District which escapes taxation and that opportunity will be given to avoid the criticism in the past that the United States Government has been ready and willing to further every one of these real-estate schemes. This bill ought to be voted down until such time as they choose to bring in a bill providing for the payment of the debt the District of Columbia owes to the United States. The only good feature about this bill is it provides the only measure that has ever been introduced for the payment of the indebtedness, and I want to say right now to the credit of the gentleman who is the chairman of the subcommittee on the District of Columbia that he is the man who has insisted upon the payment of this floating debt.

The last set of commissioners rolled up a floating debt deliberately and intentionally against the Treasury of the United States, in the hope that that floating debt would be turned in bonds, and then the United States would be bound for 50 per cent of those bonds, whereas before that the District of Columbia was liable for 100 per cent of the floating debt. But the gentleman from Michigan [Mr. SMITH] has pursued the policy of compelling the District of Columbia to pay back annually a portion of that floating debt, until now it is less than \$3,000,000. It ought to be all wiped out, and there is not a moral reason on earth why we should pay 50 per cent of the \$10,000,000 worth of bonds. Those bonds never were issued on the credit of the United States and they are not now issued on the credit of the United States. The United States do not owe a dollar of them, and ought not to pay a dollar of this additional \$20,000,000. [Applause.]

Mr. SMITH of Michigan. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman from Michigan has six minutes and a half remaining.

Mr. SMITH of Michigan. I regret that anyone, even the gentleman from New York [Mr. FISH], should feel constrained to say that this bill has been changed four times in 48 hours. This is a mistake. Fortunately I hold in my hand the bill which was read by the Clerk night before last with amendments, but at that time there was so much confusion in the House it was suggested by the gentleman from Tennessee [Mr. SIMS] and others that it would be well if the chairman would print the bill as amended in the RECORD, which appeared the next morning, and is identical with the bill under consideration, except that on page 3, line 4 has been stricken out and line 5 to and including the word "purpose;" and in line 9, after the word "be," "hereafter" has been inserted, all at the request of Members who thought that we were providing for too many public improvements; and certainly, as these provisions for public improvements one after the other have been stricken out, it ought to be a matter from their standpoint of congratulation rather than of criticism and complaint.

Mr. MANN. The gentleman does not need any defense from such a charge.

Mr. SIMS. What interest does the engineer commissioner have in laying down financial plans, and so forth?

Mr. SMITH of Michigan. Simply the interests of 90,000,000 of people.

Mr. SIMS. That is not his function.

Mr. SMITH of Michigan. He is in line with his duties, I insist, and I regret that heretofore engineer commissioners in the discharge of their duty have not seen fit to do just exactly what the present engineer commissioner has done.

Mr. SIMS. He wants to raise the interest on the debt. Is that a part of the engineering scheme?

Mr. SMITH of Michigan. The gentleman from Tennessee [Mr. SIMS] has in his remarks made some grave charges. I am wondering if by so doing he intended to indict all those who have taken a very deep interest in this proposed legislation, including the former as well as the present Commissioners of the District; the 16 members of the Committee on the District of Columbia of the House, who voted for a favorable report on the bill when it carried more improvements than does the present bill; Members of both sides of the Chamber, including members of the Appropriations Committee, who have spoken in behalf of the bill, as well as others who would like to speak; Senators who likewise feel that this is wise legislation and who had hoped that it could be enacted into law during this session of Congress; the great body of citizens of the District of

Columbia, as represented by the Chamber of Commerce and the Board of Trade; the four newspapers of the city, which have given the same their most cordial indorsement; and the President, who gave his hearty and emphatic indorsement in the following language:

To this end I recommend the enactment into law of a bill now before Congress, and known as the Judson bill, which will insure the gradual extinguishment of the District's debt, while at the same time requiring that the many permanent improvements needed to complete a fitting capital city shall be carried on from year to year and at a proper rate of progress with funds derived from the rapidly increasing revenues.

There are those who feel that Washington has now all the parks that are needed, but as a matter of fact, comparing territory for territory, it will be shown that Washington has less than London, Paris, New York, or Boston, and we ought not in this connection to forget that parks in cities are not alone for the residents of those cities, but for the thousands who annually visit them and derive much pleasure and comfort in riding and walking about and through the beautiful and attractive parks that are found in the various cities of this country and in the cities of the Old World.

It is not often that in the presentation of legislation in this body that so much misunderstanding, prejudice, and misrepresentation is shown as has been exhibited in the discussion of this bill.

Gentlemen, I feel that this proposed legislation will be of such lasting benefit that I urge you one and all to vote for the same, feeling sure that as these improvements are consummated, consisting of parks and beautiful driveways encircling the city, we now and in the years to come will be proud that we had an opportunity to use our efforts in making this the most beautiful and attractive capital city in a Republic the greatest in all the world.

Mr. SIMS. Will the gentleman use the balance of his time? Is the gentleman going to use it all in one speech?

Mr. SMITH of Michigan. No, sir.

Mr. SIMS. There is only one speech on this side. I suggest the gentleman use his time.

Mr. SMITH of Michigan. I yield four minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, it sometimes occurs that meritorious propositions of legislation are defeated because of the discovery of an imaginary "nigger in the woodpile." Some seem to think they have found one in the pending bill. I want to assure the House that this bill does not enlarge the powers of the District Commissioners in the slightest particular. On the contrary, it places a limitation upon power they now possess. And I want to say further that this bill does not change in the slightest particular the method of payment of the bonded indebtedness of the District of Columbia, one-half of which the General Government owes, but it does materially change the law with reference to the payment of the unfunded debt of the District of Columbia which is due by the District to the General Government.

When the gentleman from Michigan [Mr. GARDNER] and I came on to the subcommittee of the Committee on Appropriations, which deals with District finances, the unfunded debt of this District, which is a debt due by the District to the General Government, as I have said, and which draws only 2 per cent interest, amounted to approximately \$4,000,000. The law as it then was required that this unfunded debt should be liquidated within five years' time. The District Commissioners in framing their estimates disregarded this law, and year after year instead of estimating within the anticipated receipts of the city and decreasing this debt, they disregarded the law and estimated for amounts far beyond what they should, at one time two and one-half millions of dollars in excess of the anticipated revenues, resulting, as was said by the gentleman from Missouri, in an increase of the unfunded debt instead of diminishing it as the law plainly directed should be done. We required that estimates should come within their revenues, and adopted the policy of reducing this debt, and within the last few years we have brought this indebtedness down to \$2,400,000, and after the present appropriation bill, which has passed, takes effect it will amount to only \$1,800,000. Under this bill this unfunded debt, instead of being increased, as has been the practice as I have shown, will be absolutely liquidated within seven years' time from this date.

Now, what else does this bill do? It places a limitation upon the power of the District Commissioners so that they can not, in making their estimates, absorb all of its revenues for current expenses. As was so forcibly said by the gentleman from Illinois [Mr. MANN], it says in plain terms to these officials, "You shall not absorb all the revenues of this District for cur-

rent expenses, by increase of salary for a favorite class here and an increase for another set there, an enlargement of this department's force here and an enlargement of this division's force there, but you shall bring your estimate down to a common-sense basis, provide for current expenses and also set apart a substantial portion of the revenue to meet what has been termed permanent or extraordinary improvements. In other words it provides for an intelligent and systematic plan for expending the District revenues.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SMITH of Michigan. Mr. Speaker, how much time have I left?

The SPEAKER pro tempore. The gentleman from Michigan has one and a half minutes remaining.

Mr. SIMS. Mr. Speaker—

Mr. BURLESON. Just one minute more. It sets apart a part of the revenues to meet what have been termed permanent improvements. If the gentleman will give me just a few minutes more I can finish.

Mr. SIMS. I can not give the gentleman any time. Yonder is the gentleman [Mr. SMITH of Michigan] who can give the gentleman time.

Mr. SMITH of Michigan. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has one and one-half minutes remaining.

Mr. SIMS. Mr. Speaker, how much time have I?

The SPEAKER pro tempore. The gentleman has four minutes.

Mr. SIMS. Now, Mr. Speaker, I want to prove to this House in one minute what is the real object of this bill. [Applause.] I propose right here and now to every gentleman supporting this bill: If you will begin, on line 15 of page 2, and strike out all the real estate part of this bill and leave every bit of the fiscal part of it in, I will vote for it and work for its passage. Will you do it? [Applause.]

No. The nigger in the woodpile is a nigger in such a little woodpile that it is all nigger and no woodpile. [Laughter and applause.] This is a \$20,000,000 scheme to buy land that nobody will have, land that nobody can use, by act of Congress. Is this a good bill? Is this the best bill ever introduced in Congress, as claimed by some of its supporters? I will prove to you how good a bill it is. If this is such a good bill, why do you want to ram it through the House on a motion to suspend the rules? [Applause.] That of itself shows what it is. The bill that has been reported has been on the calendar ever since June, 1910.

Mr. SMITH of Michigan. Our committee never had a day allotted to us on which to consider it.

Mr. SIMS. I do not know why you grab up this indefensible and abominable measure and try to jam it through this House over every other bill from your committee on the calendar. [Applause.]

Mr. MANN. What is the gentleman's proposition?

Mr. SIMS. I have not time to go into particulars. I tried to get an hour or 40 minutes on each side, and that side shut down on debate on this new-born measure, which they did not want anybody to know anything about. [Laughter and applause.] Whenever a man has a good bill he is naturally anxious to take time on it and let everybody else have time.

In the closing days of the last Congress a bill similar to this was sought to be jammed through here, two years ago, on a motion to suspend the rules, and part of the identical land referred to in that bill is to be included in this nefarious scheme. [Applause.]

Mr. Speaker, I will never vote here to give to any one man, be he an engineer commissioner or the President of the United States, the power to fasten a liability of \$20,000,000 on this Government for the purpose of buying a few old frog ponds, a few old ash dumps, to enable real-estate speculators of this city to do as they are now doing, as I understand, getting options on every old dump pile on the outskirts and trying to get a bill passed through this Congress in its dying hours to authorize their purchase by the Government at most extravagant prices. [Applause.]

If you think you can ram through a measure of this kind under a motion to suspend the rules, you are wrong. Let me call on all the Members of this House to think before they vote, and let me particularly call upon those Members of this House who do not want to reenter private life to think before they vote for this proposition. If you do, you will not be here very much longer. The gentleman from New York [Mr. FISH], the gentleman from Missouri [Mr. BORLAND], and the gentleman

from Kentucky [Mr. JOHNSON], members of the District Committee, are fighting this bill tooth and toenail, and the bill is supported only by the chairman of the District Committee, who asserts that this is the most valuable bill that has ever been reported.

The District Committee has not reported this bill. It is true that some of the provisions contained in it have been favored by the committee, but let me say, gentlemen, if you ram this sort of thing through in this way you will ram yourselves out of public life. [Applause and cries of "Vote!" "Vote!"]

Mr. MANN. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee may be permitted to state the proposition that he made before.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the gentleman from Tennessee be permitted to state his proposition.

Mr. SIMS. Oh, go ahead, and let us have a vote, and then bring in another bill. If it is a decent bill I will support it. [Applause.]

Mr. SMITH of Michigan. Mr. Speaker, how much time have I?

The SPEAKER pro tempore. The gentleman has one-half minute.

Mr. SMITH of Michigan. Mr. Speaker, it is a grave charge which the gentleman from Tennessee [Mr. SIMS] makes when he claims that the real-estate men of this city are behind this measure. The President of the United States, William Howard Taft, than whom no man since the days of George Washington has taken more interest in this city and its development, says—

Mr. SIMS. Are you with the President in favor of reciprocity? That is a cause in which you would do well to follow him. [Applause and laughter.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan [Mr. SMITH] to suspend the rules and pass the bill as amended.

Mr. SMITH of Michigan. A division, Mr. Speaker.

Mr. SIMS. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 87, nays 151, answered "present" 7, not voting 138, as follows:

YEAS—87.

| | | | |
|--------------|-----------------|-------------------|----------------|
| Austin | Fordney | Langham | Pickett |
| Barclay | Foss | Lawrence | Plumley |
| Bingham | Gardner, Mich. | Longworth | Pray |
| Boutell | Gillett | Loud | Roberts |
| Burke, Pa. | Graff | Loudenslager | Scott |
| Burleigh | Graham, Pa. | Lowden | Smith, Iowa |
| Burleson | Grant | McCall | Smith, Mich. |
| Calder | Greene | McKinley, Ill. | Snapp |
| Campbell | Guernsey | McLaughlin, Mich. | Sperry |
| Cocks, N. Y. | Hamilton | McMorran | Sterling |
| Cole | Hawley | Madden | Stevens, Minn. |
| Cooper, Wis. | Heald | Malby | Sulloway |
| Crumpacker | Henry, Conn. | Mann | Swasey |
| Currier | Higgins | Massey | Taylor, Ohio |
| Dalzell | Hill | Moore, Pa. | Thistlewood |
| Diekema | Howell, N. J. | Morgan, Okla. | Thomas, Ohio |
| Dodds | Hull, Iowa | Nye | Townsend |
| Edwards, Ky. | Humphrey, Wash. | Olcott | Washburn |
| Ellis | Johnson, Ohio | Olmsted | Weeks |
| Estopinal | Kelfer | Parker | Young, Mich. |
| Fassett | Kennedy, Iowa | Parsons | Young, N. Y. |
| Fitzgerald | Lafean | Pearse | |

NAYS—151.

| | | | |
|----------------|-----------------|------------------|-----------------|
| Adair | Dent | Havens | Lever |
| Aiken | Denver | Hay | Lindbergh |
| Alexander, Mo. | Dickinson | Heflin | Lloyd |
| Anderson | Dixon, Ind. | Helm | McCreary |
| Andrus | Draper | Henry, Tex. | McHenry |
| Ansberry | Driscoll, D. A. | Hinshaw | McKinney |
| Barnhart | Driscoll, M. E. | Hitchcock | Macon |
| Bartlett, Ga. | Durey | Hollingsworth | Maguire, Nebr. |
| Beall, Tex. | Dwight | Houston | Martin, Colo. |
| Boehne | Ellerbe | Howard | Martin, S. Dak. |
| Booher | Esch | Howland | Mays |
| Borland | Ferris | Hughes, Ga. | Mitchell |
| Brantley | Finley | Hughes, N. J. | Moon, Tenn. |
| Burgess | Fish | Hull, Tenn. | Morrison |
| Burke, S. Dak. | Floyd, Ark. | Humphreys, Miss. | Morse |
| Burnett | Foster, Ill. | James | Moss |
| Butler | Gallagher | Jameson | Moxley |
| Byrns | Gardner, Mass. | Johnson, Ky. | Murphy |
| Candler | Garner, Tex. | Johnson, S. C. | Nelson |
| Carlin | Garrett | Jones | Nicholls |
| Cary | Gillespie | Kendall | Norris |
| Chapman | Glass | Kinkaid, N. J. | O'Connell |
| Clark, Mo. | Godwin | Kitchin | Oldfield |
| Clayton | Good | Knowland | Padgett |
| Cline | Gordon | Kopp | Palmer, A. M. |
| Covington | Graham, Ill. | Korbly | Peters |
| Cox, Ind. | Gregg | Kuftermann | Polindexter |
| Cox, Ohio | Hamlin | Lamb | Rainey |
| Craig | Hardwick | Latta | Randell, Tex. |
| Cullop | Hardy | Legare | Rauch |
| Davis | Harrison | Lenroot | Richardson |

| | | | |
|-------------|-------------|----------------|-------------|
| Riordan | Sherwood | Stephens, Tex. | Underwood |
| Robinson | Slms | Sulzer | Volstead |
| Roddenberry | Sisson | Taylor, Colo. | Watkins |
| Rucker, Mo. | Small | Thomas, Ky. | Webb |
| Shackelford | Smith, Tex. | Thomas, N. C. | Wheeler |
| Sheppard | Stafford | Tou Velle | Wilson, Pa. |
| Sherley | Stanley | Turnbull | |

ANSWERED "PRESENT"—7.

| | | | |
|----------------|---------|---------|---------------|
| Adamson | Collier | Douglas | Miller, Minn. |
| Bartlett, Nev. | Conry | Lee | |

NOT VOTING—138.

| | | | |
|------------------|-----------------|-----------------|---------------|
| Alexander, N. Y. | Englebright | Knapp | Reid |
| Ames | Fairchild | Kronmiller | Rhinock |
| Anthony | Flood, Va. | Langley | Rodenberg |
| Ashbrook | Focht | Law | Rothermel |
| Barchfeld | Foelker | Lindsay | Rucker, Colo. |
| Barnard | Fornes | Lively | Sabath |
| Bartholdt | Foster, Vt. | Livingston | Saunders |
| Bates | Fuller | Lundin | Sharp |
| Bell, Ga. | Gaines | McCredie | Sheffield |
| Bennet, N. Y. | Gardner, N. J. | McDermott | Simmons |
| Bennett, Ky. | Garner, Pa. | McGuire, Okla. | Slayden |
| Bowers | Gill, Md. | McKinlay, Cal. | Slomp |
| Bradley | Gill, Mo. | McLachlan, Cal. | Smith, Cal. |
| Broussard | Goebel | Madison | Southwick |
| Byrd | Goldfogle | Maynard | Sparkman |
| Calderhead | Goulden | Miller, Kans. | Spight |
| Cantrill | Griest | Millington | Steenerson |
| Capron | Hamer | Mondell | Sturgiss |
| Carter | Hamill | Moon, Pa. | Talbott |
| Cassidy | Hammond | Moore, Tex. | Tawney |
| Clark, Fla. | Hanna | Morehead | Taylor, Ala. |
| Cooper, Pa. | Haugen | Morgan, Mo. | Tilson |
| Coudrey | Haves | Mudd | Vreeland |
| Cowles | Hobson | Murdock | Wallace |
| Cravens | Howell, Utah | Needham | Wanger |
| Creager | Hubbard, Iowa | Page | Weisse |
| Crow | Hubbard, W. Va. | Palmer, H. W. | Wickliffe |
| Davidson | Huff | Patterson | Wiley |
| Dawson | Hughes, W. Va. | Payne | Willett |
| Denby | Joyce | Pou | Wilson, Ill. |
| Dickson, Miss. | Kahn | Pratt | Wood, N. J. |
| Dies | Kelher | Prince | Woods, Iowa |
| Dupre | Kennedy, Ohio | Pujo | Woodyard |
| Edwards, Ga. | Kinkaid, Nebr. | Ransdell, La. | |
| Elvins | | Reeder | |

The Clerk announced the following additional pairs:

For the session:

Mr. BRADLEY with Mr. GOULDEN.

Mr. MOREHEAD with Mr. POU.

Mr. WOODS of Iowa with Mr. COLLIER.

Until further notice:

Mr. WOODYARD with Mr. WILLET.

Mr. VREELAND with Mr. WEISSE.

Mr. PEARRE with Mr. WICKLIFFE.

Mr. SIMMONS with Mr. SLAYDEN.

Mr. TILSON with Mr. SPIGHT.

Mr. PAYNE with Mr. SAUNDERS.

Mr. RODENBERG with Mr. SHARP.

Mr. MOON of Pennsylvania with Mr. RUCKER of Colorado.

Mr. MONDELL with Mr. RANSDALL of Louisiana.

Mr. HUBBARD of West Virginia with Mr. PUJO.

Mr. HOWELL of Utah with Mr. TAYLOR of Alabama.

Mr. GRIEST with Mr. MOORE of Texas.

Mr. GARDNER of New Jersey with Mr. McDERMOTT.

Mr. FULLER with Mr. LIVELY.

Mr. FOSTER of Vermont with Mr. KELIHER.

Mr. FOCHT with Mr. HOBSON.

Mr. FAIRCHILD with Mr. HAMMOND.

Mr. SOUTHWICK with Mr. HAMILL.

Mr. DENBY with Mr. GILL of Maryland.

Mr. DAVIDSON with Mr. BELL of Georgia.

Mr. CREAGER with Mr. FORNES.

Mr. CASSIDY with Mr. EDWARDS of Georgia.

Mr. HENRY W. PALMER with Mr. DUPRE.

Mr. BENNET of New York with Mr. DICKSON of Mississippi.

Mr. BARNARD with Mr. SPARKMAN.

Mr. BARCHFELD with Mr. BOWERS.

Mr. ANTHONY with Mr. CANTRILL.

Mr. ALEXANDER of New York with Mr. BROUSSARD.

Mr. HANNA with Mr. LEE.

Mr. DOUGLAS with Mr. PAGE.

For the balance of the day:

Mr. MORGAN of Missouri with Mr. LIVINGSTON.

Mr. KNAPP with Mr. TALBOTT.

So (two-thirds not voting in the affirmative) the motion to suspend the rules and pass the bill was rejected.

Mr. COLLIER. Mr. Speaker, I desire to know if the gentleman from Iowa, Mr. WOODS, voted.

The SPEAKER. He did not.

Mr. COLLIER. I voted no. I would like to withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

There was no objection.

OREGON LANDS.

Mr. ELLIS. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 30280, with the committee amendments.

The SPEAKER. The gentleman from Oregon moves to suspend the rules and pass the following bill, with the committee amendments. The Clerk will report the bill.

The Clerk read the bill (H. R. 30280) authorizing the Secretary of the Interior to exchange certain desert lands for lands within national forests in Oregon, with the committee amendments, as follows:

Be it enacted, etc., That the State of Oregon is hereby authorized to relinquish its selection heretofore made under the terms of the act of August 18, 1894 (28 Stats., 372), and acts amendatory and supplemental thereto of the following lands:

Section 3; east half, east half of west half, southwest quarter of southwest quarter of section 4; southwest quarter, west half of southeast quarter, southeast quarter of southeast quarter of section 5; south half of section 6; all of sections 7, 8, 9, 10, 15, 17, 18, 19, 20, 21, and 22 of township 24 south, range 33 east, Willamette meridian, containing 8,793.47 acres; and the Secretary of the Interior, upon recommendation of the Secretary of Agriculture, may issue patent to said lands in exchange for and upon reconveyance to the United States of the following lands within national forests in the State of Oregon:

All of fractional section 36, township 21 south, range 12 east; all of section 16, township 21 south, range 12 east; the southeast quarter of section 36, township 20 south, range 14 east; all of section 16, township 23 south, range 16 east; the south half of northwest quarter, the northwest quarter of northwest quarter, the northeast quarter of northeast quarter, the south half of section 16, township 28 south, range 10 east; south half of north half of section 16, township 15 south, range 31 east; northwest quarter of northwest quarter of section 16, township 17 south, range 32 east; all of section 36, township 3 south, range 47 east; all of section 16, township 19 south, range 31 east; southeast quarter of southeast quarter of section 16, east half of northeast quarter, west half of northwest quarter of section 36, township 20 south, range 33 east; all of section 16, township 3 south, range 41 east; south half and northwest quarter of section 36, township 19 south, range 32 east; north half of section 16, township 14 south, range 33 east; all of sections 16 and 36, township 7 south, range 34 east; section 16, township 8 south, range 32 east; all of section 36, township 14 south, range 35 east; all of section 36, township 2 south, range 40 east, Willamette meridian.

Provided, That the timber or undergrowth shall not have been removed from said forest lands: *Provided further,* That upon reconveyance to the United States the lands shall become parts of the national forests in which they are situated.

The SPEAKER. Is a second demanded?

Mr. ROBINSON. I demand a second.

The SPEAKER. Under the rule, a second is ordered. The gentleman from Oregon [Mr. ELLIS] is entitled to 20 minutes and the gentleman from Arkansas [Mr. ROBINSON] to 20 minutes.

Mr. ELLIS. Mr. Speaker, I desire to say that this is a bill which proposes to exchange 8,793 acres of desert land, which has been selected under the Carey Act for reclamation, being desert lands. It is situated in the county of Malheur, southeastern Oregon, upon a high plateau, in a desert region, where there is a great scarcity of water. These parties have attempted to reclaim the land by an artesian project. They have expended a great deal of money, but thus far have not sufficient water to satisfy the State so that they could get certificate as to reclamation. Now, they desire to go on and further prosecute the artesian project and try to perfect the reclamation of the land, but it is difficult to do so within the limited time they have before the State selection will expire in 1912.

They own in fee simple 9,401 acres of timberland in the various forest reserves, which were school lands, and have been selected and bought outright by them. They have a fee simple title, which they got at an expense of about \$40,000. They only desire to exchange these lands for the 8,793 acres of the Government, and the Government give them a title to the desert lands in lieu of the several tracts of lands described in the report, and all within forest reserves.

The lands are not now a part of the forest reserve, but they are within the reserves and belong to individuals. By the amendment of the committee attached to this bill it is provided that if this exchange takes place it immediately becomes a part of the forest reserve. No part of this land has been cut over, and it is as it was originally.

Mr. ROBINSON. Will the gentleman yield?

Mr. ELLIS. Certainly.

Mr. ROBINSON. It is true that the Government will acquire a larger area of land by this exchange than it gives?

Mr. ELLIS. Over 600 acres.

Mr. ROBINSON. The character of the land is desert land of a potential timber value?

Mr. ELLIS. Yes.

Mr. ROBINSON. What is "a potential timber value?"

Mr. ELLIS. The report states that the potential timber value is what it will bring for pasturage by leasing it to the stockmen in the vicinity or by the sale of matured timber they can

sell from it. The amount of timber is estimated in the report, and runs as high as \$2.50 to \$5 and gives the number of thousand feet of board measure per acre. It is the purpose to preserve it with other timber in the forest reserve.

Mr. ROBINSON. The district forester seems to think that the Government gets the better of the transfer in this proposed legislation.

Mr. ELLIS. He says the Government gets the better of the trade if the lands we get in return are desert lands. There can be no question about that. I know the lands that the people are seeking to reclaim, and they will not produce anything until water can be put upon them. If they can make a success of it, the lands will become valuable, but not as valuable as some in a latitude not so high.

But it is their purpose to try to reclaim it in small tracts of 160 acres by artesian water and sell that off in smaller tracts, and go on until they can reclaim the entire tract. They are not able to finance the matter and reclaim the entire 8,000 acres by this system.

Mr. ROBINSON. The lands which the Government is to acquire by this proposed legislation are lands now in private ownership within forest reserves.

Mr. ELLIS. Yes; they are in private ownership within forest reserves. They will pass from private ownership into the ownership of the Government, and, instead of being as they are now, they would then be subject to all the laws of the Government pertaining to forest reserves and under the direct supervision of the Government. They are not at this time.

Mr. HITCHCOCK. What is the approximate value of these lands now owned by the private individuals within forest reserves?

Mr. ELLIS. They cost something over \$40,000. The estimate, I think, of the forester is—their value—\$45,000.

Mr. HITCHCOCK. That is the present value?

Mr. ELLIS. Yes.

Mr. HITCHCOCK. Is that valued for timber purposes or agricultural?

Mr. ELLIS. Largely timber and pasture; not very much for agriculture.

Mr. HITCHCOCK. And they propose to trade that land for some desert land?

Mr. ELLIS. Yes.

Mr. HITCHCOCK. What is the value of the desert land?

Mr. ELLIS. That is largely speculative. Unless these people can get artesian water and reclaim it, it is valueless.

Mr. HITCHCOCK. What is the possible motive that inspires private individuals to want to trade \$40,000 worth of property for property of questionable value?

Mr. ELLIS. They feel hopeful that they can reclaim this land. They can interest additional capital in the project if they can control it; but as it is to-day, not having control over it and being unable to assure them they can go on to completion of these projects, they can not interest anyone in it. Therefore they are unable to finance the thing.

Mr. HITCHCOCK. They are already interested in the land they desire to procure?

Mr. ELLIS. Oh, yes; the Government has already turned it over to the State, and they have until June, 1912, to handle it as it now exists.

Mr. HITCHCOCK. If they succeed in irrigating the land, it will be of much greater value than the land they are relinquishing?

Mr. ELLIS. Yes; it would be of some greater value; but, of course, that is speculative. They may never be able to reclaim it or they may reclaim only a part of it. If they should happen to get artesian water, it would be all right. They have spent a great deal of money—

Mr. LONGWORTH. How much money have they expended on it?

Mr. ELLIS. Several thousand dollars. I am unable to state the exact amount.

Mr. ROBINSON. Are any of the lands the Government proposes to exchange for these lands mineral in character?

Mr. ELLIS. No.

Mr. ROBINSON. Mr. Speaker, I do not desire to consume the time allotted to me in the consideration of this bill. I know of no objection to the passage of this legislation. The bill is unanimously reported by the Committee on the Public Lands, and I believe that the measure should pass, and unless some gentleman on this side of the House or on the other desires time, I shall consume no further time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

CONSTITUTION OF NEW MEXICO.

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and pass House joint resolution 295, approving the constitution formed by the constitutional convention of the Territory of New Mexico, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That the constitution formed by the constitutional convention of the Territory of New Mexico, elected in accordance with the terms of the act of Congress entitled "An act to enable the people of New Mexico to form a constitution and State government and be admitted into the Union on an equal footing with the original States, etc.," approved June 20, A. D. 1910, which said constitutional convention met at Santa Fe, N. Mex., on the 3d day of October, A. D. 1910, and adjourned November 21, A. D. 1910, and which constitution was subsequently ratified and adopted by the duly qualified electors of the Territory of New Mexico, at an election held according to law, on the 21st day of January, A. D. 1911, being republican in form, and not repugnant to the Constitution of the United States and the principles of the Declaration of Independence, and complying with the terms of said enabling act, be, and the same is hereby, approved, subject to the terms and conditions of the joint resolution entitled "Joint resolution reaffirming the boundary line between Texas and the Territory of New Mexico," approved on the 16th day of February, A. D. 1911.

The SPEAKER. Is a second demanded? Is any gentleman opposed to the resolution?

Mr. LLOYD. Mr. Speaker, if anyone here is opposed to the measure, I will not demand a second myself, otherwise I want to demand a second.

The SPEAKER. No one opposed to the bill demanding a second, the gentleman from Missouri will be recognized to demand a second and a second under the rule is ordered. The gentleman from Michigan is entitled to 20 minutes and the gentleman from Missouri is entitled to 20 minutes.

Mr. HAMILTON. Gentlemen will remember that in the last session of Congress, on June 20, we passed an enabling act to permit the people of New Mexico to adopt a constitution and become a State. That enabling act also permitted the people of Arizona to adopt a constitution and become a State, but the Arizona constitution has not yet arrived. By the terms of the enabling act we provided for the election of delegates to a constitutional convention and empowered them to frame a constitution. We provided also for the ratification of the constitution or the nonratification of the constitution. On the 21st day of January of this year a vote was taken upon the constitution as adopted by the constitutional convention provided for in the enabling act, and the constitution was ratified by a majority of something over 18,000. By the terms of the enabling act we provided that the election should be confined to an election for the ratification of the constitution, so that no other question should be submitted to the people. We provided that if the constitution should be republican in form, not in conflict with the Declaration of Independence, and should conform to the terms of the enabling act, it might be submitted to Congress and to the President, and if Congress should approve and the President should approve, then, upon notice by the President to the governor of the Territory, an election of State officers might be held. On the 24th day of February just passed the President by a message to Congress approved of this constitution. The constitution came to the House, was referred to the Committee on the Territories. That committee has gone over it and finds it to be republican in form, not in conflict with the Declaration of Independence, and in conformity with the enabling act, and therefore has reported in favor of the approval of the constitution by Congress.

Mr. MARTIN of Colorado. Will the gentleman permit me to ask him a question there?

Mr. HAMILTON. Yes.

Mr. MARTIN of Colorado. Does the gentleman from Michigan understand that the approval of Congress is necessary—

Mr. HAMILTON. To the constitution?

Mr. MARTIN of Colorado. Does the gentleman understand that the approval of Congress is necessary to complete the admission of New Mexico as a State?

Mr. HAMILTON. There was an alternative proposition, if Congress should not disapprove and the President should approve, but it is necessary that this constitution should be approved if we do not mean to let it pass over into the next session of Congress.

Mr. MARTIN of Colorado. I will say to the gentleman my understanding of the language in section 4 of the enabling act is this: That while the approval of the President is necessary, the approval of Congress is not, and that it would take the disapproval of Congress to nullify the approval of the President.

Mr. HAMILTON. The provision, giving a free translation of it to the gentleman from Colorado, as I recall it, is that if Con-

gress shall approve and the President shall approve, upon notice by the President to the governor the election of State and other officers shall be had, or if the Congress shall not disapprove during the next regular session and the President shall approve, then upon notice by the President to the governor an election of State and other officers shall occur.

Mr. MARTIN of Colorado. When is that session, this one?

Mr. HAMILTON. I think not; therefore I think it is necessary it should be approved.

Mr. MARTIN of Colorado. Your understanding is this: That if this Congress should fail to approve the New Mexico constitution, the next Congress would have the entire session in which to act in the way of disapproval?

Mr. HAMILTON. That is substantially it.

Mr. MARTIN of Colorado. So that the constitution would not become operative until the entire next session of Congress had expired in the event the next session did not take any action.

Mr. HAMILTON. And I understand the Attorney General's opinion is in conformity—

Mr. JAMES. Will the gentleman yield for a question? In the report of the committee upon the question of the acceptance of their constitution you do not undertake to pass upon the question of liking or disliking the constitution.

Mr. HAMILTON. No.

Mr. JAMES. But you merely pass upon the question as to whether or not the Constitution is republican in form and complies with the enabling act.

Mr. HAMILTON. Precisely.

Mr. JAMES. So that is the precedent to be established here by the passage of this bill?

Mr. HAMILTON. So far as this constitutes a precedent, it is.

Mr. JAMES. It would certainly constitute a precedent coming from the gentleman's committee with a unanimous report.

Mr. HAMILTON. It is a unanimous report.

Mr. JAMES. And the precedent would be that Congress had no right to pass upon the constitution as to whether they like or dislike its provisions, but only the right to reject it upon the ground that it was not republican in form, or that it violated the provisions of the enabling act.

Mr. MANN. Is the gentleman from Kentucky trying to interject a partisan proposition in this for the purpose of passing the resolution or defeating the resolution?

Mr. JAMES. No, sir. I am trying to interject the constitutional right of the admission of States to the Union in the debate that may be called to the mind of the gentlemen on the other side at a later day. If the gentleman from Illinois can tell me some political question that was suggested by the question I asked, I would like to know what it is.

Mr. MANN. I thought the gentleman plainly was aiming at a partisan question.

Mr. JAMES. Not at all.

Mr. MANN. Then I am sorry I attributed motives to the gentleman which he did not have.

Mr. JAMES. I merely suggested a question of whether or not the people who have made a constitution could have it rejected simply because the people who had to pass upon it did not like it.

Mr. HAMILTON. I take it the gentleman from Kentucky [Mr. JAMES] has no ulterior motive.

Mr. JAMES. I take it that the gentleman from Illinois [Mr. MANN] would think that I was suggesting something political if I suggested that the people had a right to have something to say.

Mr. MANN. The Republican Party believes that the people have something to say.

Mr. JAMES. There are some elements of the gentleman's party that believe the people have something to say in a sort of a way.

Mr. MANN. When the gentleman from Kentucky assumes that he holds the people in his hands, it is likely to be partisan.

Mr. JAMES. Oh, my hands are not large enough to hold the people, nor are the gentleman's.

Mr. KEIFER. This colloquy that has been going on would indicate that there was action taken by your committee that looked as though you could not reject the constitution by reason of certain things in it. Did the committee pass upon that question?

Mr. HAMILTON. The committee found nothing in this constitution that would warrant it in rejecting the constitution.

Mr. KEIFER. They recognized the right to look into it, did they not?

Mr. HAMILTON. Undoubtedly, and that was the purpose for which that clause was put into the enabling act.

Mr. KEIFER. Has it not been the case all along, through the history of the admission of the States, especially back in the days of Kansas and Nebraska, that the Congress of the United States has passed on constitutions and determined whether they would admit the States or not?

Mr. HAMILTON. Certainly. In the case of Missouri, in the case of Nebraska, and in the case of Michigan, for illustration.

Mr. MARTIN of Colorado. Would the gentleman permit a further interruption?

Mr. HAMILTON. Yes.

Mr. MARTIN of Colorado. While I agree with the answers of the gentleman from Michigan—

Mr. HAMILTON. I want to say this to the gentleman from Colorado that, while I want to answer all inquiries, there is one other matter that is rather important that I wish to call the attention of the House before I sit down, and I want to yield a little time to some other members of the committee.

Mr. MARTIN of Colorado. I want to say that, while I agree with the answers of the gentleman from Michigan as to these provisos in the enabling act, I feel inclined to criticize the character of the provisos themselves, because under conditions that are quickly to ensue in Congress I believe that the matter of the approval of the Arizona constitution will be left wholly with the President, and that Congress will be virtually powerless in the matter.

Mr. HAMILTON. That is possible. I can see conditions, I will say to the gentleman from Colorado, where that might be possible, but that provision in the enabling act was intended in the broadest way to give to Congress a power which I think it has never exercised before in connection with the admission of States.

Mr. MARTIN of Colorado. And that is the power of disapproval?

Mr. HAMILTON. That is the power of disapproval. Heretofore the constitution was submitted to the President of the United States, and if he, the President of the United States, found the constitution to be republican in form, not in conflict with the Declaration of Independence, and in conformity with the enabling act, he had the power to approve that constitution.

Mr. SULZER. Mr. Speaker, I would like to ask the gentleman a question.

The SPEAKER. Does the gentleman yield?

Mr. HAMILTON. Certainly.

Mr. SULZER. The passage of this act admits New Mexico as a State?

Mr. HAMILTON. Yes; that is to say, it is an essential step toward admission.

Mr. SULZER. I understand that President Taft has already approved the constitution of New Mexico?

Mr. HAMILTON. Yes; by message to Congress.

Mr. SULZER. Exactly. Now, why not admit the Territory of Arizona at the same time. Is there any reason for not doing that?

Mr. HAMILTON. We can not act upon the Arizona constitution because the constitution of Arizona has not arrived. That is a very good reason.

Mr. SULZER. The gentleman does not know of any reason why there would be any objection to the admission of Arizona?

Mr. HAMILTON. I have not had an opportunity to read the constitution of Arizona. Of course the gentleman from New York would not expect me to pass upon the provisions of that constitution without having seen it.

Mr. SULZER. I was indulging the hope that both of these Territories would come in at the same time, inasmuch as the enabling acts were passed at the same time.

Mr. HAMILTON. I will say to the gentleman from New York—and I think he knows the history of my service in that connection—that for several years I have been in my service here in Congress an earnest friend of both of those Territories and have desired statehood for them. But the constitution of Arizona has not yet arrived.

Mr. SULZER. I know that the gentleman from Michigan has done everything he could to promote legislation to admit these Territories, and that is the reason why I was making these inquiries, to find out why it was that we are now passing

this legislation to admit New Mexico and not passing legislation also to admit Arizona.

Mr. HAMILTON. There is no discrimination. It is simply because the constitution of Arizona has not yet arrived. We have not yet been called upon to act upon it. The constitution of New Mexico was referred to the committee for action. The constitution of Arizona has not arrived, and we have no jurisdiction, therefore.

Mr. SULZER. Of course that is a good reason.

Mr. COOPER of Wisconsin. I would like to ask the gentleman from Michigan this question, prompted by the answer of the gentleman from Michigan to the question of the gentleman from Colorado [Mr. MARTIN]: Did I understand the gentleman from Michigan to say that it was left optional with the President of the United States to admit or not admit?

Mr. HAMILTON. Oh, no. I said that in the enabling act we had provided that if the Congress shall approve and the President shall approve, then the President shall notify the governor of the Territory, whereupon the governor of the Territory shall proceed to call an election of State officers. But if Congress shall not disapprove during the next regular session of Congress and the President shall approve, then the same proceeding is to be gone through.

Mr. COOPER of Wisconsin. Was not the question of the gentleman from Colorado as to whether the President approved or did not approve the constitution of Arizona?

Mr. HAMILTON. I know the gentleman from Colorado asked me whether Congress had the power to approve or disapprove. That is my recollection.

Mr. MARTIN of Colorado. My proposition is that Congress has only the power of disapproval.

Mr. COOPER of Wisconsin. The language of the Constitution is that "new States may be admitted by the Congress into the Union." I could not see how, if Congress approved, the President himself could prevent a State from coming into the Union.

Mr. HAMILTON. I think myself that the terms of the enabling act are so plain and unmistakable that no misunderstanding is possible.

The SPEAKER. The time of the gentleman has expired.

Mr. MARTIN of Colorado. Mr. Speaker, I request that the gentleman from Michigan be given 10 minutes in addition to the time he has already had. I desire to ask the gentleman a question. I ask unanimous consent that the gentleman from Michigan [Mr. HAMILTON] be given 10 minutes more.

Mr. LLOYD. Mr. Speaker, I yield five minutes to the gentleman from Michigan.

Mr. HAMILTON. Let me make a suggestion to the gentleman from Colorado, that he ask the gentleman from Missouri [Mr. LLOYD] for a little time, so that I can make a statement to the House about an important matter that I have not had opportunity to touch upon. Some of the Members of the House, and perhaps all, have known that there was a controversy between the State of Texas and the Territory of New Mexico about a boundary. Some years ago, in 1859, a survey was run known as the Clarke survey, beginning at the northeast corner of New Mexico, at the intersection of the one hundred and third meridian and the thirty-seventh parallel, running thence south to latitude 36.30, thence jogging westerly, and then running south, parallel to the one hundred and third meridian, to the thirty-second parallel, and thence running west to the Rio Grande. Legislation has been had from time to time confirming that so-called Clarke survey. Finally the people of New Mexico, under the terms of this enabling act, through their constitutional convention, adopted this constitution. It was then found that they had made a mistake in their boundary, making their eastern boundary the one hundred and third meridian. Thereupon, on the 16th day of November—it is important that Members should get the sequence of events here—a joint resolution was passed by Congress and approved by the President, declaring the Clarke survey to be the proper boundary line between New Mexico and Texas, and declaring that any boundary which differed from that should not be the true boundary. The gentleman from Texas [Mr. STEPHENS] recollects the facts very well. I have stated the gist of it, have I not?

Mr. STEPHENS of Texas. That is correct; and in 1891 Congress also confirmed the Clark line.

Mr. HAMILTON. I so stated, only I did not give the year.

Mr. STEPHENS of Texas. And the State of Texas in 1892 confirmed it.

Mr. HAMILTON. That is true.

Mr. STEPHENS of Texas. And the Texas State government had patented up to this line.

Mr. HAMILTON. Now, the purpose of this statement is to call attention to a clause which we have incorporated in this joint resolution of approval, to wit, that we approve of the constitution of New Mexico, subject to the terms and conditions of the joint resolution of February 16, 1911, on the theory that some one in the future might possibly say that, notwithstanding the fact that Congress had defined the boundaries of New Mexico in the joint resolution of February 16, 1911, yet by the terms of this joint resolution of approval we had superseded the joint resolution of February 16, 1911. In order to save all question as to that boundary for all time to come we put into this enabling act the statement that we approved this constitution, subject to the terms and conditions of the joint resolution of February 16, 1911.

Mr. STEPHENS of Texas. That is entirely satisfactory to the State of Texas, and also not in conflict with the act passed this year and the one passed in 1892.

Mr. HAMILTON. It is exactly in conformity with it.

Mr. STEPHENS of Texas. It carries out the wishes of the State of Texas.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HAMILTON. I wanted to yield a little time to the gentleman from Ohio [Mr. COLE].

Mr. COLE. I have made arrangements with the gentleman from Missouri [Mr. LLOYD].

Mr. LLOYD. Mr. Speaker, the people of the United States have from time to time shown a disposition to want New Mexico and Arizona to become States of the American Union. There has been very much difficulty in securing proper recognition of those two Territories. In the last Congress an enabling act was passed which gave statehood under proper conditions to both of these Territories. New Mexico has had its convention and has adopted its constitution. Following the adoption of that constitution it was ratified by the people by a very decided vote. At the election that was held on the 21st day of January there were about 46,000 votes cast, and at that election there was a majority in favor of the constitution of nearly 19,000. So that nearly two-thirds of the votes cast were cast in favor of the constitution.

It is the duty of Congress, as I understand it, to determine whether the constitution which the people have adopted, and the constitution which has been ratified by them at the polls, is republican in form. The Committee on Territories has very carefully investigated this instrument, and while there are provisions in the instrument that I would not put in it, and there are other provisions which I would put in it, if I was fixing that constitution, my judgment is, and that is the judgment of the committee, that the only thing upon which we are to pass is to determine whether this constitution is republican in form, and whether it complies with the provisions of the enabling act.

Mr. HOBSON. Will the gentleman yield?

Mr. LLOYD. I will.

Mr. HOBSON. I have just now received the printed hearings before the committee. They have not been available before, and I have not been able to get them, although I have been after them for several days since my attention was called to this matter. I do not think that any of the Members have had them.

Mr. LLOYD. That is true; they were not published until yesterday; they were not available for distribution until this morning.

Mr. HOBSON. Would there be any objection to postponing the consideration of this measure until to-morrow?

Mr. LLOYD. It is very necessary that this bill should be passed now in order that the Senate may take action on it before the adjournment of Congress.

Mr. HOBSON. Could not the Senate act independently of the House?

Mr. LLOYD. No, sir. Gentlemen will observe that these hearings comprise a large book. The committee has given unusual consideration to the matter. There has been some objection to this constitution. The objection came from the Anti-Saloon League and from some other individuals who made objections on the ground that the election was not properly conducted, and that on the day of the election the saloons in some places were open in violation of the statute of that Territory.

Mr. HOBSON. Have those matters been investigated?

Mr. LLOYD. We very carefully investigated in the limited time we had, and if the gentleman will examine the hearings he will ascertain that there are affidavits from every county in the Territory of New Mexico—one or more in most cases,

and as many as 25 affidavits in some cases—to the effect that the election was properly conducted, that the ballots were properly distributed, and that there was peace and order, and that everyone had an opportunity to vote in accordance with his conviction.

My own judgment is, from a careful investigation of the testimony, that there were some places where the saloons were open on that day in violation of the Territorial law, but on the other hand I do not think that because a saloon may happen to be open in violation of the law that that fact alone vitiates the election.

Mr. ALEXANDER of Missouri. Will the gentleman yield?

Mr. LLOYD. Certainly.

Mr. ALEXANDER of Missouri. Was there testimony before your committee to the effect that individuals were not permitted to vote?

Mr. LLOYD. No, sir; there was only one instance, as far as I remember it, where an individual was not permitted to vote. One individual testified that he went to the polling place and asked for a ballot. He asked for a ballot against the constitution. He was informed that there were no ballots there against the constitution. He says he then said, "Give me one in favor of it, and I will scratch out the word 'for' and write the word 'against,'" and he was notified by the judge that that would not be legal. He then said, "I will write my ballot," and they said that a written ballot was in violation of the law. [Laughter.] That is the one instance where the law was not properly executed.

Mr. ROBINSON. That would not change the result, would it?

Mr. LLOYD. No; it would not change the result. Now, there is another objection urged to the election, and that is that the largest vote that was ever polled in the Territory was about 57,000 votes. At this election there were a little over 45,000 votes, so that 12,000 of the 57,000 did not vote; but it is a fact that if the vote of every one of the absent voters were counted, and counted against the adoption of the constitution, there would then be a majority of over 7,000 votes in favor of the adoption of the constitution.

Mr. ROBINSON. The vote in support of the constitution was more than a majority of the whole vote?

Mr. LLOYD. Yes. I now yield three minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado rose.

Mr. STANLEY. Mr. Speaker, before the gentleman from Colorado begins, I desire to make one suggestion, and that is that this Congress is interested, I assume, in something about the nature of this constitution, and not about any breaches of the peace that were committed on the day the constitution was adopted. I think we would like to hear something on that subject.

Mr. MARTIN of Colorado. Mr. Speaker, I have not anything whatever to offer either upon the constitution or the happenings on the day of election when it was ratified by the people of New Mexico, but it seems to me, under the terms of the enabling act, that this action on the part of the House is a sort of empty ceremony, and that really, aside from the question of delay, in the long run it makes no difference to the people of New Mexico whether we approve or disapprove of their constitution. I will say frankly that I had hoped there would be some way in which we could tie together the admission of New Mexico and Arizona as States of the Union, because, as Members all know, it has been reported in the public press that because of certain so-called radical provisions in the constitution of Arizona the President will not approve that instrument when it comes up to him for approval. I looked into the enabling act to ascertain whether it was possible for Congress to tie those two States together and make the approval of the constitution of one of them by Congress a condition precedent to the approval of the other, so that they would stand on the same basis and both be admitted or refused admission together. But I find that after the President approves these constitutions he submits them to Congress, and if Congress fails to approve, the constitution becomes effective, as though Congress approved.

Now, that would create this situation. Suppose this Congress failed to approve this constitution. Suppose this vote to-day were to be adverse, and it sent this constitution over to the next Congress, at which time that of Arizona would have arrived. We would have the control of the House of Representatives in one political party and of the Senate in the other political party, and this House might approve the Arizona constitution and disapprove that of New Mexico, and its entire action would be a nullity and the session would go by, for the Senate might take the other position, approve the New Mexico constitu-

tion and disapprove that of Arizona. So Congress would virtually take no action whatever. It would take the action of both Houses to effect a disapproval, and the consequence is that under the conditions that have been brought about in Congress politically, the final say in this matter is in the hands of the President, and the apparent power conferred upon Congress is a mere empty ceremony.

Mr. JAMES. Mr. Speaker, I think this debate has demonstrated one fact that will be of some value to us hereafter when we come to pass upon the constitutions of other States, and that is that the unanimous report of this committee made by the chairman, the gentleman from Michigan [Mr. HAMILTON], has established this well-settled doctrine which we hope will guide the House hereafter, and that is this: The first thing we are to inquire, when we pass on the constitution of a State we have admitted into the Union, is it the will of the people; second, is it in conformity with the enabling act; and, third, is it republican in form? When these three things are established in the affirmative, the power of Congress is at an end. Congress has no power, nor has the President any power, to say that he will reject a constitution or for us to say that we will reject a constitution, simply because if we had been making that constitution we would not have put into it the provisions that are contained there. This is a republican form of government. It is grounded upon the bedrock of popular will, and when the people make their constitution you have no right to keep a State out of the Union because that constitution contains, for instance, the initiative and referendum, or the recall system, or the Oregon plan of electing United States Senators, or some other provision you may not like. You are brought up to the sole and lone proposition, first, is it republican in form; second, is it in conformity with the provisions of the enabling act; third, is it the will of the people? If these things are established, then the power of Congress is at an end and the power of the President is at an end. Under our Constitution neither Congress nor the President has the power to make constitutions for States admitted to the Union; the people of the States themselves do that, and this thing of trying to scare or sandbag States into suppressing the popular will, or making an unprogressive constitution, by saying Congress will not approve it or the President will not approve it if you do, does not meet my approval nor that of this House nor the country. [Applause.] These new States ought to profit by the mistakes of the old ones and write the remedy in their constitutions.

So far as I am individually concerned, I should have been glad if Arizona and New Mexico both might have had their constitutions passed on by Congress at the same time, so that we might have an example of some gentleman opposing one constitution because it is too republican or democratic in form and upholding another constitution because it is not so republican in form. But Arizona's constitution, we are told, is not here. I am informed that it was adopted by a vote of 3 to 1. I do not know whether I would have supported that constitution or all the provisions contained in it if I had been in that convention—I have not had the time to examine it thoroughly—but one thing I do know and that is it is the will of that people, and if it is the will of the people of Arizona and conforms to these provisions that I have enumerated the duty of Congress is plain and that is to admit the State into the sisterhood of States of this great Republic. [Applause.] The constitution of New Mexico, conforming to the three propositions I have set forth, and which the committee unanimously agrees is the sum total of the power of Congress when passing upon the constitution of States to become a part of our great Union, I am going to support this bill to accept their constitution, for it is their will, being republican in form and in conformity with the enabling act. I do not know whether or not this election was fair. I am willing to take the word of my colleague from Missouri [Mr. LLOYD] and the members of the committee, who have so thoroughly examined into that question, that the election was fair. [Applause.]

I am willing to trust the people who make their own laws; they are just, they are honest, they bear the burdens of supporting the State, they defend it in an hour of peril; if they make a mistake, they are those who suffer and therefore quick to remedy it. [Loud applause.]

Mr. LLOYD. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. COLE].

The SPEAKER. The gentleman has but three minutes.

Mr. LLOYD. I yield that to the gentleman from Ohio [Mr. COLE].

[Mr. COLE addressed the House. See Appendix.]

The question was taken; and, in the opinion of the Chair, two-thirds having voted therefor, the joint resolution was passed.

ALLOWANCE FOR LOSS OF DISTILLED SPIRITS DEPOSITED IN INTERNAL-REVENUE WAREHOUSES.

Mr. DALZELL. Mr. Speaker, I call up the privileged bill, the bill H. R. 29466.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 29466) to provide an allowance for loss of distilled spirits deposited in internal-revenue warehouses.

Mr. DALZELL. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole House on the state of the Union.

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

The Clerk proceeded with the first reading of the bill.

Mr. DALZELL. Mr. Speaker, this bill is made up largely of figures. Therefore, I ask unanimous consent that the first reading of the bill be dispensed with.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The bill will be read under the five-minute rule.

The Clerk read as follows:

A bill (H. R. 29466) to provide an allowance for loss of distilled spirits deposited in internal-revenue warehouses.

Be it enacted, etc., That the distiller of any distilled spirits which shall be on deposit on the 1st day of July, 1911, or which may thereafter be deposited in any distillery warehouse or special or general bonded warehouse existing under the internal-revenue laws of the United States, may, prior to the expiration of eight years from the date of original gauge as to fruit brandy, or original entry as to all other spirits, file with the collector a notice giving a description of the packages containing the spirits, and request a regauge of the same, for the purpose of tax payment of such spirits. If upon such regauging it shall appear that there has been a loss of distilled spirits from any cask or package, without the fault or negligence of the distiller thereof, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of the withdrawal thereof from the distillery warehouse or other bonded warehouse: *Provided, however,* That the allowance which shall be made for such loss of spirits as aforesaid shall not exceed 1 proof gallon for 1 month or part thereof; 1½ gallons for 2 months; 2 gallons for 3 months; 2½ gallons for 4 months; 3 gallons for 5 and 6 months; 3½ gallons for 7 and 8 months; 4 gallons for 9 and 10 months; 4½ gallons for 11 and 12 months; 5 gallons for 13, 14, and 15 months; 5½ gallons for 16, 17, and 18 months; 6 gallons for 19, 20, and 21 months; 6½ gallons for 22, 23, and 24 months; 7 gallons for 25, 26, and 27 months; 7½ gallons for 28, 29, and 30 months; 8 gallons for 31, 32, and 33 months; 8½ gallons for 34, 35, and 36 months; 9 gallons for 37, 38, and 39 months; 9½ gallons for 40, 41, and 42 months; 10 gallons for 43, 44, and 45 months; 10½ gallons for 46, 47, and 48 months; 11 gallons for 49, 50, 51, and 52 months; 11½ gallons for 53, 54, 55, and 56 months; 12 gallons for 57, 58, 59, and 60 months; 12½ gallons for 61, 62, 63, and 64 months; 13 gallons for 65, 66, 67, and 68 months; 13½ gallons for 69, 70, 71, and 72 months; 14 gallons for 73, 74, 75, 76, 77, and 78 months; 14½ gallons for 79, 80, 81, 82, 83, and 84 months; 15 gallons for 85, 86, 87, 88, 89, and 90 months; 15½ gallons for 91, 92, 93, 94, 95, and 96 months: *And provided further,* That taxes shall be collected on the quantity contained in each cask or package as shown by the original gauge where the distiller does not request a regauge before the expiration of eight years from the date of original entry or gauge: *And provided also,* That the foregoing allowance of loss shall apply only to casks or packages of a capacity of 40 or more wine gallons, and that the allowance for loss on casks or packages of less capacity than 40 gallons shall not exceed one-half the amount allowed on said 40-gallon cask or package; but no allowance shall be made on casks or packages of less capacity than 20 gallons: *And provided further,* That the proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than 100 per cent.

SEC. 2. That section 50 of the act of August 28, 1894, entitled "An act to reduce taxation, to provide revenue for the support of the Government, and for other purposes," section 1 of the act of March 3, 1899, entitled "An act to amend the internal-revenue laws relating to distilled spirits, and for other purposes," and the act of January 13, 1903, entitled "An act to amend the internal-revenue laws," be, and the same are hereby, repealed from and after the 1st day of July, 1911.

Also the following committee amendments were read:

On page 4, line 8, strike out "eighth" and insert "seventh."
On page 4, line 9, strike out "support of the."

Mr. DALZELL. Mr. Speaker, I ask for the vote on the amendments.

The question was taken, and the amendments were agreed to. The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

AUTOMOBILE LICENSES.

Mr. BARTLETT of Georgia, from the Committee on Interstate and Foreign Commerce, presented the views of the minority (H. Rept. No. 2270, pt. 2) on the bill (H. R. 32570) providing for the licensing of automobiles, etc., for printing under the rules.

ANNUITIES TO SIOUX INDIANS, ETC.

Mr. BURKE of South Dakota. Mr. Speaker, I move to suspend the rules and pass the bill (S. 5121) with an amendment.

The SPEAKER. The gentleman from South Dakota moves to suspend the rules and pass the bill (S. 5121), which the Clerk will report.

The Clerk read as follows:

A bill (S. 5121) for the restoration of annuities to the Medawakanton and Wahpakoota (Santee) Sioux Indians, declared forfeited by the act of February 16, 1863.

The SPEAKER. Without objection, the substitute, with an amendment, will be read in lieu of the bill.

There was no objection.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That jurisdiction be, and hereby is, conferred upon the Court of Claims to hear, determine, and render final judgment for any balance that may be found due the Medawakanton and Wahpakoota bands of Sioux Indians, otherwise known as Santee Sioux Indians, with right of appeal as in other cases, for any annuities that may be ascertained to be due to the said bands of Indians under and by virtue of the treaties between said bands and the United States, dated September 29, 1837 (7 Stat. L., p. 538), and August 5, 1851 (10 Stat. L., p. 954), as if the act of forfeiture of the annuities of said bands, approved February 16, 1863, had not been passed: *Provided,* That the court, in rendering judgment, shall ascertain and include therein the amount of accrued annuities under the treaty of September 29, 1837, up to the date of the passage of this act, and shall determine and include the present value of the same, not including interest, and the capital sum of said annuity, which shall be in lieu of said perpetual annuity granted in said treaty; and to ascertain and set off against any amount found due under said treaties all moneys paid to said Indians or expended for their benefit by the Government of the United States since the treaties were abrogated by the act of 1863, except such amounts as have been paid them for an otherwise adequate consideration. Upon the rendition of such judgment and in conformity therewith the Secretary of the Interior is hereby directed to ascertain and determine which of said Indians now living took part in said outbreak, and to prepare a roll of the persons entitled to share in said judgment by placing thereon the names of all living members of said bands residing in the United States at the time of the passage of this act, excluding therefrom only the names of those found to have personally participated in the outbreak; and he is directed to distribute the proceeds of such judgment, except as hereinafter provided, per capita, to the persons borne on the said roll.

"Proceedings shall be commenced by petition, verified by the attorney to be employed by said bands of Indians to prosecute their claims under this act under contract to be approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law, upon information and belief as to the existence of the facts stated in said petition and no other verification shall be necessary. Upon final determination of the cause the Court of Claims shall decree such fees as the court shall find to be reasonable upon a quantum meruit for services performed or to be performed, to be paid to the attorney or attorneys employed by the said band of Indians, and the same shall be paid out of the balance found to be due said bands of Indians, when an appropriation therefor shall have been made by Congress: *Provided,* That in no case shall the fees decreed by the court amount in the aggregate to more than 10 per cent of the amount of the judgment recovered, and in no event shall the aggregate amount exceed \$25,000: *Provided further,* That the court shall by its decree distribute such fees equitably between the attorneys who have been or who may hereafter be employed by said bands of Indians in said cause."

Also the following amendment was read:

Page 5, line 21, strike out the word "said" and insert the words "the Sioux," and in the same line, after the word "outbreak" insert "of 1862."

The SPEAKER. Is a second demanded?

Mr. STEPHENS of Texas. Mr. Speaker, I demand a second.

The SPEAKER. Without objection a second will be considered as ordered. [After a pause.] The Chair hears no objection. The gentleman from South Dakota [Mr. BURKE] is entitled to 20 minutes and the gentleman from Texas [Mr. STEPHENS] 20 minutes.

Mr. BURKE of South Dakota. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER of Minnesota. Mr. Speaker, the purpose of this bill is to restore to certain Sioux Indians residing in the United States, the majority of whom now live in the State of Nebraska, and a minority of whom now live in southwestern Minnesota, certain rights which belong to them and which were taken from them by congressional act dated February 16, 1863. Just a word as to what those rights were.

These two bands were a portion of the Sioux Indians of the Northwest. There were four of the bands, the Wahpeton, the Sisseton, the Medewakanton, and the Wahpakoota. The Wahpakootas and the Medewakantons were the southern Indians, known more commonly as the "farmer" Indians. By three consecutive treaties, the first dated 1830, these Indians ceded to the United States Government a tract of land in northern Iowa and southern Minnesota, consisting of a little more than 2,000,000 acres, for which they received 2 cents per acre, given largely, almost exclusively, in the way of presents to the headmen of the tribe. In 1837 they made a second treaty, by which they ceded to the Government 32,000,000 acres of land, for which they received a little less than 10 cents per acre, to be paid only as interest on the entire amount, which amounted to about \$15,000 per year, and was to be paid to the end of time. By a subsequent treaty, that of 1851, they ceded the balance of their lands in southern Minnesota to the United States, amounting to, approximately, 15,000,000 acres, for which they were to receive about 10 cents an acre, to be paid at the rate of \$60,000 per year for a period of 50 years, which meant, as you see, in round numbers, about \$3,000,000. These Indians were receiving these payments regularly from the Government. Of the \$60,000 per year they received 13 annual payments from the time of the treaty up to 1863. There were certain conditions in southern Minnesota and

southeastern Dakota, in the fall of 1862, which resulted in what is known as the "Sioux outbreak."

There was a great many causes, which it is not necessary to enter into now, leading up to the outbreak. At all events, the outbreak was put down in a vigorous manner. In the inflamed condition of the public mind this body passed an act, following the suppression of the outbreak, by which were declared forfeited all the rights of these Indians to the property in the hands of the Government. It was an exceedingly drastic and an exceedingly harsh measure to enact. However, the Government then proceeded to select from among the many Indians then living those who participated in the outbreak. They numbered about 400, and these 400, with their families, were taken first to Rock Island, on the Mississippi River, and from thence into the State of Nebraska, numbering altogether about 2,000. There they have since remained. The others were left in the southern part of Minnesota.

These Indians lost every foot of land that they owned and every dollar of property they owned, not only the guilty, but the innocent as well. They then had a strip of land, one of the fairest portions of the Northwest, a strip 10 miles wide and stretching along the Minnesota River, in the southern part of the State of Minnesota. That has been taken from them, and since has been sold by the Government to settlers.

Of those Indians who were found guilty of participating in the outbreak, as is well known, 38 were hanged in the fall of 1863. After the minds of the people had been permitted to cool off, sober thought was forced to see that a great hardship had been committed upon these Indians. By a congressional act of a few years ago the treaty rights of the two upper bands, the Sissetons and Wahpetons, were entirely restored to them. This bill is intended to restore to the two lower bands of Indians the same rights that have heretofore been restored to the upper bands.

Now, a question may arise in the minds of some as to whether there is any particular reason, beyond the ordinary consideration of common humanity, why these rights should be restored, and in answer to that I would like to say that of all the Indians who participated in this outbreak to-day there are now living in the United States and Canada less than 50, and these particular Indians are excepted from enjoying any of the privileges of this bill. While there were some that committed great atrocities during that terrible outbreak, we must not be unmindful of the fact that the great bulk of these Indians did not participate in the outbreak and that many of them performed deeds of heroism in the protection of the whites and the protection of their property that stand unparalleled in the annals of history.

The SPEAKER. The time of the gentleman has expired.

Mr. STAFFORD. I would like to ask the gentleman what privileges were granted under the annuities?

Mr. FERRIS. Mr. Speaker, I would like to have a few minutes in which to address the House.

The SPEAKER. The gentleman from South Dakota [Mr. BURKE] controls the time.

Mr. STEPHENS of Texas. Mr. Speaker, I yield five minutes to the gentleman from Oklahoma.

Mr. FERRIS. Mr. Speaker, I have no objection to the main purposes of this bill. The gentleman from Minnesota [Mr. MILLER] has made a very clear statement and a very sympathetic one, as well, covering this subject. But I have wondered a little about the last proviso, on page 6, with reference to the question of attorneys' fees. In my time I have not been over Populistic about the question of attorneys' fees, but I am inclined to think from recent experience in this House and from recent experience with attorneys'-fee matters generally that it is a bad idea for Congress and the Committee on Indian Affairs and the Government of the United States to incorporate a provision of this kind in a law. Here is the proviso:

Provided, That in no case shall the fees decreed by the court amount in the aggregate to more than 10 per cent of the amount of the judgment recovered, and in no event shall the aggregate amount exceed \$25,000: Provided further, That the court shall by its decree distribute such fees equitably between the attorneys who have been or who may hereafter be employed by said bands of Indians in said cause.

Now, Mr. Speaker, the thought I have is this: If Congress begins now, or if it further pursues the idea of recognizing attorneys' fees, and recognizing the principle of prorating attorneys' fees around between lawyers, the result will be that lawyers will continue to dig up old claims, old judgments, equities, and treaty claims against the Government, and the thing that will stimulate them to do it is for the Government to recognize the fees that are to be paid.

I repeat, I do not want to grow so fanatical and Populistic as to think that lawyers are not entitled to fees for services rendered in a legal way, because I believe they are, but I am emphatic in the belief that it is bad policy for Congress to make recognition of fees in cases of this character.

Mr. MONDELL. Will not this limitation of the amount that can be allowed for fees discourage the very sort of thing that the gentleman desires to discourage?

Mr. FERRIS. A \$25,000 fee is not very discouraging to a Washington lawyer.

Mr. MONDELL. Except for this limitation could they not make a contract with the Indians for a larger amount? Was it not the intent to place a limitation upon it?

Mr. FERRIS. We have a large number of cases in which it is provided that the contract is of no effect unless approved by the President or the Secretary of the Interior.

Mr. MONDELL. Without this limitation, might it not be possible that the attorneys' fees would be very much larger?

Mr. FERRIS. No; because unless the Secretary of the Interior, the President, or Congress approves it no contract they could make would have any force whatever. Noncompetent Indians can not make contracts.

Mr. MANN. The gentleman has referred only to the proviso. Has the gentleman noticed that the previous portion of the bill provides for the determination of the fees upon a quantum meruit, without any limitation, unless this limitation goes in.

Mr. FERRIS. I understand that.

Mr. STEPHENS of Texas. Not to exceed 10 per cent.

Mr. MANN. Is the gentleman opposed to that part of the bill? He only called attention to the proviso.

Mr. FERRIS. The thought I desire to express is simply this: I do not believe that Congress ought to make any recognition whatever of these old, rusty, stale Indian claims against the Government, dug up or trumped up by attorneys here and there.

Mr. STEPHENS of Texas. How does the gentleman think the attorneys' fees should be regulated? I ask for information.

Mr. FERRIS. The Interior Department has ample authority to employ attorneys at fixed salaries to transact the business of the Indians.

Mr. KOPP. Does the gentleman think better results can be attained by having the Indian Department approve the method of payment and the contracts than can be obtained by having Congress give its approval?

Mr. FERRIS. As the gentleman will recollect, that was a mooted question in the closing days of the last Congress. I have no fixed opinion about that, but I do have an emphatic opinion about Congress fixing the amount that they shall charge in a specific case, when we do not know whether they have any claim at all.

Mr. MANN. This only says that the fees shall not exceed a certain amount. It does not fix the amount of the fees.

Mr. FERRIS. The attorneys are usually industrious enough to get not only what Congress authorizes them to get, but a good deal more.

Mr. MANN. That is the reason I think the limitation is a good one.

Mr. STEPHENS of Texas. I yield to the gentleman from Nebraska [Mr. LATTA].

Mr. LATTA. Mr. Speaker and gentlemen, this is a very meritorious bill. The Indians for whose benefit the passage of the bill is asked are residents of my district. I am acquainted with nearly all of them. They are very poor Indians. As the gentleman from Minnesota explained the reason why they are in this condition, it is not necessary for me to go over it. I hope the bill will pass.

Mr. BURKE of South Dakota. Mr. Speaker, I desire to say a word in reply to the gentleman from Oklahoma [Mr. FERRIS], and that is that this bill has been on the calendar since May 24, 1910, and there have been several protests against the proviso to which the gentleman has called attention, and all from attorneys that are hoping to get some part of the fee that will be paid in this case. The gentleman from Oklahoma is the first one that I have heard to make any objection to that proviso.

The SPEAKER. The question is on the motion.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

SALE OF BURNT TIMBER ON PUBLIC LANDS.

Mr. HAMER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 9957) to authorize the sale of burnt timber on the public lands, and for other purposes, with the committee amendment and another amendment which I send to the desk. I ask that the Clerk read the bill as amended.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, under such rules and regulations as he may prescribe, to sell and dispose of to the highest bidder, at public auction or through sealed bids, timber on lands of the United States, outside of national forests, not covered by a valid subsisting location or entry made prior to December 1, 1910, and which has not been abandoned or canceled, that may have been killed or seriously damaged by forest fires prior to December 1, 1910, the proceeds of the sale of such timber on lands within the States and Territories named in section 1 of the act entitled "An act appropriating the receipts from the sale and disposal

of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands," approved June 17, 1902, shall be deposited in and form a part of the "reclamation fund" described in said section, and the proceeds of such timber on lands in other States and Territories than those named in said section shall pass into and form a part of the general funds of the Treasury.

SEC. 2. That the Secretary of the Interior, under regulations to be prescribed by him, is hereby authorized, upon application by the claimant, to permit the sale of timber killed or seriously damaged by forest fires prior to December 1, 1910, on any lands of the United States embraced within any valid subsisting location, selection, or entry made prior to the 1st day of December, 1910: *Provided*, That timber on such lands within the exterior boundaries of national forests shall be disposed of under joint regulations prescribed by the Secretary of Agriculture and Secretary of the Interior.

The SPEAKER. Is a second demanded?

Mr. FERRIS. I demand a second, Mr. Speaker.

Mr. STAFFORD. I demand a second.

The SPEAKER. Is the gentleman from Oklahoma opposed to the bill?

Mr. FERRIS. I am not sure; I want to hear some explanation of it.

The SPEAKER. Is the gentleman from Wisconsin opposed to the bill?

Mr. STAFFORD. I am in the same attitude.

The SPEAKER. The gentleman from Oklahoma demands a second. Under the rule a second is ordered, and the gentleman from Idaho has 20 minutes and the gentleman from Oklahoma 20 minutes.

Mr. HAMER. Mr. Speaker, this bill is designed to cover the condition that exists by reason of forest fires in the Northwestern States occurring during the latter part of the year just ended. It is well known by Members of the House that large areas of timber were killed or more or less damaged by fire. Under the existing law the Secretary of the Interior has no authority to dispose of this timber. I desire to suggest to the House at this time a fact which may not be generally known—that timber that has been burned over becomes useless unless cut and sawed into lumber within a very short time.

This bill is designed to permit the Secretary of the Interior to dispose of the timber on the public lands of the United States, in order that the Government may receive compensation for timber that otherwise would be a dead loss. It is also designed to permit those who have a valid and subsisting location or entry to dispose of timber under the direction of the Secretary. Under the existing law, of course, they can not do this. In one instance the Secretary is authorized to dispose of the timber and in the other he is authorized to permit the sale of the timber under proper regulations.

The SPEAKER. The question is on the motion of the gentleman from Idaho.

The question was taken; and (two-thirds having voted in favor thereof) the bill was passed.

OSAGE INDIANS IN OKLAHOMA.

Mr. McGUIRE of Oklahoma. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 32348) supplementary to and amendatory of the act entitled "An act for the division of the lands and funds of the Osage Nation of Indians in Oklahoma," approved June 28, 1906, and for other purposes, with the committee amendments.

The Clerk read the bill as amended, as follows:

Be it enacted, etc., That from and after the approval of this act all allotments belonging to members of the Osage Tribe of Indians, except homesteads, be, and the same hereby are, declared subject to taxation, under the laws of the State of Oklahoma, from and after issuance of the certificate of competency or removal of restrictions on alienation: *Provided*, That inherited lands shall be subject to taxation from and after the date of death of the allottee; and until said lands be partitioned or sold the Secretary of the Interior be, and he hereby is, authorized to pay the taxes on said land out of moneys due and payable to the heirs from the segregated decedent's funds in the Treasury of the United States.

SEC. 2. That the Secretary of the Interior be, and he hereby is, authorized, where the same would be to the best interests of Osage allottees, and the same is recommended by the Osage council, to permit the exchange of homesteads or other allotments, or any portions thereof, of Osage allottees under such rules and regulations as he may prescribe and upon such terms as he shall approve: *Provided*, That where a homestead or homesteads pass in the exchange, in whole or in part, an equivalent in value of land suitable for agricultural purposes shall be furnished, to be designated as a homestead. The new homestead shall be subject to the same restrictions as the original homestead. The Secretary shall have authority to do any and all things necessary to make these exchanges effective.

SEC. 3. That the property of deceased and of orphan minor, insane, or other allottees of the Osage Tribe incompetent under the laws of the State of Oklahoma shall, in probate matters, be subject to the jurisdiction of the probate courts of the State of Oklahoma, but a copy of all papers filed in the probate court shall be served on the superintendent of the Osage Agency at the time of filing, and said superintendent is authorized, whenever the interests of the allottee requires, to appear in the probate court for the protection of the interests of the allottee. The superintendent of the Osage Agency or the Secretary of the Interior, whenever he deems the same necessary, may investigate the conduct of executors, administrators, and guardians or other persons having in charge the estate of any deceased allottee or of minors or persons incompetent under the laws of Oklahoma, and whenever he shall be of opinion that the estate is in any manner being

dissipated or wasted or is being permitted to deteriorate in value by reason of the negligence, carelessness, or incompetency of the guardian or other person in charge of the estate, the superintendent of the Osage Agency or the Secretary of the Interior or his representative shall have power, and it shall be his duty, to report said matter to the probate court and take the necessary steps to have such case fully investigated, and also to prosecute any remedy, either civil or criminal, as the exigencies of the case and the preservation and protection of the interests of the deceased allottee or his estate or of the minor or incompetent person may require, the costs and expenses of the civil proceedings to be a charge upon the estate of the allottee or upon the executor, administrator, guardian, or other person in charge of the estate of the allottee or of the minor or incompetent person and his surety, as the probate court shall determine. Every bond of the executor, administrator, guardian, or other person in charge of the estate of any Osage allottee shall be subject to the provisions of this section and shall contain therein a reference hereto: *Provided*, That no guardian shall be appointed for a minor whose parents are living, unless the estate of said minor is being wasted or misused by such parents: *Provided further*, That no land shall be sold or alienated under the provisions of this section without the approval of the Secretary of the Interior.

SEC. 4. That any minor female Osage allottee who has reached the age of 18 years and whose parents are not living or who has had a guardian previously appointed shall be entitled to have the same care and control and the profits thereof of her lands and moneys as is provided by law for adult Osage allottees, and the Secretary of the Interior shall pay to such minor her annuities and royalties the same as to adult Osage allottees.

SEC. 5. That the Secretary of the Interior be, and he hereby is, authorized, in his discretion, to remove restrictions upon alienation of all or only a described portion of the surplus lands of any Osage allottee, whereupon all such surplus lands or the described portion thereof permitted to be alienated shall become taxable. Public records shall be kept at the office of the register of deeds for Osage County showing what land each allottee is authorized to alienate.

SEC. 6. That the Secretary of the Interior, in his discretion, hereby is authorized, under rules and regulations to be prescribed by him and upon application therefor, to turn over to Osage allottees, including the blind, crippled, aged, or helpless, all or part of the funds in the Treasury of the United States to their individual credit: *Provided*, That he shall be first satisfied of the competency of the allottee or that the release of said individual trust funds would be to the manifest best interests and welfare of the allottee: *Provided further*, That no trust funds of a minor, of a person so afflicted as above mentioned, or an allottee non compos mentis shall be released and paid over except upon the appointment of a guardian and an order of the proper court and after the filing and approval by the court of a sufficient bond conditioned to faithfully administer the funds released and the avails thereof.

SEC. 7. That from and after the approval of this act the lands of deceased Osage allottees, unless the heirs desire to and can agree as to partition of the same, may be partitioned or sold upon proper order of the county court of Osage County, State of Oklahoma, in accordance with the laws of the State of Oklahoma: *Provided*, That no partition or sale of the restricted lands of a deceased Osage allottee shall be valid until approved by the Secretary of the Interior. Where some of the heirs are minors, the county court may appoint a guardian for said minors in the matter of said partition, and partition of said land shall be valid when approved by the county court and the Secretary of the Interior. When the heirs of such deceased allottees have certificates of competency or are not members of the tribe, the restrictions on alienation are hereby removed as to such heirs. If some of the heirs are competent and others have not certificates of competency, the proceeds of such part of the sale as the competent heirs shall be entitled to shall be turned over to them without the intervention of an administrator. The shares due minor Indian heirs, including such Indian heirs as may not be tribal members and those Indian heirs not having certificates of competency, shall be turned into the Treasury of the United States and placed to the credit of the Indians upon the same conditions as attach to segregated shares of the Osage national fund, or paid to the duly appointed guardian, or be disbursed in such manner and to such extent as the Secretary of the Interior may determine. The same disposition as herein provided for with reference to the proceeds of inherited lands sold shall be made of the money in the Treasury of the United States to the credit of deceased Osage allottees.

SEC. 8. That the lands allotted to members of the Osage Tribe shall not in any manner whatsoever, or at any time heretofore or hereafter, be encumbered, taken, or sold to secure or satisfy any debt or obligation contracted or incurred prior to the issuance of a certificate of competency or removal of restriction on alienation, nor shall the lands or funds of Osage tribal members be subject to any claim against the same arising prior to grant of a certificate of competency. That no lands or moneys inherited from Osage allottees shall be subject to or be taken or sold to secure the payment of any indebtedness incurred by such heir prior to the time such lands and moneys are turned over to such heirs: *Provided, however*, That inherited moneys shall be liable for funeral expenses and expenses of last illness of deceased Osage allottees, to be paid upon order of the Secretary of the Interior.

SEC. 9. That any adult member of the Osage Tribe of Indians may dispose of any or all of his estate, real, personal, or mixed, including trust funds from which restrictions as to alienation have not been removed, by will, in accordance with the laws of the State of Oklahoma: *Provided*, That no such will shall be admitted to probate or have any validity unless approved by the Secretary of the Interior.

SEC. 10. That the word "competent," as used in this act, shall mean a person to whom a certificate has been issued authorizing alienation of all the lands comprising his allotment, except his homestead.

SEC. 11. That with respect to this agency the Secretary of the Interior shall have authority to expend for regular employees and other necessary expenses under existing laws a sum not exceeding \$40,000 annually, and the restrictions upon the employment of white persons are hereby removed as to this agency.

SEC. 12. That all acts or parts of acts inconsistent herewith be, and the same hereby are, repealed.

The SPEAKER. Is a second demanded?

Mr. STEPHENS of Texas. I demand a second.

The SPEAKER. Under the rule a second is ordered; and the gentleman from Oklahoma has 20 minutes and the gentleman from Texas 20 minutes.

Mr. McGUIRE of Oklahoma. Hr. Speaker, In 1906 the Osage Indians in Oklahoma were given their allotment. They had 657

acres of land each. The allotment act was very brief. It left a number of things unprovided for that this bill seeks to remedy. Under the original allotment act there was a homestead of 160 acres, and the difference between the homestead of 160 acres and 657 acres under that act was called surplus land. The present law is that the Secretary, upon investigation, may issue to the Osage allottee a certificate of competency, and when that certificate is issued the person of Indian blood can dispose of his surplus land, but not his homestead. In a number of instances the Secretary feels that the Indians can be trusted with a portion of his surplus, but not all, and this bill seeks to remedy that. At present the Secretary can not issue a certificate for a portion of the surplus lands without that applying to all of it, and this is one of the things the bill seeks to remedy.

Another condition that exists is that the original allotment act in the present law provides that this land shall not be taxed for three years. The question has now arisen as to whether this land can be taxed at the expiration of three years, and suits have been begun or the cases are now in course of preparation, and there is going to be heavy litigation. It is the desire of the persons interested, both the taxpayers and the Indians, to have this matter settled, and this bill seeks to remedy that condition and stop those suits. It is recommended by the Secretary of the Interior, in fact he prepared the bill—

Mr. MANN. Where? Why did not we have a report from the Secretary on this bill?

Mr. McGUIRE of Oklahoma. The Secretary has reported it.

Mr. MANN. If he has reported it, why is not the report published in the report of the committee?

Mr. McGUIRE of Oklahoma. I do not know. The Secretary drew this bill.

Mr. MANN. I notice four or five other bills referred to in the report, but this bill is not.

Mr. McGUIRE of Oklahoma. There is a report upon a Senate bill identical with it as amended.

Mr. MANN. We have no way of knowing or examining the Senate bill. Besides, the Secretary recommended an amendment on the Senate bill, and the committee has made amendments on this bill.

Mr. McGUIRE of Oklahoma. Every amendment on this bill and every portion of the bill has been submitted to the Secretary of the Interior, and he has recommended it, and this report we have here from the Interior Department applies to the subject matter in this bill and other bills, which the Secretary has recommended.

Mr. MANN. Oh, yes; the gentleman knows that, but here is a bill introduced on February 1 and reported on February 21, and there was ample time to get a report from the Secretary of the Interior which is not forthcoming and which ought to be forthcoming and printed in the report. This is a technical matter about which Members of the House can not be thoroughly conversant, and they have the right to expect that the committee will furnish a report from the department, whether favorable or unfavorable.

Mr. STEPHENS of Texas. There was an attorney from the department, if I remember correctly, who was with us at the time we were considering this bill.

Mr. MANN. I do not doubt the gentleman's word, but that is a statement that any gentleman can make about a bill. That may be a matter of opinion. It is easy enough to send a bill to the department and have them report upon the bill.

Mr. McGUIRE of Oklahoma. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. BURKE].

Mr. BURKE of South Dakota. Mr. Speaker, this bill was the result of a bill which had been previously introduced, which bill was referred to the department, and I will say that after the bill had been considered to some extent a new bill was introduced. That bill was prepared in the department by the representatives of the Osage Indians participating in the matter of agreeing upon the bill, and when the matter came before the committee it was indorsed by all hands—by the department, by the Indians—and there were three real Indians before the committee, representative Indians, one of them the present governor of the Osage Nation, and the bill represents, as I have already stated, what the department desires and what the Indians wish, and I think is free from any objection and ought to pass.

Mr. McGUIRE of Oklahoma. Also the people of the county were represented by different persons.

Mr. BURKE of South Dakota. Everybody was for this bill. I sent down for the hearings, thinking perhaps there might be some question raised as to what transpired, and there was no final report upon the bill as it is now before the House, and I believe that is what the gentleman is criticizing.

Mr. CLARK of Missouri. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The Chair sustains the point of order.

Mr. MANN. Mr. Speaker, I move that the House do now adjourn.

WITHDRAWAL OF PAPERS—SHIRLEY SHEPARD.

By unanimous consent, Mr. DENBY was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of Shirley Shepard, Sixty-first Congress, no adverse report having been made thereon.

LEAVE TO PRINT.

By unanimous consent, leave was granted to Mr. DAVIDSON to print a brief hearing before the Committee on Railways and Canals on the commerce of the Great Lakes.

VALIDATION OF CERTAIN HOMESTEAD ENTRIES.

Mr. MONDELL. Mr. Speaker, I will ask the gentleman from Illinois if he will withhold his motion for a moment that I may submit the following resolution (H. Con. Res. 63), which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and hereby is, requested to return to the House the bill (H. R. 26290) providing for the validation of certain homestead entries.

Mr. MONDELL. Mr. Speaker, the bill was erroneously enrolled by inserting the word "than" instead of the word "that," and the resolution provides for the return of the bill to the House.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

LEAVE TO EXTEND REMARKS.

Mr. COLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the adoption of the constitution of New Mexico.

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

Mr. AUSTIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the Paymaster Hacker bill.

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

ADJOURNMENT.

Then, in accordance with the motion previously made, the House (at 6 o'clock and 15 minutes) adjourned to meet on Thursday, March 2, 1911, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MOORE of Pennsylvania, from the Committee on the District of Columbia, to which was referred the bill of the House (H. R. 27173) to regulate the storage of food supplies in the District of Columbia, reported the same without amendment, accompanied by a report (No. 2278), which said bill and report were referred to the House Calendar.

Mr. HUGHES of New Jersey, from the Committee on Railways and Canals, to which was referred the bill of the House (H. R. 32910) to authorize the construction of a canal connecting the Hackensack River with Berrys Creek at Rutherford, in the State of New Jersey, reported the same with amendment, accompanied by a report (No. 2279), which said bill and report were referred to the House Calendar.

Mr. ADAIR, from the Committee on Claims, to which was referred the bill of the Senate (S. 9874) to refund to the Gate of Heaven Church, South Boston, Mass., duty collected on stained-glass windows, reported the same without amendment, accompanied by a report (No. 2280), which said bill and report were referred to the Private Calendar.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON: A bill (H. R. 32975) granting an increase of pension to John Gruver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 32976) granting an increase of pension to Jacob Henry; to the Committee on Invalid Pensions.

By Mr. ANDREWS: A bill (H. R. 32977) granting an increase of pension to Martha McGregor; to the Committee on Invalid Pensions.

By Mr. CRAIG: A bill (H. R. 32978) for the relief of George W. Underwood; to the Committee on War Claims.

Also, a bill (H. R. 32979) for the relief of the estate of Samuel H. Allison, deceased; to the Committee on War Claims.

By Mr. FINLEY: A bill (H. R. 32980) to remove the charge of desertion against David R. Lane; to the Committee on Military Affairs.

Also, a bill (H. R. 32981) for the relief of the estate of A. E. Hutchison; to the Committee on War Claims.

By Mr. LAFEAN: A bill (H. R. 32982) granting a pension to Benjamin W. Unger; to the Committee on Pensions.

By Mr. LANGLEY: A bill (H. R. 32983) for the relief of Riley Howard; to the Committee on War Claims.

By Mr. MORGAN of Missouri (by request): A bill (H. R. 32984) for the relief of the Ottawa Indian tribe of Blanchard Fork and Rouch de Boeuf; to the Committee on Indian Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ASHBROOK: Petition of J. C. Barton and 15 other citizens of Creston, Ohio, against increase of postage on magazines; to the Committee on the Post Office and Post Roads.

Also, petition of Blue Ridge Grange, No. 1448, of Coshocton County, Ohio, against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. BARCLAY: Petition of Washington Camps No. 372, of Woodland, and No. 591, of Clearfield, Pa., Patriotic Order Sons of America, for House bill 15413; to the Committee on Immigration and Naturalization.

Also, petition of Leafydale Grange, No. 1268, Patrons of Husbandry, of Custer City, Pa., for Senate bill 5842; to the Committee on Agriculture.

By Mr. BOOHER: Petition of 51 citizens of Fillmore and 46 citizens of Oregon, Mo., against parcels-post system; to the Committee on the Post Office and Post Roads.

By Mr. BURLEIGH: Petition of Charles F. Flynt, commissioner on federal relations of the Maine Legislature, against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. CALDER: Petition of the Manufacturer's Association of New York City, favoring increase of second-class postage rates; to the Committee on the Post Office and Post Roads.

By Mr. CRAIG: Paper to accompany bill for relief of Samuel H. Allison; to the Committee on War Claims.

By Mr. DUREY: Petitions of the Woman's Home Missionary Societies of Round Lake, Waterford, Ballston Spa, and Green Island, all in the State of New York, favoring the enactment of the Miller-Curtis bill, and other prohibition legislation; to the Committee on Alcoholic Liquor Traffic.

Also, petition of the Glens Falls Chapter of the American Woman's League, against increase of postage on second-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Petition of the Sunday School Council of Evangelical denominations, against increase of postal rates on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. FOCHT: Petition of C. H. Miller Hardware Co. and other merchants of Huntingdon, Pa., against a parcels-post system; to the Committee on the Post Office and Post Roads.

By Mr. FORNES: Petition of Collier's Weekly, against increase of postage on magazines; to the Committee on the Post Office and Post Roads.

Also, petition of the American Bonding Co., of Baltimore, against an appropriation of \$200,000 for the establishment of a bonding bureau under the direction of the Treasury Department; to the Committee on Appropriations.

By Mr. FULLER: Petition of County Line Grange, No. 1751, of Illinois, against Canadian reciprocity; to the Committee on Ways and Means.

Also, petition of ladies of Shabbona, Ill., for the Carter-Weeks bill and against increase of postage on magazines; to the Committee on the Post Office and Post Roads.

Also, petition of the National Piano Manufacturing Co. of America, for Canadian reciprocity; to the Committee on Ways and Means.

By Mr. GORDON: Petition of citizens of the tenth Tennessee district, against a parcels-post system; to the Committee on the Post Office and Post Roads.

By Mr. HAWLEY: Memorial of State of Oregon relative to irrigation; to the Committee on Irrigation of Arid Lands.

Also, memorial of State of Oregon for a full and complete parcels post; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Oregon, against a parcels-post system; to the Committee on the Post Office and Post Roads.

By Mr. HENRY of Connecticut: Petition of State Central Pomona Grange of Connecticut, for an enlarged and improved parcels post; to the Committee on the Post Office and Post Roads.

By Mr. HIGGINS: Petition of Lebanon, New London, Ashford, and Lenexet (Conn.) Granges, for a full and complete parcels-post system; to the Committee on the Post Office and Post Roads.

Also, petition of Salem (Conn.) Grange, against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. JAMES: Petition of Local No. 171, Willard, Ky., for House bill 15413; to the Committee on Immigration and Naturalization.

By Mr. LOUD: Petition of Religious Liberty Society of the Seventh-Day Adventist Church, Bay City, and 45 other residents of Bay City, Mich., against Senate bill 404 and House joint resolution 17; to the Committee on the District of Columbia.

Also, petition of Bentley Grange, No. 822, Patrons of Husbandry, against Canadian reciprocity; to the Committee on Ways and Means.

Also, petition of A. A. Keller and 30 other residents of Bentley, Mich., for a full and complete parcels post; to the Committee on the Post Office and Post Roads.

By Mr. McMORRAN: Petition of W. C. Worden and 56 other citizens of Atkins; A. I. Morrison and others, of Lapeer; and Mr. Percy Edgeworth and others, of Fostoria and Otter Lake, against Senate bill 404 and House joint resolution 17; to the Committee on the District of Columbia.

By Mr. MAGUIRE of Nebraska: Petition of citizens of College View, Nebr., against Senate bill 404 and House joint resolution 17; to the Committee on the District of Columbia.

By Mr. MONDELL: Memorial of Legislature of Wyoming, for a full and complete parcels post; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of Wyoming, for legislation relative to conservation; to the Committee on Irrigation of Arid Lands.

By Mr. RAINEY: Petition of citizens of the twentieth congressional district of Illinois, for a parcels-post law; to the Committee on the Post Office and Post Roads.

Also, petition of 166 merchants and business men of the twentieth Illinois congressional district, against the establishment of a local rural parcels-post service; to the Committee on the Post Office and Post Roads.

By Mr. SHEFFIELD: Petition of Local No. 1695, United Brotherhood of Carpenters and Joiners of America, Providence, R. I., for House bill 15413; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Michigan: Petitions of W. L. Ingalls and 35 others, Hattie Losey and 20 others, S. C. Goodrich and 11 others, N. C. Roberts and 14 others, W. C. Roberts and 20 others, Ashbang Grange and others, Geo. H. Williams and 77 others, Peter Foley and 45 others, and C. A. Mapes and 30 others, for a full and complete parcels-post system; to the Committee on the Post Office and Post Roads.

By Mr. STURGISS: Petition of Grafton Baptist Church, Grafton, W. Va., favoring the Burkett-Sims bill; to the Committee on the Judiciary.

By Mr. SULZER: Petition of John A. Griffin against the bonding-bureau item of the deficiency bill; to the Committee on Appropriations.

Also, petition of the Sunday School Council of Evangelical Denominations against increase in postage on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. TILSON: Petitions of Bridgewater, Aspetuck Valley, Kent, Ridgefield, Central Pomona, Burritt, Farmington, Avon, East Hampton, and Clinton Granges, all in the State of Connecticut, for a full and complete parcels-post system; to the Committee on the Post Office and Post Roads.

Also, petitions of Rippowan Grange, No. 145, and granges of Danbury, Lebanon, Greenfield Hill, New London County, and Senexet, all in the State of Connecticut, for a full and complete parcels-post law; to the Committee on the Post Office and Post Roads.

By Mr. TOWNSEND: Petitions of N. P. Hale and 33 others and Blake Cole and Ed Andrews, of Eaton County; and W. B. Pinch and seven others, for a parcels-post system; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Kalamazoo, Mich., insisting that the battleship *New York* be built in a Government navy yard, in compliance with the law of 1910, and for eight-hour clause of naval appropriation bill; to the Committee on Naval Affairs.